

## Memorandum

**To:** Employment Ontario (EO) Network Service Providers

**From:** Jacqueline Cureton  
Director, Program Delivery Support Branch

**Date:** April 6, 2018

**Subject:** 2017-2018 EO Program Auditor's Report (AR) Requirements

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In October 2017, the ministry released a communique to the EO network clarifying the [2016-2017 and 2017-18 Audit and Accountability Requirements \(AARs\)](#), as well as highlighting verification and assurance expectations for the Statement of Revenue and Expenditure Report (SRER). I would like to provide you with an update on the Auditor's Report.

I am pleased to let you know that the ministry has introduced a change to the 2017-2018 EO Auditor's Report based on feedback from service providers and the external audit community.

Based on the feedback, the ministry will accept an Auditor's Report that includes a reproduction of the key elements of the SRER under an "Other Information" heading in the Auditor's Report (see the attached sample Auditor's Report for additional information). Consequently, auditors will no longer be required to initial and date the SRER as part of the audit.

The new approach is in line with the Canadian Auditing and Assurance Standards Board's (AASB) approved changes to [auditor reporting standards](#) (to be implemented December 15, 2018). Please note that the new approach comes into full effect with the 2018-2019 EO Transfer Payment Agreements and applies to the 2017-2018 Auditor's Report.

If you have any questions regarding any of these changes please contact your employment and training consultant (ETC).

# Revised Sample Auditor's Report for 2017-18 EO Agreements

(Includes all sites)

## Auditor's Report to the Government of Ontario

### Ministry of Advanced Education and Skills Development

At the request of the [Recipient Name], we have audited all of the [Name of Program or Project (and acronym)] Statement of Revenue and Expenditure Report (SRER)s of the [Recipient Name] for the term of the Agreement ended [Month, Day, Year.]

The SRERs were prepared by [Recipient Name] pursuant to the Ministry of Advanced Education and Skills Development's [Program or Project acronym] Audit and Accountability Requirements for [Effective date of the Agreement] to [End of Agreement Date]. This financial information is the responsibility of the [Recipient Name] management. Our responsibility is to express an opinion on this financial information based on our audit.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of financial information.

In our opinion, this report presents fairly, in all material respects, the revenue and expenditure of the Project for the year ended [Month, Day, Year] in accordance with the Ministry of Advanced Education and Skills Development's [Name of Program or Project] Audit and Accountability Requirements for [Effective date of the Agreement] to [End of Agreement Date].

#### ***Other Information***

The information provided below represents a copy of the details contained in the SRER(s) as prepared and presented by the Recipient, for each site verified in our audit.

[Agreement Number]

[Program Name]

[Site ID]

[Total Expenditures for **each** Budget Line]

*Revenue*

[Funding Received from the Province]

[Interest Earned on Funding from Province]

[Disposition of Assets]

Licensed Public Accountant under the *Public Accounting Act, 2004*.

(Name)

(Title)

(Date)