

General as part of the preparation of the Public Accounts. When an independent auditor has been appointed and has performed an audit of this information, the audited financial statements will be presented to the Speaker for tabling in the House of Assembly.

5.2 Financial Statements

The following are the unaudited financial statements for the Office for the year ended 31 March 2005.

Financial Accountability

**OFFICE OF THE AUDITOR GENERAL
PROVINCE OF NEWFOUNDLAND AND LABRADOR
Schedule of Assets and Liabilities
As at March 31, 2005**

	<u>2005</u> \$	<u>2004</u> \$
ASSETS		
Current		
Audit fees billed and in progress	58,314	66,451
Travel imprests	1,200	1,200
Accountable advance	200	200
	<hr/>	<hr/>
	59,714	67,851
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LIABILITIES		
Current		
Accrued leave	625,341	551,359
Accrued payroll	55,873	43,713
Accrued severance pay	477,040	479,043
Accrued overtime	7,635	6,880
	<hr/>	<hr/>
	1,165,889	1,080,995
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Unaudited

Financial Accountability

**OFFICE OF THE AUDITOR GENERAL
PROVINCE OF NEWFOUNDLAND AND LABRADOR
Schedule of Expenditure and Related Revenue
Year ended March 31, 2005**

	<u>2005</u>			2004
	<u>Actual</u>	<u>Estimates</u>		<u>Actual</u>
	\$	<u>Amended</u>	<u>Original</u>	\$
		\$	\$	
EXECUTIVE SUPPORT				
Salaries	137,467	137,500	137,500	133,710
Salaries (statutory)	118,914	118,900	118,900	115,848
Employee benefits	2,285	7,500	4,700	2,492
Transportation and communications	6,462	15,400	17,000	15,433
Professional services	4,035	14,000	14,000	-
Purchased services	3,932	4,500	5,700	458
	<u>273,095</u>	<u>297,800</u>	<u>297,800</u>	<u>267,941</u>
ADMINISTRATIVE SUPPORT				
Salaries	207,937	216,900	216,900	214,269
Employee benefits	507	3,000	3,000	679
Transportation and communications	26,295	32,200	32,200	22,406
Supplies	15,994	18,000	15,000	11,458
Purchased services	161,559	166,200	166,200	161,320
Property, furnishings and equipment	6,303	10,000	13,000	5,708
Grants and subsidies	9,250	9,300	9,300	9,200
	<u>427,845</u>	<u>455,600</u>	<u>455,600</u>	<u>425,040</u>
AUDIT OPERATIONS				
Salaries	1,525,383	1,602,700	1,732,700	1,517,006
Employee benefits	33,849	39,900	9,900	-
Transportation and communications	38,588	84,500	84,500	62,528
Professional services	-	15,000	15,000	-
Information technology	91,167	98,900	98,900	95,320
	<u>1,688,987</u>	<u>1,841,000</u>	<u>1,941,000</u>	<u>1,674,854</u>
Revenue - Provincial	<u>(187,000)</u>	<u>(165,800)</u>	<u>(165,800)</u>	<u>(149,575)</u>
	<u>1,501,987</u>	<u>1,675,200</u>	<u>1,775,200</u>	<u>1,525,279</u>
Net expenditures	<u>2,202,927</u>	<u>2,428,600</u>	<u>2,528,600</u>	<u>2,218,260</u>

Unaudited

Financial Accountability

**OFFICE OF THE AUDITOR GENERAL
PROVINCE OF NEWFOUNDLAND AND LABRADOR
Statement of Gross Expenditure and Unexpended Balances
Year ended March 31, 2005**

	<u>2005</u> \$	<u>2004</u> \$
Original estimates (net)	2,528,600	2,485,400
Less: estimates transferred to the House of Assembly	-	(192,000)
Amended estimates	2,528,600	2,293,400
Add: revenue estimates net of statutory payments	46,900	31,400
Total appropriation	2,575,500	2,324,800
Total net expenditure	2,202,927	2,218,260
Add: revenue in excess of statutory payment	68,086	33,727
Total gross expenditure (budgetary, non-statutory)	2,271,013	2,251,987
Unexpended balance of appropriation	304,487	72,813

Summary of Cash Payments and Receipts

	<u>Payments</u> \$	<u>Receipts</u> \$	<u>Net</u> \$
Current account	2,389,927	187,000	2,202,927

Unaudited

OFFICE OF THE AUDITOR GENERAL PROVINCE OF NEWFOUNDLAND AND LABRADOR Notes to Financial Information Year ended March 31, 2005

Authority

Section 3 of the *Auditor General Act* provides for the establishment of a department of the public service of the Province called the Office of the Auditor General. This *Act* was assented to on October 31, 1991.

1. Significant accounting policies

This financial information has been prepared by the Office of the Auditor General using an accrual basis of accounting in the Schedule of Assets and Liabilities and the cash basis of accounting in the Statement of Expenditure and Related Revenue. Outlined below are the significant policies followed:

(a) Assets

Assets and liabilities are recorded on a basis consistent with the policies used in preparing the Public Accounts of the Province of Newfoundland and Labrador. Direct liabilities and convertible assets such as amounts receivable are reported in the Schedule of Assets and Liabilities.

(b) Operating expenses

The employer's portion of government personnel costs is paid by the Department of Finance and is not reflected in this financial information.

(c) Capital assets

Capital asset acquisitions are charged as budgetary expenditures and are expensed in the year they are acquired because they are less than the amounts established by the Province for capitalization. The assets are not considered to be convertible and therefore are not capitalized and are not valued on the Schedule of Assets and Liabilities.

(d) Income taxes

The Office of the Auditor General is not subject to Provincial or Federal income taxes.

2. Pensions

Under the *Auditor General Act*, all persons employed in the Office of the Auditor General are employees for the purposes of the *Public Service Pensions Act, 1991*, and are entitled to all the benefits under that *Act*. No pension expenditure has been recorded in this financial information.

Unaudited