



NEWS RELEASE

For Immediate Release

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Auditor General reveals messy finances at the Legislature

VICTORIA – B.C.’s Auditor General, John Doyle, has released his latest report, *Audit of the Legislative Assembly’s Financial Records*, which shows substantial irregularities regarding the Legislature’s financial accounting, in addition to poor governance.

“The audit identified a large number of significant and serious issues. As a result, I am unable to conclude as to whether the amounts recorded in the financial records we examined are correct,” said Doyle. “I recommend that the Legislative Assembly take immediate steps to address numerous deficiencies identified within the audit.”

This report builds on the results of the Office’s 2007 audit of the Legislative Assembly’s financial framework. That audit identified a number of areas for improvement, such as improving internal controls (which help protect against fraud or error) and providing publically available audited financial statements.

“Had the Legislative Assembly implemented the recommendations from my Office’s 2007 report, the results of this audit work would have been much more positive,” said Doyle. “As it stands, the Legislative Assembly is falling well short of the basic financial management practices established for the rest of government.”

Consistent with normal audit procedures, detailed observations and recommendations were provided to the Clerk of the House, the Legislative Comptroller and the Speaker, who chairs the Legislative Assembly Management Committee (the governing body of the Legislative Assembly).

“Unfortunately, I have not been provided an opportunity to discuss any part of this audit with the governing body of the Legislative Assembly,” said Doyle. “And, while Legislative Assembly management has provided responses to the management letter recommendations arising from this audit, neither their responses nor their action plans adequately address many of my concerns.”

As the Legislative Assembly does not produce financial statements (despite being recommended to do so in the 2007 report), the Office audited the trial balances for fiscal years 2009, 2010 and 2011. At the request of the Speaker, the audit excluded the use of members’ constituency allowances, except for payment of salaries.



About the Office of the Auditor General of B.C.

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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