

The background of the slide is a photograph of the York Region Council Chambers. The building is a modern, multi-story structure with a curved facade and large glass windows. Two prominent, tall, cylindrical towers rise from the building, each featuring a clock face. The sky is blue with some light clouds. The bottom right corner of the slide has a blue gradient overlay.

# AUDIT COMMITTEE

Presented by  
Michelle Morris and Jason Li

January 26, 2023

The York Region logo features a stylized white star or 'Y' shape above the text 'York Region' in a white serif font.

**York Region**

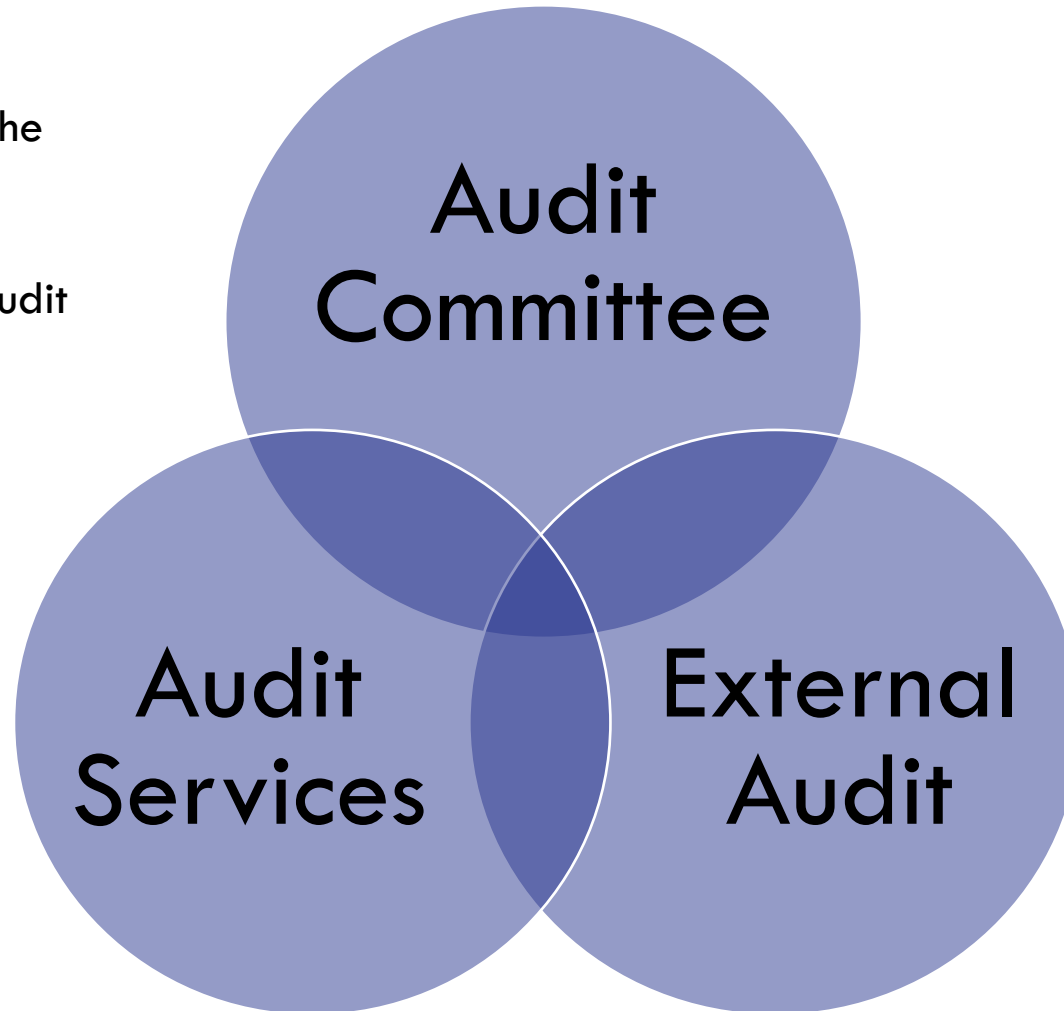
# WHAT WE DO

## **Audit Committee**

- Assists Region Council in the fulfilment of its Oversight Responsibilities
- Governing Document – Audit Committee Charter

## **Audit Services Branch**

- Provides independent, objective assurance and consulting services
- Governing Document – Audit Services Branch Charter



## **External Audit**

- Expression of Opinion on the annual Financial Statements
- Independent
- Statutory Requirement in Municipal Act, 2001

# WHAT WE DO

## **Audit Services Branch**

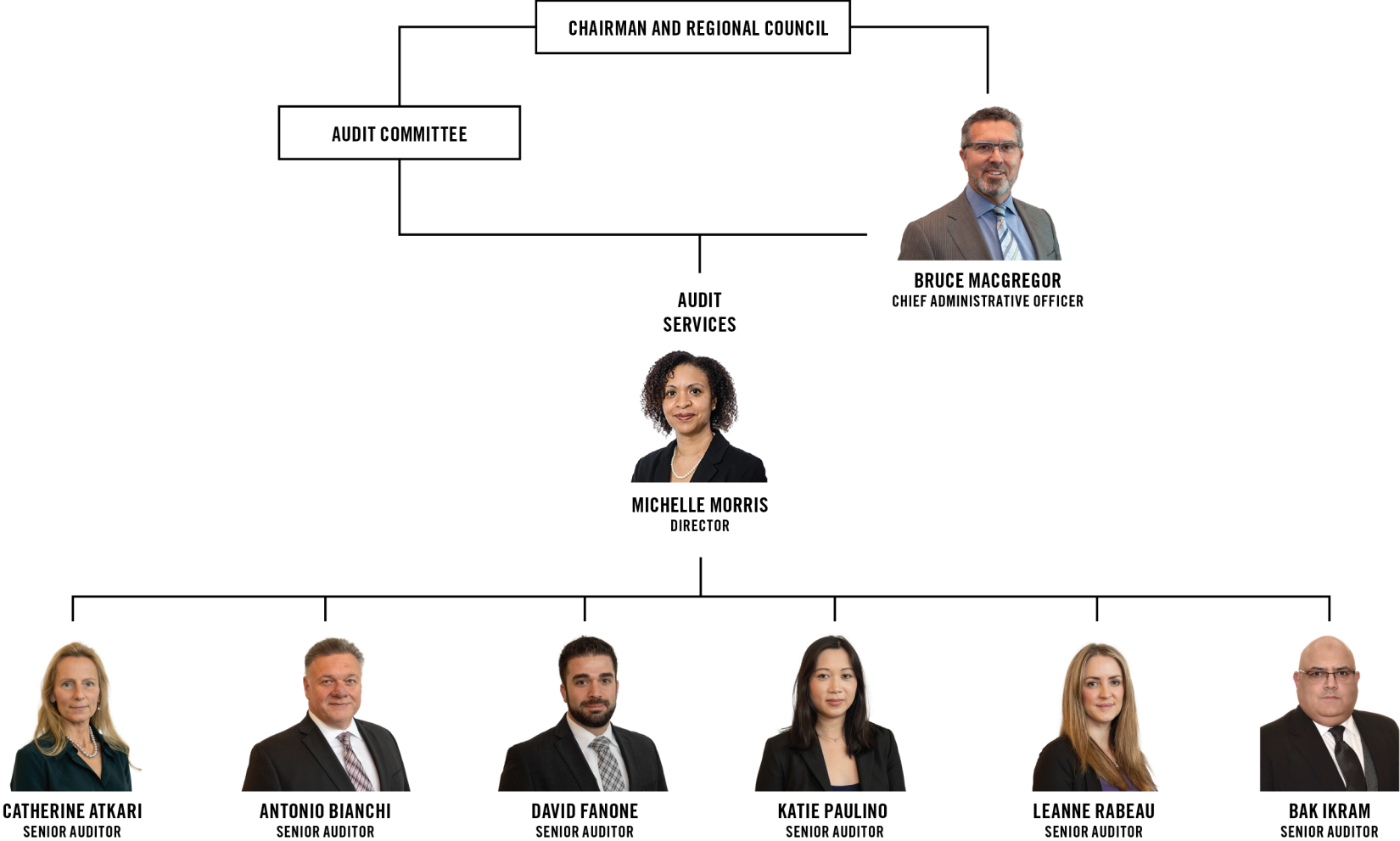
### **Mission**

To enhance and protect organizational value by employing a risk-based approach to provide objective assurance, advice and insight

### **Services**

- Assurance/ Audits
- Consulting
- Advisory
- Fraud Prevention and Investigative Services

# WHO ARE WE



# ACCOMPLISHMENTS

## Audit Services

In 2022, we successfully completed the Institute of Internal Auditors Quality Assessment, achieving the highest ranking possible which is “Generally Conforms”.

The next Quality Assessment is due in 2027.

# WHAT WE DO

## Preparation of the Region's Financial Statements

- The *Municipal Act, 2001* requires financial statements to be prepared and audited annually.
- The Finance Department prepares the Region's financial statements and coordinates the audit with an external provider (currently KPMG), and present them to Audit Committee.
- The financial statements are included in the annual Community Report and describe the Region's financial position at the end of the year and show how it changed from the previous year.



# MAIN DIFFERENCE BETWEEN INTERNAL AND EXTERNAL ADUIT

<b>Internal Audit</b>	<b>External Audit</b>
<ul style="list-style-type: none"><li>• Focus on improving the effectiveness of Governance, Risk Management and Controls (GRC)</li><li>• Assessing efficiency of operations in pursuit of its objectives</li><li>• Focus on enhancing and protecting organizational value</li><li>• Independent and Objective</li></ul>	<ul style="list-style-type: none"><li>• Independently audits transactions and records</li><li>• Provides reasonable assurance that the Region's financial statements are free from material misstatements, whether due to fraud or error</li><li>• The Audit Committee appoints the external auditor (current term 2019-2024)</li></ul>

# REPORT OUTLOOK

Every Year	2023 - 2026
<ul style="list-style-type: none"><li>• Audit Services Branch Report (January &amp; June)</li><li>• Annual Audit Services Risk-based Work Plan (January)</li><li>• Status of the Annual Audit Services Risk-based Work Plan (January &amp; June)</li><li>• The External Auditor's Planning Report (January)</li><li>• The External Auditor's Audit Findings Report (June)</li></ul>	<ul style="list-style-type: none"><li>• Audit Committee Charter Review Report</li><li>• Audit Services Charter Review Report</li><li>• Audit Services Branch Quality Assessment Commences</li><li>• Appointment of the External Audit Firm Report</li></ul>

# PARTNERSHIPS AND ALLIANCES

## Local Municipalities



## Regional Partners

Provides audit services to 7 of the 9 Local Municipalities under an Agreement

York Regional Police

## Provincial

Municipal Internal Auditors Association of Ontario

## Additional Partner

KPMG – current external auditor

## Association Memberships

Institute of Internal Auditors (IIA)

Association of Local Government Auditors (ALGA)

Association of Chartered Certified Accountants (ACCA)

Association of Certified Fraud Examiners (ACFE)

Association of International Certified Professional Accountants (AICPA)

Chartered Professional Accountants (CPA)

Information Systems Audit and Control Association (ISACA)

Institute of Chartered Accountants of England and Wales (ICAEW)

# QUESTIONS/DISCUSSION

For more information

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