



## STAFF REPORT INFORMATION ONLY

14.

### Audit Year-End Report – December 31, 2014 – Toronto Public Library Board

<b>Date:</b>	May 25, 2015
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

#### **SUMMARY**

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As part of their audit function, the external auditors, PricewaterhouseCoopers LLP (PwC), is required to produce a year-end report to the Toronto Public Library Board. The attached report from PwC summarizes the results of their audit of the 2014 financial statements for Toronto Public Library (TPL).

#### **FINANCIAL IMPACT**

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PwC's fee for the 2014 audit is \$32,790 (excluding the Harmonized Sales Tax (HST)) as reported to the Board at its meeting on December 15, 2014 in the Audit Plan for the Year Ending December 31, 2014 report, and the amount is included in the operating budget.

The Director, Finance & Treasurer has reviewed this financial impact statement and is in agreement with it.

#### **ISSUE BACKGROUND**

At the Board meeting of December 15, 2014, PwC's report on the Audit Plan for the Year Ending December 31, 2014, which outlined their approach to the audit, was received for information. This is the last year of a five-year contract with PwC.

As part of the annual audit, PwC is required to provide a year-end report to the Library Board upon completion of the audit.

#### **COMMENTS**

Attached is PwC's 2014 Year-end report to the Board for the audit of the financial statements for the year ended December 31, 2014. PwC's report includes: Status of the Audit; Significant Audit, Accounting and Financial Reporting Matters; Other Required Communications; and Internal Control Recommendations.

PwC proposes to issue an unqualified report when four outstanding matters are cleared: update on legal confirmations, subsequent events procedures, the receipt of a signed management representation letter as of the date of the May Board meeting; and Board approval of the draft financial statements.

In the Internal Control Recommendations on page 18 of Attachment 1, it is noted there are no internal control deficiencies identified in 2014 and PwC notes that the internal control deficiency identified in 2013 related to approvals for vacation carry forward, has been resolved.

A representative from PwC will be in attendance at the Board meeting.

On February 10, 2015, the City awarded PwC the contract to perform the annual financial statement audits for the Library from 2015 to 2019. The annual fee will be \$25,000 (excluding the HST) and the total value of the contract over 2015 to 2019 will be \$125,000, (excluding HST).

## **CONTACT**

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## **SIGNATURE**

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Vickery Bowles  
City Librarian

## **ATTACHMENTS**

Attachment 1: Toronto Public Library Board – 2014 Year-end Report to the Board