



AUDITOR'S REPORT

To the Honourable Minister of Finance and
To the Honourable Chairman of the Board of
Directors of the Auditor General

I have examined the balance sheet of the Auditor General
for the year ended March 31, 1988 and the statements of
operations and equity of Canada and changes in financial position for the
year then ended. My examination was made in accordance with generally
accepted auditing standards, and accordingly included such tests and other
procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the
financial position of the Auditor General as at March 31, 1988 and the results of
its operations and the changes in its financial position for the year then
ended in accordance with generally accepted accounting principles applied
on a basis consistent with that of the preceding period.

G. Larry Meyer, F.C.A.
Deputy Auditor General
for the Auditor General of Canada

Ottawa, Canada
June 15, 1988