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## Comments on Government's Financial Reporting

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Last year I recommended that Government undertake a process to identify all contaminated sites in the Province for which it is potentially liable, determine the estimated liability associated with remediation costs and comply with generally accepted accounting principles by recording any resulting liability in the Province's financial statements. I note that during the year, Government has made very little progress in this area.

### **Recommendation**

*Again this year, I recommend that Government undertake a process to identify all contaminated sites in the Province for which it is potentially liable, determine the estimated liability associated with remediation costs and comply with generally accepted accounting principles by recording any resulting liability in the Province's financial statements.*

## **3.4 Periodic Financial Statements**

Periodic financial statements, while not specifically required by generally accepted accounting principles, are considered to be an important component of any financial accountability framework. These statements are important to effectively monitor and control government operations.

Government has been preparing quarterly financial statements to show its results of operations and its financial position on an on-going basis since September 2002. Officials of the Department of Finance indicated that these financial statements are only distributed to the Minister of Finance/President of Treasury Board, other Treasury Board Ministers, the Deputy Minister of Finance, the Comptroller General, various officials of the Department of Finance, and the Auditor General.

While I commend the Office of the Comptroller General for preparing such financial statements; in my opinion, they should be more widely distributed. Ideally, these financial statements should be part of accountability information provided on an on-going basis to all Members of the House of Assembly and senior government officials.

### **Recommendation**

*Periodic financial statements should be provided to Members of the House of Assembly and senior Government officials as part of Government's accountability framework.*