



The Corporation of the City of Courtenay

# Staff Report

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**To:** Council  
**From:** City Manager (CAO)  
**Subject:** Audit Service Plan for Year Ending December 31, 2025

**File No.:** 1680-01  
**Date:** October 1, 2025

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## **PURPOSE:**

The purpose of this report is to obtain Council appointment of an auditor for the year 2025 and to seek approval of the Audit Service Plan for the year ending December 31, 2025.

## **BACKGROUND:**

The auditors, MNP LLP, have prepared and submitted the Audit Service plan for the year ending December 31, 2025. Communicating this plan to Council is a requirement under Canadian Auditing Standards 260.

## **DISCUSSION:**

The Audit Service Plan documents the overall approach and the general arrangements for the conduct of the 2025 audit. Its purpose is to help Council in understanding both the scope of, and the approach to, the audit work, and to have MNP LLP report to Council on the results of their 2025 audit in the spring of 2026.

## **POLICY ANALYSIS:**

Section 169 of the Community Charter, requires Council to appoint an auditor to conduct the annual municipal audit. To date, MNP LLP is providing this service for the City. Canadian Auditing Standards 260 (CAS 260) 'communication with those charged with governance' is the current standard for auditing in Canada and requires the Auditors to communicate the following with Council:

- a) The audit and non-audit services the auditor is providing to the City and its related entities;
  - b) The level of responsibility assumed by the auditor under generally accepted auditing standards;
- and,
- c) A summary of the audit approach.

## **FINANCIAL IMPLICATIONS:**

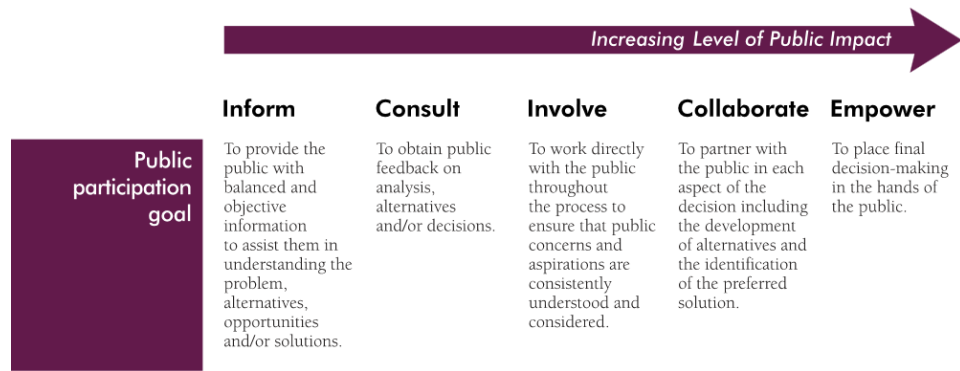
For 2025, the estimated audit fees are \$41,000, which aligns with the fees from 2024. Details regarding the audit fees can be found on page 4 of the attached Audit Service Plan.

## **ADMINISTRATIVE IMPLICATIONS:**

Preparation of the City's year-end documents, drafting of the 2025 financial statements and coordinating the annual municipal audit are significant statutory tasks for the Finance Department. The auditors will be commencing preliminary on-site audit work by late October 2025 with the goal of finalizing audit work mid-April 2026.

## **PUBLIC ENGAGEMENT:**

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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**OPTIONS:**

1. THAT Council appoint MNP LLP as the City's auditors for 2025;  
and  
THAT Council approve the 2025 Audit Service Plan as presented for the year ending December 31, 2025.
2. THAT Council provide alternative direction to staff.

**ATTACHMENTS:**

1. MNP LLP - City of Courtenay Audit Service Plan 2025

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Concurrence: Geoff Garbutt, M.PI., MCIP, RPP, City Manager (CAO)