

SECOND QUARTER REPORT 2008

CROWN CORPORATIONS COUNCIL

A Manitoba Crown Corporation

NATURE OF ORGANIZATION

The Crown Corporations Public Review and Accountability Act (the Act) established the Crown Corporations Council as a body corporate on June 5, 1989. The Act establishes an accountability framework for seven Crown corporations subject to the legislation that encompasses Boards of Directors, Ministers responsible, the Manitoba Legislature, Crown Corporations Council and if applicable, the Public Utilities Board. The Crown corporations to which the Act applies represent most of Manitoba's large commercial Crown enterprises. The Council's role is to facilitate, in co-operation with each corporation, the development of clear mandates and statements of purpose, the development of consistent and effective performance measures, to review corporate and capital expenditure plans, and ensure consistent practices among Crowns where appropriate.

ACTIVITIES OF THE COUNCIL DURING THE QUARTER

Council released its 2007 Annual Report and its First Quarter Report 2008.

Staff completed a review of Manitoba Lotteries Corporation. The review encompassed governance, corporate plans and strategic initiatives.

Council completed recruitment for two Senior Business Analysts.

At the request of the Minister responsible, Council is assessing Director training related to financial and risk management. Related to the request, staff reviewed and refreshed Director's Governance Orientation training materials.

SUBMISSIONS TO COUNCIL

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

Cette information existe également en français.

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OVERVIEW - FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2008 (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 period were lower than the same period last year due to a staff vacancy.

| Balance Sheet (unaudited) | (thousands of dollars) | | Statement of Income and Reserve Reflecting Net Investment in Capital Assets (unaudited) | (thousands of dollars) | |
|--|------------------------|--------------|--|-----------------------------|---------------|
| | June 30 | | | Six Months Ended June 30 | |
| | 2008 | 2007 | | 2008 | 2007 |
| Assets | | | Income | | |
| Current: | | | Recoveries from corporations through levies | \$308 | \$341 |
| Cash | \$488 | \$497 | Interest | <u>5</u> | <u>6</u> |
| Accounts receivable | <u>1</u> | <u>1</u> | | 313 | 347 |
| | 489 | 498 | Expenses | <u>313</u> | <u>352</u> |
| Capital assets | 1 | 1 | | | |
| | <u>\$490</u> | <u>\$499</u> | Excess (deficit) of income over expenses | \$ 0 | \$ (5) |
| Liabilities and Reserve Reflecting Net Investment in Capital Assets | | | Reserve reflecting net investment in capital assets, beginning of period | 1 | 6 |
| Current: | | | Reserve reflecting net investment in capital assets, end of period | <u>\$ 1</u> | <u>\$ 1</u> |
| Accounts payable and accrued liabilities | \$ 77 | \$ 80 | | | |
| Levies received in advance | 68 | 169 | Notes to Financial Statements June 30, 2008 (unaudited) | | |
| Due to Manitoba Crown corporations | <u>162</u> | <u>99</u> | 1. These financial statements should be read in conjunction with the Crown Corporations Council's 2007 Annual Report. | | |
| | 307 | 348 | 2. These interim financial statements have been prepared following the same accounting policies that are disclosed in the Crown Corporations Council's Annual Report. | | |
| Retirement allowances and other benefits payable | <u>182</u> | <u>150</u> | | | |
| | 489 | 498 | | | |
| Reserve reflecting net investment in capital assets | 1 | 1 | | | |
| | <u>\$490</u> | <u>\$499</u> | | | |