



Maintenance Enforcement Program Trust Account  
Audit

Financial Statements

Province of Nova Scotia Department of Justice

Year ended March 31, 2021

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# Independent auditor's report

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To the Deputy Minister of the Department of Justice

## Opinion

We have audited the statement of cash receipts and disbursements of the Maintenance Enforcement Program (the "MEP") for the year ended March 31, 2021, including a summary of significant accounting policies (together, the "financial statement").

In our opinion, the accompanying financial statement for the year ended March 31, 2021 is prepared, in all material respects, in accordance with cash receipts and disbursements basis of accounting described in Note 1.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the MEP in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to the Department of Justice. As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for the Deputy Minister of the Department of Justice and should not be used by other parties. Our opinion is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation of the schedule in accordance with the cash receipts and disbursements basis of accounting described in Note 1; this includes determining that the cash receipts and disbursements basis of accounting is an acceptable basis for the presentation in the circumstance, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing this financial statement, management is responsible for assessing the MEP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the MEP or to cease operation, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the MEP's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 MEP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events of conditions that may cast significant doubt on the MEP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the MEP to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Chartered Professional Accountants

Halifax, Canada  
October 15, 2021

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**Nova Scotia Maintenance Enforcement Program**  
**Statement of cash receipts and disbursements**

Year ended March 31, 2021

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Opening balance, MEP trust account	\$	354,159
Receipts		60,110,582
Disbursements		<u>60,065,209</u>
Closing balance, MEP trust account	\$	<u>399,532</u>

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On behalf of the Nova Scotia Department of Justice

Deputy Minister, Department of Justice



**CANDACE L. THOMAS**

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# **Nova Scotia Maintenance Enforcement Program**

## **Note to the statement of cash receipts and disbursements**

March 31, 2021

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### **1. Basis of accounting**

The Maintenance Enforcement Program prepares its financial statement on the cash receipts and disbursements basis of accounting. Consequently, receipts are recognized when received rather than in the period to which they relate, and disbursements are recognized when paid rather than when the obligation is incurred.