OFFICE OF INFORMATION COMMISSIONER

FINANCIAL STATEMENT

MARCH 31, 2023

February 28, 2025

Management's Responsibility for the Financial Statement

The financial statement has been prepared by management, who is responsible for the reliability, integrity, and objectivity of the information provided. The preparation of the financial statement necessarily involves using management's best estimates and judgments, where appropriate.

Management is responsible for maintaining a comprehensive system of accounting records, internal controls, policies and management practices, designed to provide reasonable assurance that transactions are properly authorized and in compliance with legislation, assets are safeguarded, and reliable financial information is available on a timely basis.

The Information Commissioner is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The Information Commissioner meets periodically with management to discuss matters relating to financial reporting, internal control, and audits. The financial statement has been approved by the Acting Information Commissioner and has been examined by the Office of the Auditor General.

The accompanying Independent Auditor's Report is presented herein.

Ms. LaKai Dill
Acting Information Commissioner (22-28Feb25)

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INDEPENDENT AUDITOR'S REPORT

To The Speaker of the House of Assembly

Opinion

I have audited the statement of expenses of the Office of Information Commissioner for the year then ended March 31, 2023, and the related note disclosure, including a summary of significant accounting policies (together "the financial statement").

In my opinion, the accompanying financial statement presents fairly, in all material respects, the result of operations of the Office of Information Commissioner for the year ended March 31, 2023 in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in Bermuda and Canada. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of my report. I am independent of the Office of Information Commissioner in accordance with the ethical requirements that are relevant to my audit of the financial statement in Bermuda, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statement in accordance with public sector accounting standards generally accepted in Bermuda and Canada, and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Office of Information Commissioner'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 Office of Information Commissioner or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office of Information Commissioner's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statement

My objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Bermuda and Canada 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 auditing standards generally accepted in Bermuda and Canada, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statement (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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than from 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 Office of Information Commissioner'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 or conditions that may cast significant doubt on the Office of Information Commissioner's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Office of Information Commissioner to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement (including the disclosures), and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during the audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, related safeguards.

A further description of the auditor's responsibilities for the audit of the financial statement is located at the Office of the Auditor General website at: www.oagbermuda.bm. This description forms part of our auditor's report.

Hamilton, Bermuda
February 28, 2025

Heather Thomas, CPA, CFE, CGMA
Auditor General

OFFICE OF INFORMATION COMMISSIONER

STATEMENT OF EXPENSES

FOR THE YEAR ENDED MARCH 31 2023

	2023 $ Budget (Note 3)	2023 $ Actual	2022 $ Actual
CURRENT ACCOUNT			
Operating Appropriation (Note 3)	1,048,131	1,048,131	989,847
Budget virement (Note 3)	-	110,600	-
	1,048,131	1,158,731	989,847
EXPENSES			
Salaries and employee benefits	822,815	783,442	596,840
Professional services	87,000	204,547	152,039
Rent	59,766	70,582	70,512
Equipment purchases (Note 4)	21,050	17,215	16,242
Communications	17,900	16,250	14,528
Repairs and maintenance	22,300	14,113	18,111
Materials and supplies	7,000	8,849	11,795
Energy	8,000	7,121	5,939
Advertising and promotion	1,000	5,584	4,450
Training and travel	-	3,326	721
Uniforms	-	300	-
Other	1,300	1,038	785
	1,048,131	1,132,367	891,962
Acquisition of tangible capital assets (Note 4)	-	-	10,238
Total Expenses	1,048,131	1,132,367	902,200
UNSPENT OPERATING APPROPRIATION (Note 3)	-	26,364	87,647
CAPITAL ACCOUNT			
Capital Appropriation (Notes 3 & 4)	-	-	5,500
Budget virement (Note 3)	-	20,000	-
	-	20,000	5,500
Acquisition of tangible capital assets (Note 4)	-	(18,637)	(4,102)
UNSPENT CAPITAL APPROPRIATION (Note 3)	-	1,363	1,398

The accompanying notes are an integral part of this financial statement

OFFICE OF INFORMATION COMMISSIONER

NOTES TO THE FINANCIAL STATEMENT

MARCH 31, 2023

1. AUTHORITY

The Office of the Information Commissioner (the "Office") was established by the Public Access to Information (the "PATI") Act 2010 (the "Act") in 2015. In accordance with the PATI Act, the Information Commissioner shall decide applications for review according to Part 6 of the Act of any decisions, or failure to decide or act by public authorities under section 43 of the Act; shall promote public access to information, including raising public awareness and understanding of the rights conferred by the Act and by providing guidance to public authorities with regard to the obligations imposed on them by the Act; and shall encourage and may enforce compliance with the proactive publication requirements in accordance with Part 2 of the Act. For the purposes of conducting reviews, the Information Commissioner may examine any record to which the Act applies and compliance with the Information Commissioner's investigations is required.

The Information Commissioner was appointed by the Governor for a period of five years commencing March 2, 2015 and reappointed for a further period of five years. In the exercise of her functions, the Information Commissioner shall not be subject to the direction or control of any other person or authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The statement of expenses of the Office for the year ended March 31, 2023 and related noted disclosures, including a summary of significant accounting policies (together "the financial statement") have been prepared pursuant to section 55(3) of the Act. The Office is presenting the statement of expenses rather than presentation of its financial position, and statements of operations, change in net debt and cash flows, in agreement with the Accountant General, effective the year ended March 31, 2019.

Due to the limited purpose, form and content of the financial statement, it is not intended to present the financial position, results of operations, changes in net debt and cash flows in conformity with public sector accounting standard generally accepted in Bermuda and Canada and it does not constitute a full set of accounts or financial statements. The financial statement has not been prepared for general purposes and therefore some users may require further information.

Pursuant to the standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, the Office is classified as an other government organization and the accounting policies considered particularly significant are as follows:

(a) Appropriations

Appropriations from the Consolidated Fund are recorded when receivable.

(b) Expenses

All expenses are reported on the accrual basis of accounting. Expenses represent the costs of resources consumed during the year on the Office's operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Tangible capital assets and amortization

Tangible capital assets are recorded at cost less accumulated amortization. The cost of a tangible capital asset consists of its purchase price and costs directly attributable to making the asset ready for its intended use.

Amortization is calculated on a straight-line basis over the estimated useful lives of the tangible capital assets as follows:

Computer software	-	10 years
Furniture and fixtures	-	7 years
Office equipment	-	5 years
Computer equipment	-	3 years

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Office's ability to provide services, or the value of future economic benefits associated with the capital asset is less than its net book value. In either case, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-down is accounted for as an expense in the statement of expenses.

Work in progress represent the cost of direct materials and labour of capital projects in development. Work in progress are not amortized.

(d) Translation of foreign currencies

Expenses are translated at the exchange rate in effect at the transaction date.

(e) Measurement uncertainty

This financial statement is prepared in accordance with public sector accounting standards generally accepted in Bermuda and Canada. These standards require management to make estimates and assumptions that affect the reported amounts of expenses during the year. Significant areas requiring the use of estimates include the estimated useful lives of capital assets and accruals. Estimates are based on the best information available at the time of preparation of the financial statement and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates.

(f) Adoption of new accounting standard

During the year, the Office adopted public sector accounting standard PS 3280, Asset Retirement Obligations, which became effective on April 1, 2022. The adoption of this standard did not have a material impact on the financial statement of the Office.

3. BUDGET AND ECONOMIC DEPENDENCE

All funding for the operations of the Office is payable out of money appropriated by the Legislature. The annual budget estimate for the Office is included in the Government of Bermuda's (the "Government") estimate as voted through the annual Appropriation Act by the House of Assembly. In addition to the original operating appropriation of $1,048,131 (2022 − $989,847) and capital appropriation of NIL (2022 − $5,500), budget virements were approved yielding an additional $110,600 (2022 - $40,000) for operating and $20,000 (2022 – NIL) for capital. The appropriations provide separately for operating expenses and capital acquisitions. Any unused operating appropriation cannot be carried forward for use in subsequent years. Capital appropriations carried forward for use in subsequent years must be approved by the Minister of Finance. Accordingly, the Office is economically dependent on the Government to fund operations and capital acquisitions.

4. TANGIBLE CAPITAL ASSETS

	2023					
	Office Equipment	Computer Equipment	Furniture & Fixtures	Computer Software	WIP	Total
	$	$	$	$	$	$
Opening Cost	32,469	22,551	15,182	94,116	-	164,318
Additions	-	-	-	18,637	-	18,637
Disposals	(6,503)	-	-	-	-	(6,503)
Closing Cost	25,966	22,551	15,182	112,753	-	176,452
Opening Accumulated Amortization	20,208	10,988	9,207	23,619	-	64,022
Annual Amortization	5,193	4,813	2,070	9,722	-	21,798
Disposals	(6,503)	-	-	-	-	(6,503)
Closing Accumulated Amortization	18,898	15,801	11,277	33,341	-	79,317
Net book value	7,068	6,750	3,905	79,412	-	97,135

4. TANGIBLE CAPITAL ASSETS (continued)

	2022					
	Office Equipment	Computer Equipment	Furniture & Fixtures	Computer Software	WIP	Total
	$	$	$	$	$	$
Opening Cost	65,338	17,437	18,531	48,855	8,290	158,451
Additions	-	10,238	-	4,102	-	14,340
Transfers from WIP	-	-	-	8,290	(8,290)	-
Disposals	-	(5,124)	(3,349)	-	-	(8,473)
Adjustments	(32,869)	-	-	32,869	-	-
Closing Cost	32,469	22,551	15,182	94,116	-	164,318
Opening accumulated amortization	18,578	12,874	9,471	13,901	-	54,824
Annual amortization	5,193	3,238	2,368	9,032	-	19,831
Disposals	-	(5,124)	(2,632)	-	-	(7,756)
Adjustments	(3,563)	-	-	686	-	(2,877)
Closing accumulated amortization	20,208	10,988	9,207	23,619	-	64,022
Net book value	12,261	11,563	5,975	70,497	-	100,296

Security infrastructure totaling NIL (2022 – NIL) was purchased using the Operating Appropriation and $18,637 (2022 − $4,102) was purchased using capital funds.

Computer equipment totaling NIL (2022 - $10,238) was purchased using Operating Appropriation. All computer equipment has been capitalized.

Office equipment with a net book value of NIL (2022 – NIL), furniture with a net book value of NIL (2022 - $717) and computer equipment with a NIL (2022 – NIL) net book value were disposed.

Office security system totaling NIL (2022 - $32,869) was reallocated from Office Equipment to Computer Software. The corresponding useful life was also revised from 5 years (60 months) to 10 years (120 months) as per Financial Instructions. The resultant adjustment is included in the movement schedule above.

In prior year, the Office had capital works in progress of $8,290 for security infrastructure which was transferred to Computer Software.

Items recorded under equipment purchases on the statement of expenses relate to purchases that are below the capitalization threshold.

5. EMPLOYEE BENEFITS

(a) Pension plan

The employees of the Office are included in the Public Service Superannuation Fund (the "Fund"), which is a defined benefit plan administered by the Government. Contributions to the Fund are 8% (2022 – 8%) of gross salary and they are matched equally by the Government. The Office is not required under present legislation to make contributions with respect to actuarial deficiencies of the Fund.

(b) Compensated absences

Compensated absences include maternity and paternity leave, sick leave and vacation days.

Maternity and paternity leave do not accumulate or vest and therefore an expense is only recognized when extended leave is applied for and approved. There were no maternity or paternity benefits applied for or approved at year-end and therefore, no expense has been recorded in the statement of expenses.

Sick leave does not accumulate or vest, and like maternity and paternity leave, an expense is recorded only when extended leave is applied for and approved. There was no extended sick leave applied for or approved at year-end and therefore, no expense has been accrued in the statement of expenses.

Employee benefits include vacation days, which accumulate and vest.

6. RELATED PARTY TRANSACTIONS

The Office has related party transactions for services of a non-material nature with the following public authorities:

1. Accountant General Department
2. Department of Employee & Organizational Development
3. Department of Public Lands & Buildings
4. Cabinet Office
5. Department of Communications
6. Department of Information & Digital Technologies

The nature of these transactions are administrative services consistent with services typically provided to other Non-Ministry Offices.

7. CONTRACTUAL OBLIGATIONS

The Office has entered into a number of multi-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contract are met. Disclosure relates to the unperformed portion of the contracts.

	2024	2025	Thereafter
	$	$	$
Office rent and maintenance	88,158	76,406	-
Office corporate phones	4,112	2,202	-
	92,270	78,608	-

The Office's agreement of April 23, 2020 with the Office of the Privacy Commissioner for co-location of the two Offices continued to be in place. The agreement outlines terms for mutually beneficial use of shared resources, including but not limited to common office areas, IT infrastructure, telephony system, and office machinery. Some of the amounts above reflect the Office's portion of these shared services.

8. SUBSEQUENT EVENTS

Subsequent to March 31, 2023, the Office entered into contracts for legal and professional services with an estimated total value of $117,749.

The Office's lease for co-located office space with the Office of the Privacy Commissioner was amended to include the full floor as of 1 June 2023. The annual rent was revised from $100,000 to $110,000 and the annual service charge from $41,025 to $73,374. The Office's portion for the revised rent and service charge amounted to $55,000 and $36,687 respectively.

On June 7, 2023, the Court of Appeal issued its ruling on costs in Information Commissioner v Attorney General [2023] CA (Bda) 6 Civ and ordered the Attorney-General to bear the costs of the legal proceedings. Upon agreement, the Attorney General paid the Office $200,000 in December 2023 for the ICO's legal costs.

February 21, 2025 marked the end of the 10-year term of the Information Commissioner. An Acting Information Commissioner has been appointed to oversee the operations of the Office until March 1, 2025, when the new Information Commissioner assumes office.