

Statement of Forecast Service Performance for Output Class D2

The Controller Function

Description

Output Class D2 relates to the Controller function under sections 65Y to 65ZA of the Public Finance Act 1989 (the Act).

The function of Controller is to provide independent assurance to Parliament that expenses or capital expenditure of departments and offices of Parliament have been incurred (or public money spent) for purposes that are lawful, and within the scope, amount and period of the appropriation or other statutory authority. Where there is reason to believe that a breach of appropriation or unlawful action has occurred or may occur, the Auditor-General has the power to direct the relevant Vote Minister to report to the House of Representatives and/or to stop payments from Crown or departmental bank accounts, as the case may be.

Performance Measures and Targets

Quality

The Auditor-General will, consistent with his powers under the Act and his published auditing standards:

- Examine monthly statements provided by the Treasury to ensure that expenses or capital expenditure have been incurred for purposes that are lawful and within the scope, amount and period of the appropriation or other statutory authority.
- Where there is reason to believe that a breach of appropriation or unlawful action has occurred or may occur:
 - draw the matter to the attention of the Vote Minister;
 - If the matter is not addressed satisfactorily, consider whether to exercise the power to direct the Minister to report to the House of Representatives and/or to stop payments out of the relevant bank account.

Quantity

Monthly (12) statements will be obtained from the Treasury showing expenses and capital expenditure incurred with or without appropriation or other statutory authority.



Timeliness

- The monthly statements from the Treasury will be reviewed and provided to Appointed Auditors for their use in the audit of appropriations within 5 working days of receipt of the statement.
- Where a breach has occurred or may occur, the relevant Ministers will be informed within 2 days of it being verified.

Cost

- The cost will not exceed \$131,000.

Statement of Forecast Service Performance for Output Class D3

Provision of Audit and Other Assurance Services

Description

This output class relates to the conduct of the annual audits of public entity financial reports.

The Auditor-General is the statutory auditor of approximately 4000 public entities.

These audits are undertaken by either Audit New Zealand or private sector auditors.

Output Class D3 is funded mainly by fees paid by the entities being audited or to which other assurance services are being provided.

Annual audits result in:

Audit Reports –

On whether the financial statements fairly reflect the financial and non-financial performance of these entities.

Management Reports –

To the management and governing bodies of these entities, on issues arising from the audit.