

April 11, 2019

Vancouver Public Library Statement of Financial Information Review 2018

Background

At the request of the Board of the Vancouver Public Library (VPL), Internal Audit reviewed the statement of financial position as at December 31, 2018, the statement of operations, change in net financial assets, cash flows and notes to the financial statements for the period then ended. This review does not constitute an independent audit or review engagement, and is not designed to detect fraud. Accordingly, there should be no such reliance.

Scope

Internal Audit performed the following procedures with respect to the financial information presented:

- Agreed the financial information to the general ledger of the City of Vancouver (the City);
- Reviewed the financial statements for any discrepancies and communicated to VPL management for revision;
- Discussed and analyzed the financial information for reasonableness and consistency with Corporate accounting policies;
- Reviewed the working papers prepared by the Acting Director, VPL Corporate Services & Facilities for any reclassifications;
- Performed variance analysis based on the Council approved budgets and obtained explanations from VPL management where appropriate;
- Inquired as to the accounting, budget and other internal controls that provide reasonable assurance that transactions are properly authorized and accurately recorded, and that the assets of VPL are properly safeguarded and accounted for thereby maintaining the integrity of financial records;
- Made inquiries and received written representation from the Chief Librarian and Acting Director, VPL Corporate Services & Facilities to identify any deviations from accounting policies and procedures that would affect the integrity of the financial statements.

To coincide with a City-wide employee expense audit, we also reviewed related VPL expense processes and tested 2018 travel/training claims and purchase card transactions. The objectives were to assess whether these expenses are valid, reasonable and comply with established policies and procedures.

Conclusion

Based on the results of the above procedures, Internal Audit found the financial statements were prepared, in all material respects in accordance with Public Sector Accounting Standards and consistently with the City's corporate accounting policies and general ledger.

Internal Audit also found that travel/training claims and purchase card expenses incurred by VPL were properly authorized, approved and in compliance with City guidelines and VPL policies. Non-routine expenditures were scrutinized; explanations obtained and reviewed to determine the transactions were reasonable, properly processed and recorded in accordance with established procedures.