

Financial Information Act

FINANCIAL INFORMATION REGULATION

[includes amendments up to B.C. Reg. 249/2002]

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Definition

- 1 In this regulation “**Act**” means the *Financial Information Act*.

Application

- 2 This regulation applies to corporations with respect to those fiscal years beginning on or after April 1, 1994.

Prescribed form

- 3 The statements of financial information required by section 2 of the Act must be prepared in the form set out in Schedule 1.

[am. B.C. Reg. 249/2002, s. 1.]

Prescribed amount and classification

- 4 (1) The amount prescribed for the purposes of
 - (a) section 2 (3) (a) (i) of the Act is \$75 000, and
 - (b) section 2 (3) (b) (i) of the Act is \$25 000.
- (2) The classification prescribed for the purposes of sections 2 (3) (a) (i) and 5 (2) (b) of the Act includes elected officials, members of the board of directors, by whatever name called, and employees appointed by the Lieutenant Governor in Council regardless of the amount prescribed in subsection (1) (a).

[am. B.C. Reg. 249/2002, s. 2.]

Prescribed fee

- 5 The fee for a copy of the financial information provided under section 2 (6) of the Act is \$5.

[am. B.C. Reg. 249/2002, s. 3.]

SCHEDULE 1

[am. B.C. Regs. 318/2000; 249/2002, ss. 5-7.]

STATEMENTS AND SCHEDULES OF FINANCIAL INFORMATION**General**

- 1** (1) The following statements and schedules of financial information must be prepared in accordance with section 2 (2) and (3) of the *Financial Information Act* and be collectively titled the "Statement of Financial Information":
- (a) a statement of assets and liabilities;
 - (b) an operational statement;
 - (c) a schedule of debts;
 - (d) a schedule of guarantee and indemnity agreements;
 - (e) a schedule showing remuneration and expenses paid to or on behalf of each employee, as required by section 6;
 - (f) a schedule showing the payments for each supplier of goods or services, as required by section 7.
- (2) Sections 2 to 7 prescribe the minimum financial information to be contained in the statements and schedules prepared in compliance with the Act.
- (3) The statements and schedules must be prepared
- (a) on a consolidated basis where a parent and subsidiary corporate relationship exists, and
 - (b) either on a consolidated basis or for each fund where fund accounting is employed.
- (4) The Statement of Financial Information must include notes to the financial statements required in sections 2 and 3 that disclose
- (a) the accounting principles and policies followed in preparing the financial statements, and
 - (b) commitments and contingent liabilities of a long term nature.
- (5) The Statement of Financial Information must include notes to the schedules and statements required in sections 4 to 7 that disclose the accounting principles and policies followed.

Statement of assets and liabilities

- 2** The statement of assets and liabilities must be in the form of a balance sheet prepared in accordance with generally accepted accounting principles or stated accounting principles and policies and must show the changes in equity and surplus or deficit, as appropriate, that occurred as a result of the year's operations.

Operational statement

- 3** (1) The operational statement must be prepared in accordance with generally accepted accounting principles or stated accounting principles and policies with
- (a) the first part being a Statement of Income or Statement of Revenue and Expenditures, and

- (b) the second part being a Statement of Changes in Financial Position.
- (2) The Statement of Changes in Financial Position may be omitted if it provides no additional useful information.
- (3) If the Statement of Changes in Financial Position is omitted under subsection (2), the omission must be explained in the notes to the financial statements.
- (4) Despite subsection (2), community colleges, school districts and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund.

Schedule of debts

- 4 (1) The schedule of debts must
 - (a) list all of the long term debts, identifying each debt, stating the amount outstanding, the interest rate and the maturity date, and
 - (b) identify those debts covered by sinking funds or reserves and the amounts that have accumulated in those accounts.
- (2) The long term debt referred to in subsection (1) (a) is a debt secured by debt instruments such as debentures, mortgages and bonds.
- (3) The schedule of debts may be omitted if the information required is disclosed under section 2 or 5 and no additional information would be provided by the schedule.
- (4) If the schedule of debts is omitted under subsection (3), the omission must be explained in a note to the schedule of debts.

Schedule of guarantee and indemnity agreements

- 5 (1) The schedule of guarantee and indemnity agreements must list financial guarantee and indemnity agreements in force which required government approval prior to being given under the Guarantees and Indemnities Regulation (B.C. Reg. 258/87).
- (2) The names of the entities involved and the amount of money involved, if a specific figure is known, must be stated.
- (3) The schedule of guarantee and indemnity agreements may be omitted if the information required is disclosed under section 2 or 4 and no additional information would be provided by the schedule.
- (4) If the schedule of guarantee and indemnity agreements is omitted under subsection (3), the omission must be explained in a note to the schedule.

Schedule showing the remuneration and expenses paid in respect of each employee

- 6 (1) In this section:
 - “**compensation**” means the sum of gross salary plus the value of benefits, if applicable;
 - “**employee**” includes an officer, director, commissioner, elected official or similar person employed in or appointed to a position in the corporation;

“expenses”

- (a) includes travel expenses, memberships, tuition, relocation, vehicle leases, extraordinary hiring expenses, registration fees and similar amounts paid directly to an employee, or to a third party on behalf of the employee, and which has not been included in “remuneration”,
- (b) is not limited to expenses that are generally perceived as perquisites, or bestowing personal benefit, and may include expenditures required for employees to perform their job functions, and
- (c) excludes benefits of a general nature applicable to all employees pursuant to an agreement such as medical, dental, counselling, insurance and similar plans;

“notice period” means the length of time from the date on which notice of termination is given to an employee until the date on which employment will terminate;

“remuneration”

- (a) includes any form of salary, wages, bonuses, gratuities, taxable benefits, payment into trust or any form of income deferral paid by the corporation to the employee or on behalf of the employee during the fiscal year being reported upon, whether or not such remuneration is reported under the *Income Tax Act* (Canada), and
- (b) does not include anything payable under a severance agreement;

“severance agreement” means an agreement, in respect of a severance payment made in lieu of a notice period, between an employee and employer, that may provide for one or more of the following:

- (a) a lump sum payment or periodic payments;
- (b) payment based on the employee’s base salary, benefits and length of service;
- (c) compensation, except compensation in the form of an early retirement incentive plan.

(2) The schedule of remuneration and expenses must

- (a) list separately, by name and position, the total amount of remuneration and the total amount of expenses paid to or on behalf of each elected official and member of the board of directors, by whatever named called, and each employee appointed by the Lieutenant Governor in Council,
- (b) list in alphabetical order for each employee, excepting those included in the list required under paragraph (a), the name, the total amount of remuneration for each employee that exceeds \$75 000 and the total amount of expenses paid to or on behalf of that employee in the year reported,
- (c) show, at the end of the lists required by paragraphs (a) and (b), the consolidated total of remuneration that was paid to employees when the amount of money paid to each employee was \$75 000 or less, excluding employees included in the list required by paragraph (a), and
- (d) provide a reconciliation or explanation, at the end of the information required by paragraph (c), if the consolidated total differs from the related figure or figures in the statement required in section 3.

- (3) The schedule of remuneration and expenses must not include personal information other than information regarding the name, position, function or remuneration and expenses of employees.
- (4) The schedule of remuneration and expenses must allocate expenses on a reasonable basis among several employees, if expenses attributable to more than one employee appear on one receipt or invoice.
- (5) The schedule of remuneration and expenses must include amounts for employee expenses disbursed from petty cash, where significant, or local decentralized banking arrangements.
- (6) The employer portion of Employment Insurance and Canada Pension Plan must be reported as a lump sum payment to the Receiver General for Canada.
- (7) The schedule of remuneration and expenses must include a statement of
 - (a) the number of severance agreements, under which payment commenced during the fiscal year reported on, by the corporation in respect of its employees excluded from coverage under collective agreements of the corporation, and
 - (b) the range of equivalent months' compensation represented by those severance agreements.
- (8) If there are no agreements to report under subsection (7), this must be explained in a note to the schedule.
- (9) A copy of the statement or note referred to in subsections (7) and (8) must be sent by the corporation to
 - (a) the minister responsible for the corporation.
 - (b) Repealed. [B.C. Reg. 318/2000.]

**Schedule showing payments made for
the provision of goods or services**

- 7**
- (1) The schedule of payments for the provision of goods and services must
 - (a) list in alphabetical order the name of the individual, firm or corporation and the aggregate amount paid by the corporation during the fiscal year for the supply of goods or services rendered if the aggregate amount paid to each individual supplier exceeds \$25 000,
 - (b) state, at the end of the list required by paragraph (a), the consolidated total paid by the corporation for the supply of goods or services during the fiscal year when the aggregate amount paid to each individual supplier is \$25 000 or less, and
 - (c) provide a reconciliation or explanation, at the end of the information required by paragraph (b), if the consolidated total differs from related figures in the statement required in section 3.
 - (2) The schedule of payments for the provision of goods and services must
 - (a) include amounts for the supply of goods and services disbursed from petty cash, where significant, or local decentralized banking arrangements,
 - (b) include a statement of payments for the purposes of grants or contributions, and
 - (c) not include payments allocated to an employee, or more than one employee, for the purposes of employee expenses.

Inactive corporations

- 8** (1) If corporations required to produce reports under the *Financial Information Act* are inactive, a report must be produced by the minister responsible for the corporation and made available to the public in accordance with section 10.
- (2) The report must contain
- (a) the information required under section 1 (1) to the greatest extent practicable, and
 - (b) a statement of the operational status of the corporation.

Approval of financial information

- 9** (1) A Statement of Financial Information prepared by a corporation, other than a municipality, must be approved by its board of directors or, if the corporation has a governing body by a different name, by its governing body.
- (2) A Statement of Financial Information prepared by a municipality must be approved by its council and by the officer assigned responsibility for financial administration under the *Local Government Act*.
- (3) A management report approved by the head and chief financial officer of the reporting organization or, in the case of a municipality, the officer assigned responsibility for financial administration under the *Local Government Act*, must accompany the Statement of Financial Information.
- (4) The report required under subsection (3) must explain the roles and responsibilities of the board of directors or the governing body, by whatever named called, audit committee, management and the auditors regarding the preparation and approval of the Statement of Financial Information.
- (5) Signatures indicating approvals required in subsections (1) to (4) must be in respect of each of the statements and schedules of financial information.

Access to the financial information

- 10** (1) Reasonable accommodation must be provided for any person who asks to examine the Statement of Financial Information.
- (2) Copies of the financial information must be kept available for examination or purchase for 3 years after the end of the year reported on.
- (3) If a person so requests, a corporation may provide information contained in the Statement of Financial Information, severed from the Statement and furnished free of charge or subject to the duplication fees prescribed under the *Freedom of Information and Protection of Privacy Act*, if those fees do not exceed the fee prescribed under section 5 of this regulation.

SCHEDULE 2

Repealed. [B.C. Reg. 318/2000.]

Note: this regulation replaces B.C. Reg. 131/87 effective March 31, 1995

[Provisions of the *Financial Information Act*, R.S.B.C. 1996, c. 140, relevant to the enactment of this regulation: section 5]

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