



NEWS RELEASE

For Immediate Release

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Two significant errors found in Province's year-end financial statements

VICTORIA – The auditor general has reported two significant errors in the Province of B.C.'s 2023/24 Summary Financial Statements.

“My office has the job of performing an independent audit of the Province's Summary Financial Statements,” Auditor General Michael Pickup said. “The two errors relate to how the Province accounts for its deferred revenues and its disclosure of certain contracts.”

The independent auditor's report highlights the two problems that could mislead users of the financial statements.

In the first case, the Province's improper accounting for some of the funds it received from various sources – like the Government of Canada – resulted in revenues being understated by \$7.67 billion, and liabilities being incorrectly overstated by the same amount. Dating back to 2012, four auditors general have highlighted this accounting issue.

In the second case, the Province's disclosed contractual obligations are understated by \$5.7 billion. This means that the Province has entered into more long-term contracts that have larger financial implications in future years than the Province shows. The auditor general has reported this issue since 2022.

Although there are two ongoing errors, one significant error has been removed – as a result of an amended disclosure – from what was reported in the prior year's independent auditor's report. The auditor general is encouraged with the improvements he has seen in some of the financial reporting by the Province this year and hopes to see this trend continue.

This will be Pickup's last independent audit of the Province's Summary Financial Statements. He will be retiring and returning home to the Maritimes and his last day in the office will be Nov. 15, 2024. He is available for interviews and additional information on the errors reported in this year's independent auditor's report.

Related links

Province of B.C. Public Accounts 2023/24:

<https://www2.gov.bc.ca/gov/content/governments/finances/public-accounts>

Summary Financial Statements, 2023/24 (including the independent auditor's report):

<https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/government-finances/public-accounts/2023-24/pa-2023-24-summary-financial-statements.pdf>

General questions and interview requests

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Office of the
Auditor General
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Photo files

High-resolution images of Auditor General Michael Pickup: <https://www.oag.bc.ca/media>

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