**Pension plan financial report intended to meet the financial reporting requirements of a pension plan governed by the *Supplemental Pension Plans Act* (Quebec) — Auditor’s report refers to the current period only**

* The financial report relates to the year ended December 31 and is intended to meet the financial reporting requirements of a pension plan governed by the *Supplemental Pension Plans Act* (Quebec) (the “SPP Act”). Retraite Québec oversees such plans.[[1]](#footnote-1)
* Under the provisions of section 114 of the SPP Act and paragraph 5 of section 60 of the *Regulation respecting supplemental pension plans* related thereto, eligible employees, plan members and beneficiaries have the right to consult, among other things, the pension plan financial report. Accordingly, the auditor should not restrict the distribution of the report.
* The prescribed financial reporting framework is described in Appendix 3A of the *Guide to the Annual Information Return* for the purpose of preparing a financial report in accordance with section 161 of the SPP Act. The pension plan financial report is prepared in accordance with the Canadian accounting standards for pension plans in Part IV of the *CPA Canada Handbook – Accounting*, except for items relating to pension obligations alone:
  + the statement of financial position excludes pension obligations and any related surplus or deficit. Accordingly, this statement must be entitled “Statement of changes in net assets available for benefits”;
  + the statement of changes in pension obligations is not presented;
  + disclosures about pension obligations are not presented.
* The financial report describes the financial reporting framework by referring to the financial reporting provisions of the *Guide to the Annual Information Return* published by Retraite Québec.
* The auditor’s report refers to the current period only.
* The audit is conducted in accordance with Canadian Auditing Standards.
* The auditor’s report is on special purpose financial statements, because the financial reporting framework used in preparing the financial statements is designed to meet the needs of specific users, as discussed in paragraph 6 of CAS 800, *Special Considerations — Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks*. Accordingly, the special considerations addressed in CAS 800 apply. In addition, management does not have a choice of financial reporting frameworks in the preparation of the financial report.
* Paragraph A6 of CAS 800 applies. Unless indicated otherwise, a financial reporting framework established by a regulator for a certain type of entity to meet the financial reporting requirements of that regulator is presumed acceptable for special purpose financial statements prepared by such an entity.

• In the example below, it has been assumed that this is a fair presentation framework.

• An Emphasis of Matter paragraph is required. Based on the right of eligible employees, plan members and beneficiaries to consult the financial report as mentioned above, the auditor determines that it would not be appropriate to restrict the use and distribution of the auditor’s report.

INDEPENDENT AUDITOR’S REPORT

[To the ABC Pension Plan Committee or administrators]

We have audited the accompanying financial report of ABC Pension Plan, which comprises the statement of net assets available for benefits as at December 31, 20X1 and the statement of changes in net assets available for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial report has been prepared by management based on the financial reporting provisions described in the 20X1 *Guide to the Annual Information Return* published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec).

*Management's Responsibility for the Financial Report*

Management is responsible for the preparation and fair presentation of this financial report based on the financial reporting provisions set out in the 20X1 *Guide to the Annual Information Return* published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec), and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on this financial report based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial report presents fairly, in all material respects, the net assets available for benefits of ABC Pension Plan as at December 31, 20X1, and the changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions set out in the 20X1 *Guide to the Annual Information Return* published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec).

*Basis of Accounting*

Without modifying our opinion, we draw attention to Note Z to the financial report, which describes the basis of accounting. The financial report is prepared to assist the Trustees [or Administrators where appropriate] of ABC Pension Plan to meet the requirements of Retraite Québec. As a result, the financial report may not be suitable for another purpose.

[Auditor's signature]

[Date of the auditor's report]

[Auditor's address]

1. Following the coming into force of the act to merge the Commission administrative des régimes de retraite et d’assurances and the Régie des rentes du Québec, the “Régie des rentes du Québec” will change its name to “Retraite Québec” on January 1, 2016. [↑](#footnote-ref-1)