

Chapter 10

Results of Crown Agency Financial Statement Audits

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Results of Crown Agency Financial Statement Audits

What We Found in Our Crown Agency Audits

***Unqualified audit
opinions issued***

10.1 For all but one of the Crown agencies we audit, we issued unqualified (“clean”) audit opinions. We issued a qualified audit opinion for the audit of the Office of Public Trustee. In common with many trusts, we were unable to verify the completeness of assets and our work was limited to the amounts recorded in the records. During the year, we completed nine audits of Crown agencies’ financial statements, one claim audit, and one notice to reader engagement.

***Recommendations made
to Crown agencies***

10.2 We made recommendations in seven of our nine Crown agency financial statement audits, as noted in Exhibit 10.1. We made these recommendations to each agency’s board of directors. Our recommendations were in the areas of: board governance, accounting concerns, internal control weaknesses, and cash management.

***Significant findings are
incorporated into our
observations throughout
the volume***

10.3 We have not specifically discussed the results of our Crown agency work in this chapter. Throughout this volume, however, we have incorporated our significant Crown agency findings into our observations. For example, in Chapter 5, we discuss findings relating to our Service New Brunswick audit, and in Chapter 8 we discuss findings relating to our audit of New Brunswick Lotteries and Gaming Corporation.

***Crown agencies should
implement our
recommendations
before the next audit
cycle***

10.4 While we did not find evidence that any significant fraud, theft or error occurred, our recommendations indicate deficiencies in internal control or mistakes in financial reporting. We encourage Crown agencies to implement our recommendations prior to the next audit cycle.

Crown Agencies Audited During the Year

10.5 Exhibit 10.1 provides information on the Crown agencies we audited over the past year (October 2018 – October 2019), the fiscal year-end completed, and if recommendations were made to the Crown agencies. We also present information on one Crown agency where we performed a notice to reader engagement.

Exhibit 10.1 - List of Crown Agency Audits and Notice to Reader Engagement Performed by AGNB and if Recommendations were issued to the Board of Directors of the Crown Agency

Crown Agency	Recommendations Issued
March 31, 2019 Year End Audits	
Opportunities New Brunswick	Yes
Service New Brunswick	Yes
New Brunswick Legal Aid Services Commission	Yes
New Brunswick Legal Aid Services Commission – Federal Claim	Yes
March 31, 2019 Notice to Reader	
New Brunswick Combat Sport Commission	N/A – Not an Audit
December 31, 2018 Year End Audits	
New Brunswick Municipal Finance Corporation	No
March 31, 2018 Year End Audits	
Kings Landing Corporation	Yes
New Brunswick Agricultural Insurance Commission	Yes
New Brunswick Lotteries and Gaming Corporation	Yes
New Brunswick Legal Aid Services Commission – Trusts under the Administration of the Public Trustee	Yes
Regional Development Corporation	No

Source: Prepared by AGNB.

10.6 In general, Crown agencies indicated they agreed with our recommendations and they intend to address our concerns in the coming year.