



NEWS RELEASE

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Auditor General reports on the Government's finances

VICTORIA — In his report, Auditor General Wayne Strelieff today called for a simpler and more complete explanation and analysis of government finances.

'I am often asked by BC legislators and citizens for advice on how to interpret the state of the government's finances,' says Mr. Strelieff. Because the government has not yet fully implemented generally accepted accounting principles, legislators and the public must sort through complex notes and reconciling schedules within the Government's financial statements and annual reports to determine the full financial story.

Strelieff argues for the government to do what other large complex organizations do, use the management discussion and analysis part of its annual financial report – the public accounts – to tell its financial story in a more complete and understandable manner.

In his report, Strelieff shows what is possible by setting out six-year trends in key financial and economic indicators using generally accepted accounting principles, key indicators of financial condition, and what he considers a more understandable financial information framework.

Strelieff says part of the difficulty is that, in its financial statements, the government has not yet made the accounting changes necessary to report on the full financial results of its education and health programs (the SUCH sector).

By law, generally accepted accounting principles must be implemented no later than April 2004. With this change and other significant improvements to government management and accountability practices underway, 'the time is right,' Strelieff says, 'for the government to focus on telling its financial story completely and clearly.'

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2002/2003 Report # 4 – Monitoring the Government's Finances Province of British Columbia

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By contacting:
Office of the Auditor General
8 Bastion Square
Victoria, B.C. V8V 1X4
Tel: 250 387-6803
Fax: 250 387-1230

Toll free enquiries by dialing *Enquiry BC* at 1-800-663-7867 (in Vancouver 660-2421) and requesting a transfer to 387-6803.

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