



To: Toronto Public Library Board – January 29, 2007

From: City Librarian

Subject: **Audit Planning – Year Ended December 31, 2006**

Purpose:

The attached report from Ernst & Young, the external auditors, summarizes the planning of their audit of the 2006 financial statements for the Toronto Public Library Board.

Funding Implications and Impact Statement:

The proposed audit fee of \$25,000, inclusive of expenses and Goods & Services Tax, is included in the Operating Budget.

Recommendation:

It is recommended that the Toronto Public Library Board receive the report on Ernst & Young's *Audit Planning – Year Ended December 31, 2006* for information.

Background:

The contract with Ernst & Young is for five years ending with the audit of the December 31, 2007 financial statements. As part of the annual audit, the external auditors provide an Audit Planning report to the Toronto Public Library Board.

Comments:

Attached is Ernst & Young's Audit Planning report for the Library which includes the Terms of Engagement, Required Communications, Audit Process, Audit Team and Fees, Audit Timetable, New Developments in Accounting or Auditing Standards, Current Year Developments and an Engagement Letter.

On completion of the audit, Ernst & Young will issue the Audited Financial Statements and a report on Audit Results.

Conclusion:

The auditors will commence the 2006 audit pursuant to this Audit Plan.

Contact:

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City Librarian

List of Attachments:

Attachment 1: Audit Planning – Year Ended December 31, 2006.