



NEWS RELEASE

For Immediate Release

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Follow-up report reveals progress and commitment of audited organizations

VICTORIA – Auditor General Russ Jones released his follow-up report, “Updates on The Implementation of Recommendations from Recent Reports” today.

To ensure British Columbians receive full value from the Auditor General’s work, the Office provided audit level assurance on four of the 18 self-assessments included in the report. Typically, organizations complete a self-assessment that the Office publishes unaudited so readers can assess for themselves whether progress in implementing the recommendations is satisfactory.

This report contains a follow-up on BC Hydro and also verifies progress for 26 recommendations from four reports as follows:

1. An Audit of the Agricultural Land Commission;
2. The Status of Enterprise Risk Management in the Government Ministries of British Columbia;
3. An Audit of the Ministry of Forests, Lands and Natural Resource Operations’ Management of Timber; and
4. Health Benefits Operations: Are the Expected Benefits Being Achieved?

These four progress audits include a new colour-coded “dashboard” so readers can understand at-a-glance if actions relating to each recommendation are fully/substantially or partially implemented or if no action has been taken.

Overall, the Office found that the three ministries and the Agricultural Land Commission have made significant progress implementing the recommendations. The partially implemented status for some recommendations is consistent with the Office of the Auditor General’s expectation that long-term solutions require ongoing effort over a number of years.

“I am encouraged that the ministries and agencies have made significant progress in implementing the recommendations, and by their commitment to continue working towards full implementation of almost all of the recommendations,” said Jones. “My Office will continue to follow up as necessary on recommendations that are not fully implemented.”

The report also includes a follow-up to the 2011 report, “BC Hydro: The Effects of Rate-Regulated Accounting.” Auditor General Russ Jones is encouraged by BC Hydro’s progress in implementing the recommendation related to the recovery plans for regulatory accounts



balances; however, risk remains as to the certainty of the forecasted balances of the regulatory accounts. The actual balance for each regulatory account could be significantly higher or lower than planned in future years. This would alter BC Hydro's planned revenue and could ultimately impact customers' rates. With this follow-up report, the Office stated that BC Hydro is preparing its financial statements according to Canadian generally accepted accounting principles.

“We will continue to monitor BC Hydro's use of rate-regulated accounting, including actual performance and management of regulatory account balances. The regulatory account report published by BC Hydro provides our Office with a good benchmark to perform further follow-up work in future years,” explains Jones.

The Office of the Auditor General would like to thank all of the entities that participated in the follow-up process.

“Follow-up Report: Updates on the Implementation of Recommendations from Recent Reports” is available on the Office of the Auditor General website at: www.bcauditor.com/pubs

About the Office of the Auditor General of BC

The Auditor General is a non-partisan, independent Officer of the Legislature who reports directly to the Legislative Assembly. The Auditor General Act empowers the Auditor General and staff (known as the Office of the Auditor General or OAG) to conduct audits, report findings and make recommendations.

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