

**Audit Resource Management Report to
Audit Committee
2024 March 14**

**ISC: CONFIDENTIAL
AC2024-0359**

External Auditor – Approval of Additional Services and Fees for 2023 Audit

PURPOSE

The external auditor is seeking the approval of Audit Committee for the additional services and fees required for the 2023 external audit, with respect to the Events Centre Project.

PREVIOUS COUNCIL DIRECTION

The Audit Committee Bylaw 33M2020 states in Section 5 that “The Audit Committee is authorized to:

- (f) pre-approve all audit and non-audit services performed by the External Auditor...”

and further, in Schedule B of Bylaw 33M2020, it states “The Audit Committee:

- (a) prior to the commencement of the annual external financial audit, reviews the audit plan and estimated audit fees with the External Auditor and discusses the timing and extent of audit procedures, materiality, significant audit risks and areas of audit focus and overall audit strategy. The audit plan is forwarded to Council for information;”

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RECOMMENDATIONS:

Review By: 2024 April 30

Audit Committee recommends that Council:

1. Approve the additional services and estimated fees in the amount of \$17,500 plus 7% administrative fee and GST for the additional procedures required to be performed with respect to the Event Centre Project (Attachment);
2. Forward this report to Council for information and the Corporate Record; and
3. Recommend this Report, Recommendations, Attachment, and the Closed Meeting discussions remain confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act* to be reviewed by 2024 April 30.

RECOMMENDATION OF THE AUDIT COMMITTEE, 2024 MARCH 14:

Review By: 2024 April 30

That Council:

1. Adopt the additional services and estimated fees in the amount of \$17,500 plus 7% administrative fee and GST for the additional procedures required to be performed with respect to the Event Centre Project (Attachment); and
2. Direct that this Report, Recommendations, Attachment, and the Closed Meeting discussions remain confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act* to be reviewed by 2024 April 30.

HIGHLIGHTS

This report is an update on the External Auditor's (Deloitte LLP) additional procedures and fees that they will incur in relation to the Event Centre Project.

Deloitte's 2023 Audit Service Plan and Fees were approved by Audit Committee on 2023 July 19 (AC2023-0701). Included with the service plan was an estimate of the scope of work and fees for Phase 1(a) and 1(b) in the adoption of New Accounting Standards. At that time the information required to perform an assessment of the impact of the Event Centre Project on the 2023 audit was not available.

Subsequently, Deloitte provided estimated fees for Phases 2 and 4(a) in the adoption of New Accounting Standards at the 2023 October 12 Audit Committee meeting. The Phase 3 fee estimate will be provided at a future meeting.

The external auditor provides assurance to Calgarians that the annual consolidated financial statements accurately reflect the financial position of The City of Calgary. Reasonable assurance is given that the financial statements, as a whole, are free of any material misstatement, whether due to fraud or error.

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The External Auditor will provide the results of the 2023 City of Calgary external audit at the 2024 April 18th Audit Committee meeting and those results will be forwarded to Council for information.

ATTACHMENT

Deloitte LLP, Update on The City of Calgary December 31 ,2023 Year End Audit – Extension of Scope

Department Circulation

Councillor Evan Spencer	Chair of Audit Committee	Approve
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