

Action Plan and Progress Assessment (APPA) for the implementation of audit recommendations from the OAG- Prepared for the Select Standing Committee of Public Accounts
Attention: Shirley Bond, Chair and Mitzi Dean, Deputy Chair of the Select Standing Committee on Public Accounts

Rate-regulated Accounting at BC Hydro Released 02/19

<http://www.bcauditor.com/pubs>

PAC Meeting Plan¹ 23/04/19

Prepared by: David Wong, BC Hydro

Reviewed by: Les MacLaren, Assistant Deputy Minister, MEMPR

Rec. # Accepted? Yes / No ²	OAG Recommendations	Actions Planned & Target Date(s) ³	Assessment of Progress to date ⁴ and Actions Taken ⁵ (APPA update)
1 Yes	We recommend that BC Hydro prepare its financial statements in accordance with Canadian generally accepted accounting principles, without modification	<p>Government deposited Regulation 231/2018 on November 7, 2018. The regulation repealed Part 3 of Regulation 257/2010 under the <i>Budget Transparency and Accountability Act</i>, which created the “prescribed standards” that did not require an independent regulator for BC Hydro’s ongoing use of rate regulated accounting. The Comptroller General has directed BC Hydro to fully adopt International Financial Reporting Standards for the fiscal year ended March 31, 2019, which is the appropriate basis of accounting for BC Hydro under Canadian generally accepted accounting principles.</p> <p>Target Date: 06/06/2019 at the BC Hydro level (date the BC Hydro Board of Directors is scheduled to review and approve BC Hydro’s audited financial statements for the year ended March 31, 2019)</p>	<p>Progress Assessment: Partially implemented</p> <p>Actions Taken & Discussion: Please see Actions Planned and Target Date column.</p> <p>BC Hydro is currently preparing its financial statements for the year ended March 31, 2019 in accordance with the direction from the Comptroller General. BC Hydro will be working with its auditors ahead of a June 6, 2019 meeting of its Board of Directors, at which time the Board of Directors are scheduled to review and approve BC Hydro’s audited financial statements.</p> <p>The Auditor General will assess Government’s consolidation of BC Hydro into the Public Accounts for 2018/19, and will become BC Hydro’s financial statement auditor for its fiscal year ending March 31, 2020.</p>

¹ The audited organization will be required to present their initial action plan at this meeting (i.e. First three columns completed for each OAG recommendation included in the audit report)

² For each recommendation, the audited organization should state whether or not they have accepted the recommendation and plan to implement it fully by typing either “Yes” or “No” under the number of the recommendation.

³ Target date is the date that audited organization expects to have “fully or substantially implemented” the recommendation. If several actions are planned to implement one recommendation, indicate target dates for each if they are different.

⁴ The Select Standing Committee on Public Accounts (PAC) will request that the audited organization provide a yearly update (i.e. completed “Assessment of Progress and Actions Taken” column) until all recommendations are fully implemented or otherwise addressed to the satisfaction of the PAC. This is for the APPA update.

⁵ This action plan and the subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has implemented the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

Please provide your email response to:

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