

have the forums to report directly to their Assembly. Moreover, they have acquired the necessary expertise to carry out their role effectively.

Such independence as that bestowed on Legislative Auditors requires that they themselves be accountable to their respective Legislative Assemblies. This means that Legislative Auditors are obligated to report directly to the Assembly on how they carry out their responsibilities and how the services they are providing add value to the accountability process. This Report is one of the means by which this accountability reporting is provided. The resources available to the Auditor General are determined through discussion with the Commission of Internal Economy. This Commission is a Committee of the House of Assembly, over which the Speaker of the House presides, and is responsible for all matters of financial and administrative policy affecting the House of Assembly, its offices (including the Office of the Auditor General) and its staff. The *Auditor General Act* requires that estimates of the sums required to be provided by the Legislature for the payment of salaries and other expenses of the Office of the Auditor General be submitted to the Commission for its approval. As well, each year, the financial statements for the Office are to be audited by an auditor appointed by the Commission, with the audited statements being tabled in the House of Assembly.

2.7 The Office of the Auditor General in Newfoundland and Labrador

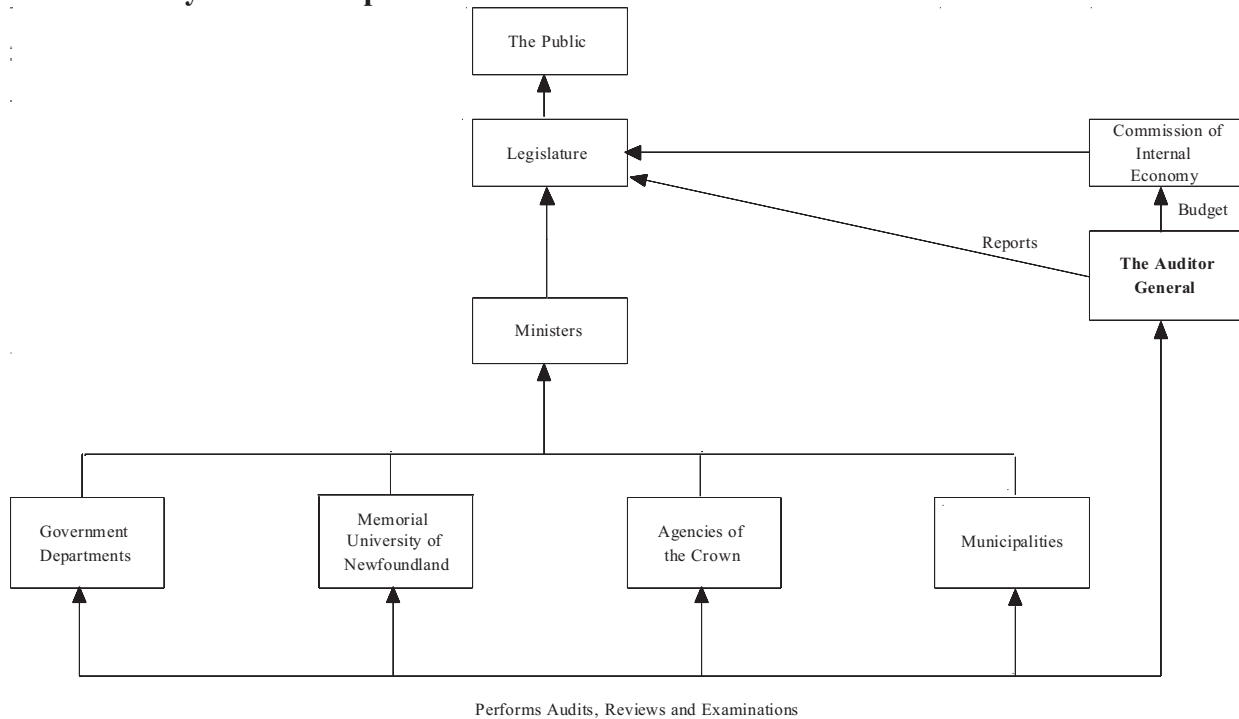
The Office of the Auditor General in Newfoundland and Labrador is the independent Legislative Auditor of Government, its departments, all agencies of the Crown and Memorial University of Newfoundland. Implicit in the *Auditor General Act* is the requirement for the Auditor General to provide the House of Assembly with timely, relevant information, necessary to enhance public sector accountability and performance.

Public sector accountability is based on the premise that governing bodies are best served by knowing whether the responsibilities conferred on government departments and agencies are satisfactorily performed and intended results are achieved. The Auditor General brings an independent audit process to the manner in which these conferred responsibilities are discharged in the public sector and reports directly to the House of Assembly on the results of these audits. The role of the Auditor General complements the accountability relationship which exists between Government, its departments, agencies of the Crown, Memorial University of Newfoundland, municipalities, and the House of Assembly, as illustrated in Figure 1.

Our Mandate

Figure 1

Office of the Auditor General Accountability Relationship



In addition to allocating our resources to perform the above audits, reviews, and examinations, we may also receive requests to complete special assignments. Under the *Auditor General Act*, these special assignments may be requested by either the House of Assembly, the Public Accounts Committee or the Lieutenant-Governor in Council. In these special assignments, the Auditor General reports to whomever makes the request.

The Auditor General reports to the House of Assembly on significant matters which result from the examinations of Government, its departments and agencies of the Crown.

The Auditor General is also the independent auditor of the Province's financial statements and the financial statements of many agencies of the Crown and, as such, expresses an opinion on these financial statements.

A list of Departmental audits performed by our Office is included as Appendix II. A list of agencies of the Crown whose financial statement audits are performed by our Office is included as Appendix III. A list of agencies of the Crown whose financial statement audits were performed by private sector auditors during the year is included as Appendix IV. As at 31 March 2005, 10 of these entities (the 9 school boards and the Office of the Commissioner of Petroleum Products Pricing) no longer existed and the 3 new school boards were in place.

Our Mandate

Section 12 of the *Auditor General Act* requires the Auditor General to report, at least annually, on:

- the work of the Office;
- whether, in carrying out the work of the Office, the Auditor General received all the information including reports and explanations required;
- the results of the examination of the Province's financial statements;
- audits, examinations and inquiries performed under the *Act*; and
- the results of the examination of the accounts of the Province calling attention to anything the Auditor General considers significant relating to:
 - collections of public money;
 - disbursements of public money;
 - instances where accounts have not been faithfully and properly kept;
 - instances where assets acquired, administered or otherwise held were not adequately safeguarded or accounted for;
 - instances where accounting systems and management control systems that relate to revenue, disbursements, the safeguarding or use of assets or the determination of liabilities were not in existence, were inadequate or had not been complied with; and
 - any factors or circumstances relating to an expenditure of public money which in the opinion of the Auditor General should be brought to the attention of the House of Assembly.

Our Mandate
