



NEWS RELEASE

For Immediate Release

February 28, 2017

Auditor General reports on the 2015/16 Public Accounts

VICTORIA – The Office of the Auditor General of B.C. has released its annual report on government’s public accounts, *The 2015/16 Public Accounts and the Auditor General’s Findings*.

The B.C. Government’s reported revenue for 2015/16 was \$47.6 billion and its expenses were \$46.9 billion. This leaves a surplus of about \$700 million. Auditor General Carol Bellringer’s office disagrees with this amount because revenue from federal government transfers for capital assets has been deferred.

The difference in 2014/15 was \$191 million and for 2015/16 it was only \$3 million. But over time, government has now inappropriately deferred a total of \$4.2 billion.

“The Summary Financial Statements also tell an interesting story beyond the *bottom line* of the province’s financial health and performance,” said Bellringer. “For example, the B.C. government has committed to \$101 billion worth of contracts – noted in the statements.”

The report also discusses certain transactions that the provincial government made last year. For example, the purchase of coal licenses for \$18 million through BC Railway Company, the sale of assets (which earned \$372 million), advance rate setting agreements (which allows government to lock in interest costs), and last year’s creation of the Forest Enhancement Society of B.C. (which received \$85 million in funding).

“Another interesting aspect is the B.C. Prosperity Fund,” said Bellringer. “Government set up the fund as a way to set aside a portion of the accumulated surplus. But it’s a bit like moving cash from your chequing to your savings account – you aren’t creating any more money, you’re just putting it aside to save for something specific.”

At the end of each fiscal year, government combines the financial results of its organizations, including ministries, Crown corporations, colleges, school districts, universities, health organizations, and other public sector organizations and produces a consolidated set of financial statements. The Auditor General reports each year on whether these statements are fairly presented in accordance with Canadian public sector accounting standards.

This is the largest financial audit in the province, and takes 70 staff just over 40,000 hours to complete, and requires assistance from 26 private sector auditing firms.



OFFICE OF THE
Auditor General
of British Columbia

The full report is available on the Office of the Auditor General website at www.bcauditor.com/pubs

Bellringer will answer questions pertaining to the report via a news conference and in-person should a visual be required after the news conference.

News Conference Date: Tuesday, Feb. 28, 2017

Time: 1 p.m. (Pacific time)

Dial-in Information:

From Vancouver: 604 681-0260

From elsewhere in Canada and the USA: 1 877 353-9184

Participant Pass Code: 44848#

During question and answer period, to ask a question: Press 01

During question and answer period, to exit the question queue: Press #

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 to conduct audits, report findings and make recommendations.

Contact us:

To speak to the Auditor General, call Elaine Hepburn: 250 419-6108

For general questions, call Colleen Rose, Manager, Communications: 250 419-6207

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