

**AUDIT COMMITTEE MEETING
March 14, 2023**

The meeting was called to order by the Chair at 6:05 PM with the following members present:

- Eddie Nickerson, Warden
- Deputy Warden Jody Crook
- Councillor Andrea Mood-Nickerson
- Citizen Rep Donna Messenger
- Citizen Rep Amanda Lloyd
- Chris Frotten, CAO
- Leah d'Eon, Director of Finance
- Gloria Bank, Grant Thornton Auditor
- Angelique Leblanc, Grant Thornton Auditor

PRESENTATION

Gloria Banks presented the audit approach for the 2022/2023 fiscal year.

The purpose of the meeting was to assist the Audit Committee in understanding the terms of the audit engagement and the audit strategy.

Grant Thornton has substantially completed their initial planning of the audit of the consolidated financial statements of the Municipality.

Their audit approach is that they establish an overall strategy that focuses in risk areas. They identify and assess risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The greater the risk of material misstatement associated with an area of the consolidated financial statements, the greater the audit emphasis placed on it in the terms of audit verification and analysis.

Discussion was had on one of the new accounting standards, Asset Retirement Obligations. The wind turbine generator is one asset that will require some additional work to determine whether there is an asset retirement obligation.

One municipal function that was identified as an area of significant risk was the account receivable balances on property taxes and other revenues. There is a presumed risk of fraud in revenue. There will be a complete analytical procedure on accounts receivable balances, confirmation of accounts and sampling of revenue.

Another area of risk is the management override of controls. There is a presumed risk of fraud. Grant Thornton will be testing the appropriateness of journal entries recorded in the general ledger and evaluate the rationale for significant transactions.

ADJOURNMENT

The meeting was adjourned at 6:32 pm.

Chair

Secretary for the Meeting