

REPORT

Oakville Public Library Board

Meeting Date: November 21, 2024

FROM: Finance Department

DATE: November 12, 2024

SUBJECT: 2024 Audit Planning Report – November 21, 2024

RECOMMENDATION:

That the Audit Planning Report prepared by KPMG for the 2024 fiscal year be received for feedback.

KEY FACTS:

The following are key points for consideration with respect to this report:

- The audit plan is received annually from the auditor and sets out the work plan for the current year's audit,
- Finance staff at the town prepare the annual financial statements and supporting financial schedules and KPMG audits them for completeness and accuracy,
- Professional audit standards require the auditor to discuss the views of fraud risk with those charged with governance; this discussion takes place as part of the audit findings report prepared at the conclusion of the audit,
- There are new accounting standards the library is required to adopt for the 2024 fiscal year which are not anticipated to have a material impact to the financial statements.

BACKGROUND:

The auditor, KPMG, is responsible for annually auditing the accounts and transactions of the library and expressing an opinion on the financial statements based on their audit work.

To prepare for the audit of the library, KPMG has developed its Audit Planning Report, which is attached (Appendix A) to this report.

The audit plan also sets out the nature and the extent of the work to be completed by KPMG. The Audit Planning Report addresses:

- Audit highlights and strategy

- Materiality for the library's financial statements
- New accounting standards
- Areas of risk KPMG will focus on during the audit
- Independence
- Information on audit quality
- Appendices to the Audit Planning Report:
 - Required communications
 - Use of technology in the audit
 - KPMG's audit approach and methodology
 - Audit and Assurance Insights

COMMENT/OPTIONS:

Finance staff have reviewed the 2024 Audit Planning Report and discussed the audit plan with KPMG. Consistent with prior years, the town's finance department prepares a plan for closing the books for the current fiscal year, with the target of closing all 2024 financial operations by early February 2025. Once the 2024 records are closed, finance staff prepare the library's financial statements.

The audit field work is scheduled for early March 2025. This timing will allow staff to complete the library's financial statements and consolidate the library's records with those of the town.

Upon completion of the audit, finance staff will present the financial statements to the board for approval at a Q2 meeting. At this same meeting, KPMG will also present their Audit Findings Report.

New Accounting Standards:

As highlighted by KPMG in their audit planning report, effective for the library's 2024 fiscal year, there are three new accounting standards that need to be adopted for the 2024 Financial Statements. These new standards have been reviewed by staff and at this time there are no anticipated material changes to the financial statements.

APPENDICES:

Appendix A – Audit Planning Report for December 31, 2024

Prepared by:

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Submitted by:

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