

**Office of the Environmental Commissioner**  
**Financial Statement**  
**For the Year Ended March 31, 2018**



## Responsibility for Financial Reporting

The accompanying financial statement of the Office of the Environmental Commissioner has been prepared in accordance with the accounting policies described in Note 2 of the financial statement, and is the responsibility of management. The financial statement has been properly prepared within the reasonable limits of materiality and in light of information up to August 23, 2016.

Management is responsible for the integrity of the financial statement and maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The financial statement has been audited by the Office of the Auditor General of Ontario. The Auditor General's responsibility is to express an opinion on whether the financial statement is prepared in accordance with the accounting principles described in Note 2 to the financial statement. The Independent Auditor's Report outlines the scope and the Auditor's examination and opinion.

Dianne Saxe  
Environmental Commissioner

Date





Office of the Auditor General of Ontario  
Bureau de la vérificatrice générale de l'Ontario

*Independent Auditor's Report*

To the Environmental Commissioner  
and to the Speaker of the Legislative Assembly of Ontario

I have audited the accompanying statement of expenditure of the Office of the Environmental Commissioner for the year ended March 31, 2018 and a summary of significant accounting policies and other explanatory information (together "the financial statement").

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation of this financial statement in accordance with the basis of accounting described in Note 2 to the financial statement, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, as well as evaluating the overall presentation of the financial statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statement of the Office of the Environmental Commissioner for the year ended March 31, 2018 is prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the financial statement.

**Basis of Accounting**


Without modifying my opinion, I draw attention to Note 2 to the financial statement, which describes the basis of accounting used in the preparation of this financial statement and the significant differences between such basis of accounting and Canadian public sector accounting standards. The financial statement is prepared to meet the reporting provisions under the *Legislative Assembly Act* for the purposes of reporting as part of the Legislative Assembly Fund. As a result, the financial statement may not be suitable for another purpose.

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Toronto, Ontario  
August 23, 2018

  
Bonnie Lysyk, MBA, FCPA, FCA, LPA  
Auditor General

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# Office of the Environmental Commissioner

## Statement of Expenditure

For the Year Ended March 31, 2018

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	Budget (Note 6) \$	2018 \$	2017 \$
Salaries and wages	2,872,700	2,292,675	2,047,262
Employee benefits (Note 4)	660,700	448,685	544,139
Transportation and communication	125,300	87,706	74,054
Services	1,230,500	866,464	954,782
Supplies	177,400	95,253	110,565
	<hr/> 5,066,600	<hr/> 3,790,783	<hr/> 3,730,802

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Commitments (Note 5)

See accompanying notes to financial statement.

Approved by:



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Environmental Commissioner

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# Office of the Environmental Commissioner

## Notes to Financial Statement

March 31, 2018

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### 1. Background

The Office of the Environmental Commissioner (Office) commenced operation May 30, 1994. The Environmental Commissioner is an independent officer of the Legislative Assembly of Ontario, and promotes the values, goals and purposes of the *Environmental Bill of Rights, 1993 (EBR)* to improve the quality of Ontario's natural environment. The Environmental Commissioner also monitors and reports on the application of the *EBR*, participation in the *EBR*, and reviews government accountability for environmental decision making.

### 2. Significant Accounting Policies

#### BASIS OF ACCOUNTING

The Office, as part of the Legislative Assembly Fund, follows the modified cash basis of accounting which allows an additional 30 days to pay for expenditures incurred during the year just ended. This differs from Canadian public sector accounting standards in that for example, under the modified cash basis of accounting liabilities incurred but unpaid within 30 days of the year end are not recorded until paid, and expenditures for assets such as computers and office furnishings are expensed in the year of acquisition rather than recorded as capital assets and amortized over their useful lives.

### 3. Expenditures

Expenditures are paid out of monies appropriated by the Legislative Assembly of Ontario. These monies are part of the Legislative Assembly Fund. Expenditures are reported net of recoverable sales tax which is recovered by the Office of the Assembly on the Office's behalf.

Certain administrative services are provided by the Office of the Assembly without charge.

### 4. Pension Plan and Post-retirement Benefits

The Office's permanent employees (and non-permanent employees who elect to participate) participate in the Public Service Pension Fund (PSPF) which is a defined benefit pension plan for employees of the Province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPF, determines the Office's annual payments to the fund. As the sponsor is responsible for ensuring that the pension funds are financially viable, any surpluses or unfunded liabilities arising from statutory actuarial funding valuations are not assets or obligations of the Office. The Office's required annual payments of \$173,000 (2017 - \$229,000), are included in employee benefits expense.

The cost of post-retirement non-pension benefits were paid by Treasury Board Secretariat and are not included in the statement of expenditure.

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# Office of the Environmental Commissioner

## Notes to Financial Statement

March 31, 2018

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### 5. Lease Commitments

The Office has a lease agreement with its landlord for its current premises expiring on February 28, 2023. The minimum lease payments for the remaining term of the lease are as follows:

	\$
2018/19	155,800
2019/20	155,800
2020/21	155,800
2021/22	155,800
2022/23	142,800
	<u>766,000</u>

The Office paid its proportionate share of realty taxes and operating expenses for the premises amounting to approximately \$121,500 during 2017.

### 6. Budgeted Figures

Budgeted figures were prepared by the Office and approved by the Board of Internal Economy – an all-party legislative committee.

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