

# Audit of the Legislative Assembly's Financial Records: Update



OFFICE OF THE  
**Auditor General**  
of British Columbia

# About Our Office

- The Auditor General is the independent auditor of the Legislative Assembly of British Columbia
- Reports to the Legislative Assembly, not to the government of the day
- Conducts both financial audits and performance (or “value for money”) audits



# Update Report

- Report is an update on progress made since our 2012 report
- LAMC has accepted the Auditor General's recommendations and committed to work towards them
- Overall, encouraging improvements have been made in LAMC oversight. We expect continued improvement.



# Update Report

- Two priority areas require LAMC's immediate and sustained attention
  - LAMC should publicly commit to publish audited financial statements
  - LAMC should fully perform its governance and oversight function
- Appendices illustrate what can happen in absence of rigorous governance



# Appendix A

- In 2009/10 the Legislative Assembly paid \$67,000 for leasehold improvements for a member.
- Concerns over the arm's-length nature of these payments
- Supporting invoices indicate the work was beyond regular leasehold improvements and were the responsibility of the landlord
- Illustrates poor compliance with policy and LAMC oversight



# Appendix B

- Retirement allowance program
  - Total payout to 4 recipients in 2012 was \$660,000
  - Doubts about whether the program was required after 1987 as executive benefits changed
  - Amounts paid in 2012 not publicly disclosed (required by the *Financial Information Act*)



# Appendix B

- Unusual compensation arrangement
  - Longstanding agreements which raise questions about tax treatment of payments
- Clerk consultant contract
  - No formal contract, or associated terms and conditions
  - Unusual compensation arrangement



# Looking Forward

- Continued involvement with Legislative Assembly's financial records
- Multi-year plan to examine constituency offices
- Continue to follow-up on preliminary findings from fiscal year 2012





# Further Resources

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