

To: Toronto Public Library Board – April 19, 2004

From: City Librarian

Subject: **Audit Results – Year Ended December 31, 2003 – Toronto Public Library Board**

Purpose:

The attached report from Ernst & Young, the external auditors, summarizes the scope of the audit, the audit team, issues of audit significance discussed with management and provides the communications required by Ernst & Young's professional standards.

Funding Implications and Impact Statement:

Not applicable.

Recommendation:

It is recommended that the Toronto Public Library Board receive the report on Ernst & Young's *Audit Results – Year Ended December 31, 2003 – Toronto Public Library Board* for information.

Background:

As part of the annual audit, the external auditors provide an Audit Results report to the Toronto Public Library Board.

Comments:

Attached is Ernst & Young's Audit Results for the Library which include the Terms of Engagement, Audit Approach, New Developments in Accounting or Auditing Standards, Other Required Communications, Items of Audit Significance Discussed with Management of the Library, City of Toronto Engagement Letter, Independence Letter, and a Letter of Recommendations.

During the course of the audit, items of audit significance were discussed with management. A description of these items is contained on pages 12-14.

The auditors did not find any material weaknesses in internal control during their examination. However, as reported in their Letter of Recommendations, pages 25-31, Ernst & Young has disclosed areas where further review by Management is warranted. Management's response to the recommendations is included in the report.

A representative from Ernst & Young will be in attendance at the April 19, 2004 Board Meeting to respond to questions.

Conclusion:

The auditors provided an unqualified opinion in the Auditor's Report contained in Financial Statements - Toronto Public Library Board - December 31, 2003. An unqualified opinion means that the financial statements are presented fairly, in all material respects.

Contact:

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946; Fax: 416-393-7115;
E-mail: lhughsam@tpl.toronto.on.ca

Josephine Bryant
City Librarian

List of Attachments:

Attachment 1: Toronto Public Library Board - Audit Results - Year Ended December 31, 2003