

Office of the Fairness Commissioner

Financial Statements

March 31, 2011

Independent Auditors' Report

To the Fairness Commissioner

We have audited the accompanying financial statements of the **Office of the Fairness Commissioner**, which comprise the balance sheet as at **March 31, 2011** and the statements of operations and operating surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Office of the Fairness Commissioner

Independent Auditors' Report

Page 2

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Office as at **March 31, 2011** and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**Mississauga, Ontario
April 21, 2011**

**Clarkson Rouble LLP
Chartered Accountants
Licensed Public Accountants**

Office of the Fairness Commissioner

Balance Sheet As at March 31

	2011	2010
Assets		
Current		
Cash	\$ 46,282	\$ 83,386
Short term investments	203,661	-
Accounts receivable	2,120	7,778
Sales tax rebate receivable	30,866	-
Prepaid expenses	23,946	33,938
	<hr/> 306,875	<hr/> 125,102
Capital assets (Note 3)	25,640	20,657
	<hr/> \$ 332,515	<hr/> \$ 145,759

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 51,314	\$ 28,971

Surplus

Operating	281,201	116,788
	<hr/> \$ 332,515	<hr/> \$ 145,759

On behalf of the Office:

Commissioner

Office of the Fairness Commissioner

Statement of Operations and Operating Surplus Year Ended March 31

	2011	2010
Revenues		
Ministry of Citizenship and Immigration	\$ 1,689,900	\$ 1,689,900
Interest income	5,907	849
Sundry income	26,404	-
	<u>1,722,211</u>	<u>1,690,749</u>
Expenses		
Salaries, wages and benefits	1,053,473	1,084,310
Services	313,759	436,929
Office administration	125,546	108,080
Transportation and communications	53,009	41,932
Amortization	12,011	13,757
	<u>1,557,798</u>	<u>1,685,008</u>
Excess of revenues over expenses	164,413	5,741
Operating surplus, beginning of year	116,788	111,047
Operating surplus, end of year	\$ 281,201	\$ 116,788

Office of the Fairness Commissioner

Statement of Cash Flows Year Ended March 31

	2011	2010
Operating activities		
Excess of revenues over expenses for the year	\$ 164,413	\$ 5,741
Items not requiring an outlay of cash		
Amortization	12,011	13,757
	176,424	19,498
Net change in working capital items		
Operating working capital		
Accounts receivable	5,658	(1,561)
Sales tax rebate receivable	(30,866)	-
Prepaid expenses	9,992	(18,080)
Accounts payable and accrued liabilities	22,343	(27,602)
Increase (decrease) from operating activities	183,551	(27,745)
Investing activity		
Purchase of capital assets	(16,994)	(2,379)
Increase (decrease) in cash	166,557	(30,124)
Cash, beginning of year	83,386	113,510
Cash, end of year	\$ 249,943	\$ 83,386
Represented by:		
Cash	\$ 46,282	\$ 83,386
Short-term investments	203,661	-
	\$ 249,943	\$ 83,386

Office of the Fairness Commissioner

Notes to Financial Statements

March 31, 2011

1. Purpose of the Office

The Office of the Fairness Commissioner is responsible for assessing the registration practices of certain regulated professions. Its purpose is to make sure these practices are transparent, objective, impartial and fair for anyone applying to practice his or her profession in Ontario.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies followed in the preparation of these financial statements are:

a) Cash and short term investments

Cash and short term investments consist of cash on hand, current bank accounts, and short-term investments, with redemptions within one year of the year end.

b) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Furniture and fixtures	5 years
Computer equipment	3 years

c) Revenues

Funds provided by the Ministry of Citizenship and Immigration are recognized in the year in which they are received.

d) Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual amounts could differ from these estimates.

Office of the Fairness Commissioner

Notes to Financial Statements March 31, 2011

3. Capital assets

Capital assets consists of the following:

			2011	2010
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	\$ 60,054	\$ 34,414	\$ 25,640	\$ 20,657
Computer equipment	15,433	15,433	-	-
	\$ 75,487	\$ 49,847	\$ 25,640	\$ 20,657

4. Financial instruments

The Office has evaluated the fair value of its financial instruments based on the current interest rate environment, market values and the actual prices of financial instruments with similar terms. The carrying value of financial instruments is considered to approximate fair value.

5. Commitments

The Office has committed \$160,000 for leasehold improvements which will be completed in the next fiscal year.