

Audit Services Overview

Presentation to
Audit Committee

Paul Duggan, Director, Audit Services

February 12, 2015



Department Structure - Audit Services Branch



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 definition:

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 Audit:

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 Canadian Auditing Standards and relevant ethical requirements enables the auditor to form that opinion.

(CPA Canada)

Main Difference between Internal and External Audits

- 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 (Bylaw 2012-51) 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

- Report 2 of this Audit Committee presents a new 4 year audit plan to coincide with the term of Council.

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

Collaboration is Essential – Partnerships and Alliances



Staff Reports - 4 Year Outlook

Every Year	2015	2016	2017	2018
Audit Services Activity	2015-2018 Audit Plan	Audit Committee Charter Review	Independent Review of Audit Services Branch	Appointment of External Auditors
External Audit Reporting Package				
Financial Statements				
External Audit Plan				