Reflections of the Auditor General



This Report to the House of Assembly on the operations of the Office of the Auditor General is intended to provide a clear focus on the accountability of my Office. My goal is to provide all Members of the House of Assembly with a full accounting of what happened at the Office during the year - our plan, our budget and the results achieved.

The Office is proactive in planning and focusing its resources to achieve the objectives outlined in its strategic and operational plans. Chapter 4 of this Report provides a comparison of our performance against the goals established for our lines of business outlined in the Strategic Plan.

The Office incurred total expenditures of $2.4 million during 2003-04 in order to complete our work. Our budget is provided by the Commission of Internal Economy and approved by the House of Assembly. Salaries for our 38 staff (33 in our head office and 5 in our regional office in Corner Brook) account for over 80% of total expenditures. Chapter 5 of this Report provides information related to our financial accountability.

I am particularly pleased with the performance of my staff during the past year. As a result of their professionalism and dedication, they went the extra mile for the Office and completed their work on schedule even though we had to face a couple of unique challenges which had negative impacts on our work schedules. We had 14 union staff involved in the public service strike and in September we moved our head office from Crosbie Road in St. John's to Dundee Avenue in Mount Pearl.

The following are highlights of our work:

- The Office completed the audit of the Public Accounts of the Province for the year ended 31 March 2004. My *Report on the Audit of the Financial Statements of the Province* was submitted to the Speaker of the House of Assembly and released on 30 November 2004. This Report provided information on key indicators of the state of Government's finances and highlighted a number of specific areas - the Financial Condition of Government, the Unfunded Pension Liability, Retirement Benefits - Other Than Pensions, Accounts Receivable, Government Reporting Entity, and Environmental Liabilities.

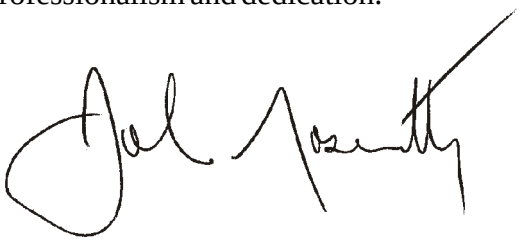
- My *Report on Reviews of Departments and Crown Agencies* was submitted to the Speaker of the House of Assembly on 26 January 2005. This Report included 39 separate items as well as an update on the status of recommendations from prior years' report items. The Report highlighted issues in a number of specific areas - accountability, education, environment, public health and safety, and fiscal issues.

Reflections of the Auditor General

- The Office completed the financial statement audit of 31 Crown agencies. Issues identified during these audits were reported to management for their consideration. The Office also reviewed the financial statements and management letters for 51 Crown agencies which were audited by private sector auditors. Information relating to these reviews was included in Section 2.5 of my *Report on Reviews of Departments and Crown Agencies.*

As an Officer of the House of Assembly, the Auditor General provides an independent, unbiased, and informed opinion on matters that are considered to be significant to the Members of the House of Assembly. The Office is committed to promoting accountability and encouraging positive change in the stewardship, management and use of public resources. I would welcome feedback from any Member of the House of Assembly that would assist me with this goal.

In closing, I thank my staff for their continued hard work, professionalism and dedication.



JOHN L. NOSEWORTHY, C.A.
Auditor General