



HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

2021 ANNUAL REPORT

MESSAGE FROM THE SPEAKER

As Speaker of the Nova Scotia House of Assembly and Chair of the House of Assembly Management Commission, I am pleased to present the Annual Report for the House of Assembly Management Commission for the calendar year January 1 to December 31, 2021.

This Report sets out the decisions and activities of the Management Commission as required by Section 11 of the *House of Assembly Management Commission Act*. It also contains a narrative of the Audit Committee's work during the year.

Pursuant to subsection 22(5) of the *House of Assembly Management Commission Act*, this Report contains as an Appendix both of the Auditor General's Independent Practitioner's Reasonable Assurance Reports for the House of Assembly for the year ending March 31, 2021. The Independent Practitioner's Reasonable Assurance Reports provide three opinions of the Auditor General as follows:

- (a) "In my opinion, the House of Assembly's expenditures complied, in all significant respects, with the specified requirements established in Section 22(5)(b) of the *House of Assembly Management Commission Act* for the year ended March 31, 2021."
- (b) "In my opinion, the Chief Clerk's assessment of the operating effectiveness of internal controls of the House of Assembly is, in all material respects, fairly stated and internal controls were operating effectively for the year ended March 31, 2021."
- (c) "In my opinion, the House of Assembly complied, in all significant respects, with the specified requirements established in Section 23(1) of the *House of Assembly Management Commission Act*, for the period of April 1, 2017 to March 31, 2021."

The House of Assembly Management Commission has worked diligently to meet its mandate as set out in legislation during the past year.

I would like to thank the members of the House of Assembly Management Commission, the members of the Audit Committee as well as the employees of the House of Assembly for their work during the 2021 calendar year.

Hon. Keith Bain
Speaker of the House of Assembly
Chair, House of Assembly Management Commission

Date: January 18, 2022

Purpose of the House of Assembly Management Commission

The House of Assembly Management Commission (the Management Commission) was established pursuant to Section 3 of the *House of Assembly Management Commission Act* (the Act).

The purpose of the Management Commission is to oversee the financial operation of the House of Assembly. The duties of the Commission are set out at subsection 11(1) of the Act:

11 (1) The Commission is responsible for the financial stewardship of all public money that may be voted by the House of Assembly for the use and operation of the Assembly, and for all matters of financial and administrative policy affecting the Assembly and its members, offices and staff and in connection with them and, in particular, the Commission shall

- (a) monitor the expenditures of the Assembly;*
- (b) review and approve the administrative, financial, human-resource and management policies and procedures of the Assembly offices;*
- (c) implement and periodically review and update financial and management policies applicable to the Assembly offices;*
- (d) give directions with respect to matters that the Commission considers necessary for the efficient and effective operation of the Assembly offices;*
- (e) make and keep current regulations respecting the proper administration of allowances for members of the Assembly and reimbursement and payment of their expenditures;*
- (f) annually report, in writing, to the House of Assembly, through the Chair, with respect to its decisions and activities; and*
- (g) exercise other powers given to the Commission and perform other duties imposed on the Commission under this or another Act.*

Clause 11(1)(f) of the Act requires the Management Commission to report annually its decisions and activities. This Report is the Annual Report of the decisions and activities of the Management Commission for the calendar year January 1 to December 31, 2021.

In carrying out its duties, the Management Commission is greatly assisted by the work of its Audit Committee. The duties of the Audit Committee are set out at subsection 18(1) of the Act:

18 (1) The Audit Committee shall

(a) provide assistance to the Commission in fulfilling its oversight responsibility to the House of Assembly and the public with respect to stewardship of public money;

(b) make recommendations to the Commission respecting the choice of and terms of engagement and compensation of the auditor appointed under Section 22;

(c) review the audit plans of the auditor, including the general approach, scope and areas subject to risk of material misstatement;

(d) review the audit report and recommendations of the auditor and give advice about them to the Commission;

(e) review the compliance report issued and recommendations, if any, provided by the Auditor General as a result of a compliance audit conducted under Section 23 and give advice on that report and those recommendations to the Commission;

(f) review internal audit reports and make recommendations to the Commission as required in respect of matters arising from those reports and generally make recommendations with respect to internal audit procedures of the Assembly;

(g) review with the Chief Clerk the effectiveness of internal control and other financial matters, as well as compliance with legal requirements respecting accountability, record-keeping, tendering and conflict of interest in the Assembly offices;

(h) establish procedures for the receipt and treatment of complaints regarding accounting and internal controls, and the confidential submission by staff of the Assembly offices and by members of the public service of concerns regarding questionable accounting or auditing matters;

(i) use reasonable efforts to satisfy themselves as to the integrity of the Assembly's financial information systems and the competence of accounting personnel and senior financial management responsible for accounting and financial reporting;

(j) review disclosure practices of the Commission to ensure full, plain and timely disclosure of its decisions respecting financial matters; and

(k) act on, advise and report on other matters relating to the financial affairs of the Assembly as may be required by the Commission.

The Audit Committee is established pursuant to Section 15 of the Act. There are four members of the Audit Committee. The lay membership of the Audit Committee was Mr Gordon D. Moore, FCPA, FCA, from Halifax, a former CEO & Executive Director of the Institute of Chartered Accountants of Nova Scotia and a retired audit partner with KPMG, and Ms Susan J. Mclsaac, FCPA, FCA, from Amherst, a partner with Mclsaac, Darragh Chartered Accountants. Neither of these members are MLAs but are residents of Nova Scotia with demonstrated knowledge and experience in financial matters selected by the Chief Justice of Nova Scotia as required at clause 15(2)(b) of the Act. Mr. Moore also served as Chair of the Audit Committee.

Hon. Geoff MacLellan and Allan MacMaster, members of the Management Commission, were selected by the Management Commission as required by clause 15(2)(a) of the Act and served on the Audit Committee from the beginning of the year until, on August 16, 2021, they ceased to be members of the Commission under subsection 3(6) of the Act. The Chief Clerk is the secretary of the Audit Committee as set out in Section 17 of the Act.

Composition of the House of Assembly Management Commission

The composition of the Management Commission, as set out at subsection 3(2) of the Act is: The Speaker (the Chair), the Deputy Speaker, the Government House Leader, two additional members of the Government Caucus (of whom only one may be a member of the Executive Council), the Official Opposition House Leader, one additional member of the Official Opposition Caucus and one member of the caucus of each other recognized party.

At present, there are eight members of the Management Commission. The Chief Clerk is a non-voting member and secretary of the Management Commission. For the reporting period of January 1 to December 31, 2021, the voting membership of the Management Commission was:

Speaker

Hon. Kevin Murphy (January 1 to August 16)

Hon. Keith Bain (September 24 to December 31)

Deputy Speaker

Mr Brendan Maguire (January 1 to February 23)

Mr Keith Bain (March 11 to August 16)

Ms Angela Simmonds (September 24 to December 31)

Government House Leader

Hon. Geoff MacLellan (January 1 to August 16)

Hon. Kim Masland (September 1 to December 31)

Government Caucus representative (member of Executive Council)

Hon. Chuck Porter (January 1 to August 16)

Hon. Allan MacMaster (October 13 to December 31)

Government Caucus representative (not member of Executive Council)

Ms Rafah DiCostanzo (January 1 to August 16)

Ms Danielle Barkhouse (October 13 to December 31)

Official Opposition House Leader

Mr Allan MacMaster (January 1 to August 16)

Hon. Derek Mombourquette (September 7 to December 31)

Recognized Party representative

Claudia Chender (January 1 to August 16, October 13 to December 31)

Meetings of the House of Assembly Management Commission

The Management Commission met on the following dates during the reporting period:

January 28, 2021

May 4, 2021

In accordance with subsection 9(3) of the Act, following each meeting the Chief Clerk prepares, for consideration and approval by the Management Commission at its next meeting, the minutes containing the substance of all decisions of the Management Commission. The minutes as approved by the Management Commission along with the Hansard transcribed recordings of the meetings are posted on the House of Assembly website. The address is: <https://nslegislature.ca/members/governance-and-accountability/house-of-assembly-management-commission>.

Meetings of the Audit Committee

The Audit Committee met on the following dates during the reporting period:

January 19, 2021

May 27, 2021

As required by subsection 18(3) of the Act, the Audit Committee reported formally on January 18, 2022, to the Management Commission as follows:

1) January 19, 2021 Meeting

Digital Identification Update

The Audit Committee heard that the plan to move to Adobe's certificate-based signature was progressing. Detailed instructions for Members and office staff were being worked on and the expense claim forms were being updated to receive the new digital signature. The Audit Committee was advised that the Office of the Speaker intended to

work through the caucus offices to ask a few Members to test the instructions and process and tweak where required based on their feedback.

The Audit Committee heard that the Office of the Speaker had been advised by the Chief Legislative Counsel, and concurred by the Chief Clerk, that this change did not have to go to the Commission for approval. To accept the certificate-based signatures, all new claim forms needed to be created and shared to Members; meaning only the certificate-based signature could be entered in the new claim form. The Office of the Speaker advised of the intention to keep both signature options (meaning both versions of claim forms) open for a period to allow those slower to adapt time to adjust. Assuming all went well, the change to Adobe's certificate-based signature was expected to be effective April 1, 2021.

Mr MacMaster expressed support for the measure. The Chair advised that in creating the new form, the Office of the Speaker should ensure that none of the existing controls be lost. Hon. Mr MacLellan expressed support but asked for the specific rationale for the use of the new digital signatures. The Office of the Speaker advised that the new system was more secure and would ensure that the form cannot be altered after the signature is applied. Ms McIsaac expressed support for the plan to have a few members test out the new system.

Insurance Coverage for Constituency Offices

The Audit Committee heard that the proposal to change the parties to the Member constituency office leases from the Landlord and Her Majesty the Queen (as represented by the Speaker) to the Landlord and the Member would not affect insurance coverage through the provincial insurance policy. The slip-and-fall liability over which some Members had expressed concern would continue to be covered irrespective of the change in the lessee.

Removing the Department of Transportation and Infrastructure Renewal as a resource for Members in the House of Assembly Management Commission Regulations

The Audit Committee heard that the Office of the Speaker had been in contact with an external consultant recommended by the Department of Transportation and Infrastructure Renewal (TIR) who could help advise on the barrier-free requirements for constituency offices. The Audit Committee also heard that TIR had hired a senior architect to focus on barrier-free and accessibility matters. The Speaker and the Deputy Minister of TIR would need to determine whether to retain TIR for such services.

Hon. Mr MacLellan expressed support for the TIR option. The Chief Clerk advised that he would follow up with the Speaker on consultations between Speaker and House Leaders on whether to engage with TIR regarding the obtaining the services of the new TIR senior architect.

Risk Assessment Update

As a follow up to the cybersecurity risk discussion at the previous meeting, it was suggested that the Office of the Speaker contact the Manager of Legislative Television to obtain more information regarding Member electronic devices (non-government

purchases). The Audit Committee heard that Legislative Television had been finding it challenging to support Members who needed to use virtual platforms to conduct their work (committees, etc.). Legislative Television had been asked by the Speaker to conduct a survey of Members to determine what devices and platforms they were using, and this survey was still underway. As well, the Office of the Speaker had reached out to Canadian Association of Parliamentary Administration members to ask the following questions:

- Do you issue members standard laptops?
- Do you issue government emails?
- Do you make it mandatory for legislative communications to be via the govt emails?
- For those who do issue laptops and emails, do you have in-house IT support?
- And if not, how do you manage IT support to members?
- And for those who have moved to issuing laptops and emails, do you have business plan or a proposal (pros and cons) for doing so that you can share?

It was noted that for a few years there has been discussion of issuing a “package” to new Members which would include a laptop (and cell) with a standard operating system (Microsoft) already loaded with links and info Members would need to do their jobs. Since COVID-19 and work being done virtually, this initiative had become even more important.

It was advised that the Office of the Auditor General had not sent any follow-up questions regarding Office of the Speaker’s detailed reply to the Auditor General’s query about cybersecurity.

The Chair noted that there are ways to address the Members’ concerns about receiving a standard package, such as providing a specification sheet to Members and allowing the Members to purchase packages in conformity with the specification sheet.

2020-2021 3rd Quarter Financials

The financials for the 2020-2021 3rd Quarter were reviewed by the Audit Committee. The Chair noted that the expenditures for Hansard Reporting Services and House of Assembly Operations were significantly below forecast. The Office of the Speaker advised that this was caused by the low number of sitting days, which resulted in reduced hours for casual staff and legislative pages.

2020 Audit Committee Annual Report

The 2020 Audit Committee Annual Report was reviewed by the Audit Committee. The Audit Committee directed that the summary of the discussion of the 2019-2020 Audit Plan at the November 24, 2020 meeting reflect that the deferral of the subsection 23(1) compliance opinion until the 2020-21 audit still meets the statutory obligation of completing the audit at least once every General Assembly. It further directed that the last heading appearing on the penultimate page of the Report move to final page. The Audit Committee then approved the Annual Report for submission to the Commission.

2) **May 27, 2021 Meeting**

2020-2021 Audit Report

Following the introduction of the new Auditor General, Kim Adair MacPherson, the Audit Committee heard that the audit identified no significant risks or responses. The COVID-19 pandemic was an issue but didn't affect the engagement.

The 2020-2021 Audit Report contained three opinions as follows:

- i. An unmodified opinion that the House's expenditures complied, in all significant respects, with the specified requirements established in Section 22(5)(b) of the Act for the year ended March 31, 2021;
- ii. An unmodified opinion that the Chief Clerk's assessment of the effectiveness of internal controls of the House is, in all material respects, fairly stated and that the internal controls were operating effectively for the year ended March 31, 2021; and
- iii. An unmodified opinion that the House complied, in all significant respects, with the specified requirements established in Section 23(1) of the Act, for the period of April 1, 2017 to March 31, 2021.

The actual engagement cost for the 2020-2021 audit was \$25,000, the same as was budgeted.

The Chair asked why a legal opinion caveat was included with the opinion respecting compliance with clause 22(5)(b) but not with the opinion respecting compliance with subsection 23(1). The Audit Committee was advised that this aspect of the opinions would be reviewed before providing the signed copies of the opinions. (The signed opinions were received later that day, with the opinion respecting compliance with subsection 23(1) including the caveat. The Office of the Auditor General advised that inclusion of the caveat is a reporting requirement of Canadian Standard on Assurance Engagement 3531, *Direct engagements to report on compliance*, and its omission from the draft report was unintentional.)

In response to a question from Hon. Mr. MacLellan, it was advised that the audit was based on reviewing samples of work; if issues had been uncovered, recommendations would have been made accordingly.

Digital Identification Update

The Committee heard that effective April 1st, 2021, all Member expense claim forms required Adobe's certificate-based digital signature and Members had been advised to use these forms. It was advised that the transition to digital signatures was going well, with only a few Members slow to adopt the new process. Hon. Mr MacLellan and Mr MacMaster provided positive feedback regarding the ease of using digital signatures.

Removing the Department of Transportation and Infrastructure Renewal as a resource for Members in the House of Assembly Management Commission Regulations

The Audit Committee heard that the *House of Assembly Management Commission Regulations* were amended at the May 4, 2021 meeting of the Commission to remove

the language mandating the use of TIR as a resource for Members regarding their constituency offices.

Risk Assessment Update

The Audit Committee heard that Legislative Television had recommended that a project to standardize the Member IT platform be seriously considered to resolve potential cyber-security risks and to provide harmonious support to all Members. Member support includes assistance to connect and participate in virtual sessions and meetings of the legislature and accessing online supports from the Office of the Speaker. This additional support requires the hiring of one full-time staff member and one part-time staff member (for legislative sessions) to constitute a Legislative IT Division.

Mr MacMaster indicated that MLAs would likely be reticent, as it would interfere with their ability to make choices about their preferred IT set-up. Ms McIsaac expressed support for standardization. The Chair expressed concern over the security risk posed by the lack of standardization. Hon. Mr MacLellan expressed support for the proposal, which is similar to the standardization of IT platforms for Cabinet Ministers. The Chief Clerk advised that the use of hybrid proceedings made the need for standardization more acute, as the range of cameras and microphones used by MLAs appearing remotely affected the quality of broadcasts and the intelligibility of the recordings used to produce Hansard. Hon. Mr. MacLellan advised that the proposal would be an easier sell to MLAs if the IT package came from an appropriation separate from the MLAs' individual budgets.

Member Budget Allocation Review

The Audit Committee heard that at the May 4, 2021 Management Commission meeting, the following motion was passed: "that the House of Assembly Management Commission directs staff to consider the best way to conduct a review of MLA office budget allocations and report back at the next meeting of this commission."

The impetus for this review was described as being the perception that Halifax Members pay higher rents and the belief that since Member office rents are not in the control of the Members, the financial impact of rent on Member budgets should be considered and flattened. The Committee heard that Member office rents range from \$2900/month to \$750/month and are not consistently higher in the city, but usually are.

Mr MacMaster stated that rent is not necessarily cheaper in rural areas, citing high rents per square foot paid by himself and other Members from rural areas. Hon. Mr MacLellan stated his support for looking more closely at the issue. The Chief Clerk advised that the mandate from the Commission was limited to determining the best way to conduct the review. The Chair indicated that he was not comfortable with the Audit Committee conducting the review. The Audit Committee concluded that the best approach was for the Office of the Speaker to provide a list of options regarding how to conduct the review and allow the Commission to decide.

Activities and Decisions of the House of Assembly Management Commission

At the January 28, 2021 meeting, the Management Commission:

- (a) reviewed the 2020-2021 3rd quarter financials;
- (b) approved the 2020 Audit Committee Annual Report;
- (c) approved the 2020 House of Assembly Management Commission Annual Report and directed the Chair to table the report in the House of Assembly; and
- (d) authorized the next meeting of the Management to be held virtually, if necessary.

At the May 4, 2021 meeting, the Management Commission:

- (a) approved amendments to Sections 18, 19, 19A and 19B of the Regulations and a revised form of lease for Members' constituency offices;
- (b) approved amendments to Section 43A of the Regulations;
- (c) approved amendments to Sections 19B and 43 of the Regulations; and
- (c) directed staff to consider the best way to conduct a review of MLA office budget allocations and report back at the next meeting of the Commission.

Auditor General's Audit

Attached to this Annual Report is:

- Appendix 1 Independent Practitioner's Reasonable Assurance Report on the House of Assembly's Compliance with Section 22(5)(b) of the House of Assembly Management Commission Act
- Appendix 2 Independent Practitioner's Reasonable Assurance Report on the Chief Clerk's Assessment of Internal Controls and Whether Internal Controls are Operating Effectively in Accordance with Section 22(5)(c) of the House of Assembly Management Commission Act
- Appendix 3 Independent Practitioner's Reasonable Assurance Report on the House of Assembly's Compliance with Section 23(1) of the House of Assembly Management Commission Act



INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON THE HOUSE OF ASSEMBLY'S COMPLIANCE WITH SECTION 22(5)(B) OF THE HOUSE OF ASSEMBLY MANAGEMENT COMMISSION ACT

To the Chair of the House of Assembly Management Commission of Nova Scotia:

I have undertaken a reasonable assurance engagement of the House of Assembly's compliance during the period April 1, 2020, to March 31, 2021, with Section 22(5)(b) of the *House of Assembly Management Commission Act* ("the specified requirements") which requires expenses incurred by the House of Assembly be made in accordance with the policies of the House of Assembly Management Commission and, where applicable, the policies of the public service of the Province of Nova Scotia.

Management's Responsibility

Management of the House of Assembly is responsible for ensuring that its expenditures comply with the policies of the House of Assembly Management Commission, and, where applicable, the policies of the public service of the Province of Nova Scotia. Management is also responsible for such internal control as management determines necessary to enable the House of Assembly's compliance with the specified requirements.

Practitioner's Responsibility

My responsibility is to express a reasonable assurance opinion on the House of Assembly's compliance based on the evidence I obtained.

I conducted my reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagement 3531, *Direct engagements to report on compliance*. This standard requires that I plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of my report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with specified requirements. The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error. Procedures include examining, on a test basis, evidence supporting the assessment, and evaluating overall compliance with these requirements.

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

Independence and Quality Control

My office applies the Canadian Standard on Quality Control 1 – *Quality control for firms that perform audits and reviews of financial statements, and other assurance engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



In conducting my work, I have complied with the independence and other ethical requirements of the Chartered Professional Accountants of Nova Scotia CPA Code of Professional Conduct and the Province of Nova Scotia's Code of Conduct for Public Servants.

Opinion

In my opinion, the House of Assembly's expenditures complied, in all significant respects, with the specified requirements established in Section 22(5)(b) of the *House of Assembly Management Commission Act* for the year ended March 31, 2021.

I do not provide a legal opinion on the House of Assembly's compliance with the specified requirements.



Kim Adair-MacPherson, FCPA, CA, ICD.D
Auditor General of Nova Scotia

May 27, 2021
Halifax, Nova Scotia



INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON THE CHIEF CLERK'S ASSESSMENT OF INTERNAL CONTROLS AND WHETHER INTERNAL CONTROLS ARE OPERATING EFFECTIVELY IN ACCORDANCE WITH SECTION 22(5)(C) OF THE HOUSE OF ASSEMBLY MANAGEMENT COMMISSION ACT

To the Chair of the House of Assembly Management Commission of Nova Scotia:

In accordance with Section 22(5)(c) of the *House of Assembly Management Commission Act*, I have undertaken a reasonable assurance engagement on the Management Certification of the Chief Clerk's assessment of the effectiveness of internal controls of the House of Assembly for the period from April 1, 2020 to March 31, 2021, shown in Appendix 1.

Management's Responsibility

Management is responsible for measuring and evaluating the House of Assembly's design, implementation and operating effectiveness of the internal controls and for preparing the Chief Clerk's assessment certification.

Practitioner's Responsibility

My responsibility is to express a reasonable assurance conclusion on whether the Chief Clerk's assessment of the effectiveness of internal controls of the House of Assembly is fairly stated and whether the internal controls were operating effectively, as required per Section 22(5)(c) of the *House of Assembly Management Commission Act*.

I conducted my reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagements 3000, *Attestation engagements other than audits or reviews of historical financial information*.

The criteria used to assess whether the Chief Clerk's assessment of the effectiveness of internal controls of the House of Assembly is fairly stated and whether the internal controls were operating effectively are that the relevant controls are suitably designed, implemented and operate effectively throughout the period.

A reasonable assurance engagement to report on operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of control design, implementation and the operating effectiveness of controls throughout the period. Our procedures included testing the operating effectiveness of those relevant controls that address certain risks identified by the House of Assembly.

Because of the inherent limitations of any internal control structure, my current assessment of the effectiveness of internal controls of the House of Assembly is not relevant to future periods due to the risk that the internal controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Independence and Quality Control

My office applies the Canadian Standard on Quality Control 1 – *Quality control for firms that perform audits and reviews of financial statements, and other assurance engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting my work, I have complied with the independence and other ethical requirements of the Chartered Professional Accountants of Nova Scotia CPA Code of Professional Conduct and the Province of Nova Scotia's Code of Conduct for Public Servants.

Conclusion

In my opinion, the Chief Clerk's assessment of the operating effectiveness of internal controls of the House of Assembly is, in all material respects, fairly stated and internal controls were operating effectively for the year ended March 31, 2021.



Kim Adair-MacPherson, FCPA, CA, ICD.D
Auditor General of Nova Scotia

May 27, 2021
Halifax, Nova Scotia


Appendix 1 —Management Certification

MANAGEMENT CERTIFICATION – HOUSE OF ASSEMBLY – MARCH 31, 2021

In accordance with Section 22 of the House of Assembly Management Commission Act, I, James Charlton, Chief Clerk of the House of Assembly of the Province of Nova Scotia, certify that:

1. I have reviewed the internal controls of the *House of Assembly*. *These internal controls* are designed to provide reasonable assurance of:
 - the accuracy and completeness of accounting records;
 - the safeguarding of assets;
 - the prevention and detection of fraud and error;
 - the provision of timely and reliable financial and management information; and
 - adherence to the House of Assembly's policies and plans.

2. Based on my knowledge, these internal controls were operating effectively for the period from April 1, 2020 to March 31, 2021.

Date: March 31, 2021
Signature: 
Title: Chief Clerk, NS House of Assembly



INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON THE HOUSE OF ASSEMBLY'S COMPLIANCE WITH SECTION 23(1) OF THE HOUSE OF ASSEMBLY MANAGEMENT COMMISSION ACT

To the Chair of the House of Assembly Management Commission of Nova Scotia:

I have undertaken a reasonable assurance engagement of the House of Assembly's compliance during the period of April 1, 2017 to March 31, 2021, with Section 23(1) of the *House of Assembly Management Commission Act* ("the specified requirements"). Refer to Appendix 1 for details on the specified requirements.

Management's Responsibility

Management of the House of Assembly is responsible for ensuring the compliance of the accounts of the House of Assembly during every General Assembly per Section 23(1) of the *House of Assembly Management Commission Act*.

Practitioner's Responsibility

My responsibility is to express a reasonable assurance opinion on the House of Assembly's compliance with the criteria established by Section 23(1) of the *House of Assembly Management Commission Act*, based on the evidence I obtain.

I conducted my reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagement 3531, *Direct engagements to report on compliance*. This standard requires that I plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of my report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with specified requirements. The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error. Procedures include examining, on a test basis, evidence supporting the assessment, and evaluating overall compliance with these requirements.

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

Independence and Quality Control

My office applies the Canadian Standard on Quality Control 1 – *Quality control for firms that perform audits and reviews of financial statements, and other assurance engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



In conducting my work, I have complied with the independence and other ethical requirements of the Chartered Professional Accountants of Nova Scotia CPA Code of Professional Conduct and the Province of Nova Scotia's Code of Conduct for Public Servants.

Opinion

In my opinion, the House of Assembly complied, in all significant respects, with the specified requirements established in Section 23(1) of the House of Assembly Management Commission Act, for the period of April 1, 2017 to March 31, 2021.

I do not provide a legal opinion on the House of Assembly's compliance with the specified requirements.



Kim Adair-MacPherson, FCPA, CA, ICD.D
Auditor General of Nova Scotia

May 27, 2021
Halifax, Nova Scotia

Appendix 1

House of Assembly Management Commission Act S.23 (1): The Auditor General shall perform and complete a compliance audit of the accounts of the House of Assembly at least once during every General Assembly to determine and express an opinion on whether:

- (a) collections of public money
 - (i) have been effected as required under law and directives and decisions of the Commission,
 - (ii) have been fully accounted for, and
 - (iii) have been properly reflected in the accounts of the Province;
- (b) disbursements of public money
 - (i) have been made in accordance with the authority of a supply vote, or relevant law,
 - (ii) have complied with regulations, rules, directives and order applicable to those disbursements,
 - (iii) have been properly reflected in the accounts, and
 - (iv) have been made for the purposes for which the money was appropriated and authorized;
- (c) accounts have been faithfully and properly kept
- (d) assets acquired, administered or otherwise held by or for the Assembly are adequately safeguarded and accounted for;
- (e) accounting systems and management control systems that relate to revenue, disbursements, safeguarding or use of assets or the determination of liabilities are in existence, are adequate and have been complied with;
- (f) accountability information with respect to the operations of the House of Assembly is adequate; and
- (g) there are factors or circumstances related to expenditure of public money that, in the opinion of the Auditor General, should be identified and commented on as part of the audit function