



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 032-14FFC

TO: Members of the Finance & Facilities Committee

FROM: Trish Fulton, Chair – Finance & Facilities Committee

DATE: 2014 September 4

COMMITTEE TOOLS / CHECKLIST

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 032-14FFC re Committee Tools /Checklist for information.

Key Points

- As part of the June 12, 2014 Finance and Facilities Committee review of the 2013 Middlesex-London Health Unit Financial Statements, the Committee requested the auditors to provide appropriate tools to enhance the oversight of the financial operations of the Health Unit.

Background

During the review and approval of the 2013 financial statements for the Middlesex-London Health Unit the Committee engaged in a discussion with the Health Unit auditors in regards to appropriate tools available to help organize its oversight of the financial operations of the Health Unit. The process identified by the auditors could potentially increase the Committee's oversight of the financial operations and ensure the Committee meets its mandate as established by the Board of Health.

KPMG Material

Attached as [Appendix A](#) is a copy of a sample Factual Certificate provided by Mr. Ian Jeffreys, Audit Partner from the auditors. This certificate would provide management's verification that the organization is in compliance with regulations/requirements, that government remittances are up-to-date, and that the Committee is informed of any potential liability from claims against the Health Unit.

Mr. Jeffreys also passed along the following sample statements that could be added to the sample certificate if appropriate:

1. "We believe that there is minimal risk that the financial statements have been materially misstated as a result of fraudulent behaviour."
2. "There have been no changes in accounting policies or principles used during the year (or comment on any changes that have been made)."
3. "All undisclosed contingent liabilities or gains have been reviewed with legal counsel and the external auditors to ensure appropriate disclosure within the financial statements."
4. "All returns of financial information (have management define what these are – ie. CRA, MOHLTC, MCYS, etc.) have been filed as required and within the appropriate deadlines."

In addition, Mr. Jeffreys provided a link to a webinar (<http://vimeo.com/92077342>) titled “10 To Do’s for Audit Committees of Not-for-Profit Organizations.” While the Finance and Facilities Committee is not strictly an audit committee, it does recommend the audit findings to the Board, and the material is relevant to the Committee’s mandate provided by the Board.

Conclusion

Upon request by the Finance & Facilities Committee, the Health Unit auditor, KPMG has provided some tools for the Committee’s consideration to be used for increasing the Committee’s oversight of the financial affairs of the Health Unit.

Trish Fulton, Chair
Finance & Facilities Committee