

**Crown Corporations Council**  
*A Manitoba Crown Corporation*

**Third Quarter Report 2005**

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# **Crown Corporations Council**

*Third Quarter Report  
For the Three Months Ended September 30,  
2005*

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December 1, 2005

The Honourable Gregory Selinger  
Minister responsible for  
Crown Corporations Council  
103 Legislative Building  
WINNIPEG, Manitoba  
R3C OV8

Dear Minister:

The Council is required under the Crown Corporations Public Review and Accountability Act to provide a quarterly report. Enclosed is the Report for the three months ended September 30, 2005.

Yours truly,

ORIGINAL SIGNED BY  
Arthur V. Mauro  
Chair

**Crown Corporations Council**  
*Third Quarter Report 2005*

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**Activities of the Council During the Quarter**

Council staff coordinated the Crowns participation in a working group to discuss requirements and issues related to the Province's transition to summary budgeting and reporting.

**Submissions to Council**

During the reporting period, no submissions were made to Council.

**Crown Corporations Council**  
*Third Quarter Report 2005*

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**Overview**

**Crown Corporations Council**

**Financial Statements**

**For the Nine Months Ended September 30, 2005**

**(unaudited)**

Operating expenses are recovered from the Crown corporations through assessment of levies allocated on a pro rata basis determined by the revenues of each Crown corporation. The levies are recognized in these financial statements at the time the related costs are incurred.

Expenses for the nine month period increased by \$15 thousand compared to the same period last year. The increase is primarily attributable to general salary increases, board remuneration and expenses due to filling of vacant positions and higher depreciation related to the purchase of a new computer system.

**Balance Sheet**  
(unaudited)

	September 30	
	2005	2004
	(thousands of dollars)	
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 397	\$ 391
Accounts receivable	-	-
	<u>397</u>	<u>391</u>
<b>Capital assets (note 2)</b>	24	39
	<u>\$ 421</u>	<u>\$ 430</u>
<b>Liabilities and Reserve Reflecting Net Investment in Capital Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 56	\$ 63
Levies received in advance	160	129
Due to Manitoba Crown corporations	77	124
	<u>293</u>	<u>316</u>
<b>Retirement allowances and other benefits payable</b>	104	75
	<u>397</u>	<u>391</u>
<b>Reserve reflecting net investment in capital assets</b>	24	39
	<u>\$ 421</u>	<u>\$ 430</u>

**Statement of Income and Reserve**  
**Reflecting Net Investment in Capital Assets**  
**(unaudited)**

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	Nine Months Ended September 30	
	2005	2004
	(thousands of dollars)	
<b>Income</b>		
Recoveries from corporations through levies	\$ 485	\$ 515
Interest	4	4
	<u>489</u>	<u>519</u>
<b>Expenses</b>	<u>500</u>	<u>485</u>
<b>Excess (deficit) of income over expenses</b>	\$ (11)	\$ 34
<b>Reserve reflecting net investment in capital assets, beginning of period</b>	<u>35</u>	<u>5</u>
<b>Reserve reflecting net investment in capital assets, end of period</b>	<u>\$ 24</u>	<u>\$ 39</u>

**Notes to Financial Statements**  
**September 30, 2005**

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**1. Recoveries of expenses from Crown corporations**

Operating expenses are recovered from the Crown corporations through the assessment of levies allocated on a pro rata basis determined by the revenues of each Crown corporation. The levies are recognized in these financial statements at the time the related costs are incurred. In addition, certain direct costs incurred on behalf of particular corporations are recovered directly from the respective Crown corporations.

**2. Capital assets and depreciation policy**

These are comprised of office furniture and equipment and computer equipment:

	September 30	
	2005	2004
	(in thousands of dollars)	
Cost		
Office furniture & equipment	\$61	\$61
Computer equipment	46	53
	<u>\$107</u>	<u>\$114</u>
Accumulated Depreciation		
Office furniture & equipment	57	55
Computer equipment	26	20
	<u>83</u>	<u>75</u>
Net Book Value	<u><u>\$24</u></u>	<u><u>\$39</u></u>

Capital assets are recorded at cost. Depreciation is provided on a straight line basis over five years on the office furniture and equipment and over three years on the computer equipment.

**3. Statement of cash flows**

A statement of cash flows has not been presented in these financial statements as no additional useful information would be provided by its inclusion.