
Subject: 2019 External Audit Planning Report

Report to: Audit Committee

Report date: Monday, September 9, 2019

Recommendations

That this report **BE RECEIVED** for information.

Key Facts

- The requirement for an annual audit is established in the Municipal Act, S.O. 2001, c paragraph 294.1 through 296.1.
- Deloitte is in an agreement with the Niagara Region to provide auditing services until the fiscal year ending March 31, 2021.

Financial Considerations

The consolidated financial statements will be prepared in compliance with legislation and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Upon completion of the 2019 Annual Report, the audited financial statements will be available to the public on the Niagara Region's website:

<https://www.niagararegion.ca/business/finance/annual-reports/default.aspx>

The audit fees for 2019/2020 are estimated at the same rate as 2018/19, \$154,900. The fees include the audit of Niagara Region's consolidated financial statements, program specific audit required by various Ministries and other reports and the Niagara Region Police Services special bank. It does not include the fees for an audit of the Niagara Regional Police Services as that will be approved and presented to their board if required. The audit of the consolidated financial statements has been budgeted within the Enterprise Resource Management Services department and the audit fees for program specific audits have been budgeted within the respective program areas.

Analysis

The audit planning report is a communication provided to the Audit Committee to inform the Committee of the responsibilities of the Auditor in relation to the financial statement audit, and an overview of the scope and timing of the audit. It also provides the Audit Committee with the opportunity to assess the audit plan to communicate any concerns to Deloitte prior to the commencement of the audit.

The Audit Planning Report, attached in Appendix 1, applies to the audit of the Niagara Region consolidated financial statements for the fiscal year ending December 31, 2019. The report also applies to program specific audits completed annually due to provincial requirements (as in the case of provincially funded programs), or in certain situations where audits or reviews are performed to ensure that an independent audit or review report on those operations is provided to the appropriate oversight body.

Alternatives Reviewed

The consolidated financial statements are prepared using Public Sector Accounting Standards and therefore no alternative available.

Relationship to Council Strategic Priorities

Not applicable (pending the development of Council Strategic Priorities),

Other Pertinent Reports

None noted.

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This report was prepared in consultation with Helen Chamberlain, Director, Financial Management & Planning, Corporate Services.

Appendices

Appendix 1 Regional Municipality of Niagara Audit Plan 2019