



TO: Audit Committee

SPONSOR: Sheila Brown

CONTACT INFO: 416-978-2065, sheila.brown@utoronto.ca

DATE: April 18 for May 10, 2011 meeting.

AGENDA ITEM: 3

**ITEM IDENTIFICATION:**

**Audited Financial Statements – April 30, 2011 Draft Notes**

**JURISDICTIONAL INFORMATION:**

The Audit Committee is responsible for reviewing the annual audited financial statements and recommending them for approval to the Business Board. Each year, the committee reviews proposed changes to the financial statements and notes at the meeting prior to the review of the financial statements. The committee is also responsible for assessing the adequacy of public disclosure of financial information.

**PREVIOUS ACTION TAKEN:**

None

**HIGHLIGHTS:**

The proposed change to the notes to the financial statements has been underlined. The university is required to disclose the impact of future accounting policy changes.

The following notes included in 2010 were removed in 2011 as they are no longer required:

- a) First generation pilot project initiatives no longer requires a separate note disclosure due to new accountability requirement effective for the 2011 fiscal year.
- b) The comparative financial statement note is not required as no restatements are anticipated.
- c) The reference made in the contingencies note to negotiations of a new job evaluation system with one of its unions and compliance with the Ontario Pay Equity Act has been removed as the University has reached an agreement with the union.

Also attached for your information is the new auditor's report that will be included with the financial statements this year.

**FINANCIAL AND/OR PLANNING IMPLICATIONS:**

None

**RECOMMENDATION:**

Receipt of the draft notes to the financial statements for 2011.