



## **Staff Report FIN2022-018**

**Title of Report:** FIN2022-018 External Audit Services

**Department:** Finance

**Council Date:** July 6, 2022

**Recommendation:**

**Be it resolved that** Council receive Staff Report FIN2022-018 External Audit Services as information; and

**That** Council approve RFP-FIN2022-002 External Audit Services as presented; and

**That** Council directs staff to release and advertise the RFP-FIN2022-002 External Audit Services document.

### **Background:**

On December 15, 2021, Council passed the Resolution 2021-761 as follows:

**Be it resolved that** Council receive Staff Report FIN2021- 044 Appointment of Auditor as information; and

**That** Council appoint BDO Canada LLP as the auditor of the annual financial statements for the fiscal year of 2021; and

**That** Council direct staff to release a Request for Proposals in 2022 for future auditor services for the Township of Southgate.

The report noted that BDO Canada LLP (BDO) had notified Southgate, that due to staffing issues, the earliest the 2021 audit could begin would be June 6, 2022, with the financial statements being anticipated being taken to Council in August 2022.

### **Staff Comments:**

On May 30, 2022, BDO provided the 2021 Audit Planning Report to Council (Attachment 1) which contains the following audit timeline:

<b>ACTION</b>	<b>TIMING</b>
Audit planning and interim fieldwork	January 2022
Audit fieldwork commences	June 13, 2022
Meeting with management and BDO	Late August 2022
Present final report to Council	September 7, 2022
Release of audit report	Early September 2022

Staff request that Council approve Request for Proposal RFP-FIN2022-002 External Audit Services (Attachment 2) for release. Given that Council may be in lame-duck as of August 19, 2022, the timeline anticipates a Special Council meeting to appoint an auditor for future audit services.

**Financial Implications:**

The 2022 Budget contained \$45,000 for external audit services, funded by taxation.

**Communications & Community Action Plan Impact:**

This report has been written and presented to Council in accordance with the Southgate Community Action Plan:

Mission Statement Pillars

- Trusted Government
- Economic Prosperity.

Themes:

- Municipal Services
- Public Communications

Core Values:

- Integrity
- Stewardship

**Concluding Comments:**

The 2021 audit has started and the audited financial statements are anticipated to be brought to Council on September 7, 2022. Council has directed staff to prepare a Request for Proposals in 2022 for future audit services. Staff recommends approval of the External Audit Services RFP as presented and recommends that it be released and advertised.

Respectfully Submitted,

**Dept. Head:**                    **Original Signed By**  
William Gott, CPA, CA, Treasurer

**CAO Approval:**            **Original Signed By**  
Dave Milliner, CAO

**Attachments:**

- 1 2021 Audit Planning Report to Council
- 2 RFP-FIN2022-002 External Audit Services