



COMBINED VPCHI AND VPAHC
AUDIT COMMITTEE MEETING

12:00 PM – FRIDAY DECEMBER 15, 2017

A G E N D A

1. Call to Order
2. Approval of the Agenda
3. Approval of Previous Meeting Minutes
4. Audit Planning Schedule
5. Risk Assessment
6. Operational Review Directive
7. Other Business
8. Next Meeting: *January 19, 2018*
9. Adjournment



**VICTORIA PARK COMMUNITY HOMES INC. & AFFORDABLE
MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON
APRIL 26, 2017**

Present: D. Montini, Chair
D. Martin
T. Cipriani
S. Naylor via conference call
M. Gallagher
S. Holman
T. McGivney, PYC
V. Bardhoshi, PYC

Staff: L. Gagne
V. Fowler
V. Wall (Recording Secretary)

1. CALL TO ORDER AND OPENING REMARKS

- D. Montini called the meeting to order at 5:56 p.m.

2. CONFLICT OF INTEREST

- None declared.

3. APPROVAL OF AGENDA

- L. Gagne asked to add an item to New Business: Discuss Audit Committee members for 2017-2018.
- It was noted that this meeting is an Audit meeting attended by guests of the Finance Committee.

On a motion by T. Cipriani, seconded by D. Martin, the agenda was approved with the above noted amendment, **CARRIED**.

4. APPROVAL OF PREVIOUS MEETING MINUTES

- It was noted that there was an error in the name on the minutes, D. Martini should be D. Martin.

On a motion by T. Cipriani, seconded by D. Martin the minutes of the previous meeting held on December 9, 2016 were approved, as presented, **CARRIED**.

5. DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2016 for VPCHI.

- T. McGivney presented the draft financial statements for the year ending December 31, 2016 with the following highlights:
- The Committee requested that the statements break out the mortgages that are new from the payments of existing mortgages and those that have ended.
- The Committee discussed that the salary administration fee would increase as salaries increase.
- Professional fees for this year included Asset Planner.
- The statements did not include 4 AIR reconciliations which would have us owing the Service

Manager \$331,000.

- The Committee requested that the final statements reference the lease between VPCHI and VPCHMP.
- The Committee also accepted the Internal Transfers Report, included in the statements.

On a motion by T. Cipriani, seconded by D. Martin the committee approved the draft 2016 Financial Statements for submission to the Board of Directors with the above noted amendments, **CARRIED.**

6. DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2016 for VPAHC

- T. McGivney presented the draft financial statements for VPAHC for the year ending December 31, 2016.
- The Committee had reviewed the statements prior to the meeting and had no concerns.

7. OTHER BUSINESS

- L. Gagne asked if the current members would like to remain on the Audit Committee. T. Cipriani and S. Naylor advised they would like to continue. D. Martin advised he would correspond with L. Gagne directly. M. Gallagher, although her term is ending on the Board, did express an interest in remaining on either the Finance or Audit Committee.

8. DATE/TIME OF NEXT MEETING

- TBD

9. ADJOURNMENT

On a motion by S. Naylor seconded by D. Martin, the meeting was adjourned at 7:03 p.m., **CARRIED.**



VICTORIA PARK COMMUNITY HOMES INC. AUDIT SCHEDULE

TASKS	DATE(S)	COMMENTS
Audit Committee Planning Meeting PYC to attend	December 15, 2017 12 noon	
Interim fieldwork (includes): <ul style="list-style-type: none"> - Importing electronic interim trial balance and electronic budgets and new accounts setup - Internal and computer controls, questionnaires - Walkthrough - RGI file testing, reading of minutes - Some vouching- - Risk assessment <ul style="list-style-type: none"> • Assertion level • Financial statement level 		Books to be provided the first day of fieldwork (or earlier if desired). Consolidated account balances will be brought in this year compared to individual accounts balances. Confirmation requests to be received the day of fieldwork.
Signed pre-audit letters: <ul style="list-style-type: none"> - Audit Planning Letter - Independence Letter - Engagement Letter - Engagement Letter – summarized FS - Fraud Questionnaire - Internal Controls Questionnaire 		Signed letter to be received by PYC prior to fieldwork, preferably during the days of interim fieldwork.
Audit Committee Meeting PYC does not attend	January 19, 2018 12 noon	Internal Controls Meeting
Finals of the following: <ul style="list-style-type: none"> - electronic trial balance - electronic general ledger F'16 - subsequent electronic general ledger F'17 - working papers, schedules and supporting documentation 	March 19, 2018	Electronic books and other supporting documentation to be provided by client at least one week prior to fieldwork.
Fieldwork to commence	March 20, 2018	Two weeks of Fieldwork
Draft AIR and supporting schedules sent to PYC	March 28, 2018	Veronica will prepare AIRs and provide AIRs and supporting reconciliation schedules to PYC. AIRs should be provided preferably with the final trial balance or the first day of fieldwork. Receivables and Payables from the 4 AIRs should be posted in the books before the final trial balance is sent to PYC.
Draft Financial Statements to staff Electronic	April 18, 2018	
Staff feedback	April 19, 2018	
Revised drafts to the Audit Committee	April 20, 2018	

TASKS	DATE(S)	COMMENTS
Joint Audit/ Finance Committee meeting PYC to attend	April 25, 2017 at 5 p.m.	
Board Meeting PYC to attend Signed by Directors and management at the Board Meeting: <ul style="list-style-type: none"> - Representation letter - Audit Findings letter - Financial statements - Subsequent events questionnaire 	May 3, 2018	
Final FS to VPCH Electronic	May 17, 2018	
AGM PYC to attend	*May 29, 2018 5 p.m.	

2.0 Administrative Systems

<i>Section #</i>	<i>Direction</i>	<i>Date Due</i>	<i>Completed</i>	<i>Completed date or B/F for further review</i>
2.1	A deficit reduction plan is developed and provided to <u>all</u> Service Managers for the elimination of the accumulated deficit of \$519,278 for the Hamilton portfolio;	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.2	A policy and procedure is established and approved by the Board to ensure there is a two person count of laundry revenue and provided to the Service Managers;	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.3	Accounting entries are current within 15 days and provide a recent copy of actual vs budget comparison;	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.4	Service Managers are provided with documentation of all insurance claims and any subsequent insurance pay-outs	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.5	Financial Reconciliations are reviewed and signed by a Board Member	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
<i>Section #</i>	<i>Recommendations:</i>	<i>Date Due</i>	<i>Completed</i>	<i>Completed date or B/F for further review</i>
2.1	Implement a system for conducting tenant exit interviews to determine why tenants move out of Victoria Park units	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.2	Ensure that finance committee minutes and detailed quarterly reports are made available to the overall Board members through on line access;	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.
2.3	Ensure that the surplus or loss earned on sale of properties from one Service Manager area is used for the benefit of that Service Manager area. This principle was recommended for Victoria Park for use in its strategic planning.	Click here to enter a date.	<input type="checkbox"/>	Click here to enter a date.