Audit Committee

Overview for
York Regional Council

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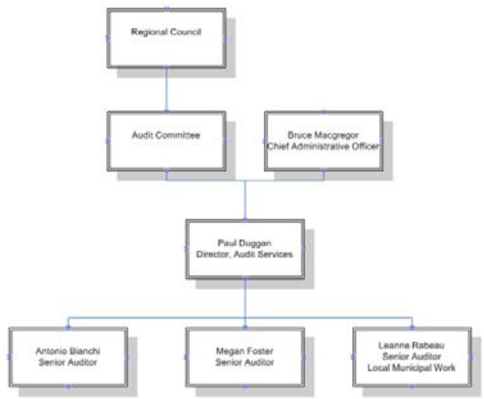
Audit Services Organization



Overview of Committee

Audit Committee meets three times a year. The main areas of responsibility covered in the Audit Committee:

- Financial Statement Review
- Internal Control
- Audit Services Branch
- External Audit
- Compliance

Definition of Internal Auditing

The Institute of Internal Auditors defines:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

External Audit

Definition of External Auditing:

The purpose of an audit is to enhance the degree of confidence of intended users in the financial statements. This is achieved by the expression of an opinion by the auditor on whether the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework. In the case of most general purpose frameworks, that opinion is on whether the financial statements are presented fairly, in all material respects, or give a true and fair view in accordance with the framework. An audit conducted in accordance with CAS and relevant ethical requirements enables the auditor to form that opinion.

(CICA Handbook)

Main difference between Internal and External Audit

- Internal audit is more heavily focused on effectiveness, efficiency and economy of internal control processes
- External audit is an opinion at a point in time, of the financial results of the Region

Key to Internal Auditing

- Auditor Independence
  - This is achieved through the Audit Committee Charter (By law M-0744-2007-085) and the Audit Services Branch reporting to Audit Committee and Council

Types of Audits

- Operational Audits
- Compliance Audits
- Information Technology Audits
- Performance Management Audits
- Consulting assignments at management request
- Forensic Investigations (Sometimes partnered with York Region Police)

Audit Plan

- The audit plan currently being executed by the Audit Services branch was developed and approved in 2009 and covers the years from 2009-2011.
- In late 2011 or early 2012 a new Audit Plan will be presented to Audit Committee

Local Municipalities

Since 2005, the Audit Services Branch has provided audit services to the local municipalities on a fee for service under a memorandum of understanding. The local municipalities we provide this service to are:

- Town of Aurora
- Town of East Gwillimbury
- Town of Georgina
- Township of King
- Town of Newmarket
- Town of Whitchurch-Stouffville

Working Partnerships

Aurora – You're in Good Company
Town of East Gwillimbury
Town of Georgina
York Regional Police
King
Newmarket
Town of Whitchurch-Stouffville
ISACA
Jacques Whitford
p1 Consulting
GardaWorld
The Institute of Internal Auditors
KPMG – cutting through complexity
pwc
CA – Chartered Accountants of Canada
Froese Forensic partners
Brook Laker & Associates
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Report Outlook

Every Year	2011	2012	2013	2014
Audit Services Activity External Audit Reporting Package (June) Financial Statements (June) External Audit Plan (November)	Audit Plan	Independent Review of Audit Services Branch	Appointment of External Auditors	Audit Plan