



STAFF REPORT INFORMATION ONLY

17.

Audit Plan for the Year Ending December 31, 2016

Date:	November 21, 2016
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The attached report from PricewaterhouseCoopers, the external auditors, summarizes the planning for their audit of the 2016 financial statements for the Toronto Public Library Board.

FINANCIAL IMPACT

The proposed audit fee of \$25,000, inclusive of expenses and exclusive of Harmonized Sales Tax (2015 – \$25,000) is included in the 2016 operating budget. It is important to note that the audit fee does not include extra audit work that may be required due to scope changes, and PricewaterhouseCoopers will advise management as soon as possible if this were to happen.

This is the second year of a five-year audit contract that the City has negotiated. The fee will remain unchanged for the duration of the contract.

ISSUE BACKGROUND

Under Section 139 of the *City of Toronto Act, 2006*, the City is required to appoint an auditor licensed under the *Public Accounting Act, 2004*, who is responsible for annually auditing the accounts and transactions of the City and its local boards, and expressing an opinion on the financial statements of these entities based on the audit.

Council, at its March 2015 meeting, approved the recommendation of the Audit Committee to appoint PricewaterhouseCoopers as the external auditor for the City and Library. The contract with PricewaterhouseCoopers is for five years, ending with the audit of the December 31, 2019 financial statements.

As part of the annual audit, PricewaterhouseCoopers provides an Audit Plan report to the Toronto Public Library Board. The auditors will conduct their audit of the 2016 financial statements pursuant to this plan.

COMMENTS

Attached is PricewaterhouseCoopers' Audit Plan for the Library, which summarizes their view on audit risks, the nature, extent and timing of the audit work and the terms of engagement.

On completion of the audit, PricewaterhouseCoopers will issue the Audited Financial Statements and a Year-End Report to the Board that will provide: key matters for discussion; significant audit, accounting and financial reporting matters; summary of unadjusted and adjusted items; other required communications; internal control recommendations; and a confirmation of auditor independence.

Work on the interim audit was completed in October 2016, and the year-end audit is expected to be completed by March 2016.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Toronto Public Library Board – Audit Plan for the year ending December 31, 2016