



PROVINCE OF NEWFOUNDLAND AND LABRADOR

Office of the Auditor General

27 June 2006

The Honourable Harvey Hodder, M.H.A.
Speaker
House of Assembly

Dear Sir:

In accordance with Section 12(1) of the *Auditor General Act*, I respectfully submit herewith, for transmission to the House of Assembly, a report regarding matters which came to my attention during my audit of the House of Assembly.

My review of expenditures identified circumstances surrounding payments totalling \$2,651,644, made from April 1998 to December 2005, to three companies (Zodiac Agencies, JAS Enterprises Limited and Cedar Scents International), which have led me to question the legitimacy of at least a portion of these payments. The review also identified inappropriate payments totalling \$170,401, made during the period April 2001 through to December 2005, to Unique Keepsakes, a company owned by the former Director of Financial Operations at the House of Assembly, and/or his spouse.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Noseworthy".

JOHN L. NOSEWORTHY, C.A.
Auditor General