



## **Audit Information for Commercial Organizations**

This document provides information about what to expect during an audit of a commercial gaming facility or a corporate audit of a service provider or BCLC.

The Gaming Policy and Enforcement Branch (GPEB) regulates gambling in British Columbia, and is responsible for the overall integrity of gaming and horse racing in the province. The Audit and Compliance Division of GPEB conducts audits to monitor compliance with all applicable legislation, regulation, policies and directives under the authority of the *Gaming Control Act* and Regulation.

The information in this document is provided for your convenience and guidance and is not a replacement for the legislation. The *Gaming Control Act* and Regulation can be found on the web at [www.gaming.gov.bc.ca/legislation-policies](http://www.gaming.gov.bc.ca/legislation-policies).

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## 1. Authority

### **Gaming Control Act**, Section 78(2):

“The general manager or an inspector may conduct inspections for the purposes of ...  
 (b) monitoring compliance of licensees, eligible organizations and registrants with this Act, the regulations, the rules and the conditions of licences and registration  
 (c) monitoring compliance of the lottery corporation with this Act and the regulations.”

The auditor can examine all aspects of your gaming records and activities and will enter your business premises to inspect your records and observe your operations.

Any reports resulting from audits conducted by GPEB may be disclosed publicly, in compliance with the *Freedom of Information and Protection of Privacy Act*.

## 2. What is an audit?

An audit is a formal examination of your organization’s gaming records and operations to ensure that you are in compliance with the *Gaming Control Act* and Regulation, public interest standards and any directives issued by GPEB.

The audit process normally has four phases:

Phase	Description
<b>Phase 1:</b> Field Work Phase	During this phase, the auditors observe, interview, and gather information on the gaming operations. For a gaming facility audit, this can take from one to three days, including an exit interview with the General Manager and BCLC representatives. The exit interview is not the conclusion of the audit but an opportunity for the auditor to highlight some early findings (if any) and for the General Manager to ask questions and provide additional information. For audits of service providers or BCLC, where we audit a longer period, this phase will take more time.
<b>Phase 2:</b> Post-Field Work Phase	During this phase, the auditors analyze audit evidence such as video footage, data and documentation and follow up as necessary with auditees. This can take several weeks but varies depending on the audit.
<b>Phase 3:</b> Draft Phase	During this phase, the auditors present the preliminary audit findings in a draft report to BCLC and/or the service provider. If applicable, both BCLC and the service provider are expected to work together at providing responses and action plans to correct any deficiencies noted.
<b>Phase 4:</b> Final Phase	Once the draft audit report has been reviewed by all parties and the responses have been received, a final report is issued.

### **3. What records should be available?**

Per Section 79 of the *Gaming Control Act*, the auditor may inspect any of your gaming records. The auditor may send a notice letter to the organization indicating the list of gaming records that are required for the audit.

At all times, the auditor will safeguard and handle your records with due care and maintain confidentiality of your information.

### **4. Can our organization's gaming registration status be affected by an audit?**

Normally, an audit will not affect the registration status of a service provider or gaming worker. However, if an audit uncovers severe deficiencies, communication with our Registration and Certification Division (and if applicable our Investigations Division) will be made which may in turn affect registration status.

### **5. The Post-Audit Questionnaire**

During the exit interview, you will be given a questionnaire. The purpose of the questionnaire is to obtain feedback on the audit and the conduct of the audit by the auditor. We encourage you to take the time to complete the questionnaire since your feedback will help us to improve how we carry out audits in the future.

### **6. Contact Information**

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