



## PRESS RELEASE



### **The Auditor General of Québec presents the modified opinions, emphasis of matter paragraphs and comments in the independent auditor's report – Press Release no. 3**

**Québec, March 22, 2017** – Today, Ms. Guylaine Leclerc makes public the Winter 2017 Volume of the *Report of the Auditor General of Québec to the National Assembly for 2016-2017*. In **Chapter 3**, she presents the modified opinions, emphasis of matter paragraphs and comments on non-compliance as well as the related recommendations that deserve to be brought to the attention of the National Assembly.

**Modified opinions, emphasis of matter paragraphs and comments.** The Auditor General of Québec draws the attention of the National Assembly to 13 modified opinions, 4 emphasis of matter paragraphs and 4 comments on non-compliance included in the independent auditor's reports. These reports were produced during the period from January 1 to December 31, 2016. These communications arise from the work performed by the Auditor General during the audit of financial statements or were noted when it exercised its right of review and were considered to be of interest to parliamentarians.

**Economic Development Fund.** As at March 31, 2016, the Auditor General was unable to obtain sufficient audit evidence to assess whether the provision for losses on loans in the form of financial contributions repayable through royalties should have been adjusted; this provision was for \$243 million. Note that the value of this type of loan in the financial statements was \$369 million as at that date. We therefore included a qualification in the independent auditor's report.

**Education networks.** The independent auditors' reports issued during the period from January 1 to December 31, 2016, contained 12 qualified opinions, 9 of which concern inadequate accounting of government transfers relating to fixed assets and 3 of which concern other accounting issues. A non-compliance paragraph in relation to the recognition of receivable government subsidies is also included in the independent auditor's report for two organizations.

**Follow-Up on recommendations.** A follow-up of six recommendations made in previous years and published in the reports entitled *Audit of Financial Information and Other Related Work* is being done. Of these recommendations, three have been applied, one is progressing satisfactorily, while for the other two, progress is unsatisfactory.

The Highlights are available at [www.vgq.qc.ca](http://www.vgq.qc.ca). The full report is available only in French.

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