



# City of Greater Sudbury

## Audit Planning Report

Presentation to the Audit Committee  
September 15, 2020



# The City's Audit Cycle

- Identify and assess potential audit risks
- Develop audit strategies
- Confirm logistical arrangements
- Communicate audit strategy

## Planning and Strategy Development (Sep)

- Obtain audit evidence over selected financial statement items
- Document and test internal controls
- Revise audit strategies and procedures based on experience
- Identify and address misstatements early in process

## Interim Audit Procedures (Nov/Dec)

- Finalize financial statement presentation
- Complete final audit procedures to date of Council approval
- Communicate audit findings
- Issue formal audit opinion and other reports

## Audit Completion and Reporting (May/Jun)

- Obtain appropriate audit evidence over financial statements
- Identify and address misstatements
- Account for related entities

## Year-End Audit Procedures (Apr/May)

# Audit Implications of COVID-19

- Revenue recognition for COVID-19 grants
- Financial implications of operational changes
- Changes to financial processes and associated impacts on internal controls
- Increased fraud exposure
- Reassessment of appropriateness of materiality
- Remote auditing

# Areas of Audit Risk

- Revenue recognition for conditional funding sources
- Management estimates
- Capital expenditures
- Property assessment appeals

# Adding Value

- Compliance with procurement policies
- Compliance with travel and expense reimbursement policies
- Enterprise risk management questionnaire
- Cybersecurity incident response best practices

# What We're Seeing

- New auditing standard with respect to management estimates
- Deferral of new accounting standards due to pandemic
- Increase in fraud risks
- Permanent adoption of pandemic response measures



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