

2ND REPORT OF THE

AUDIT COMMITTEE

Meeting held on February 1, 2012, commencing at 3:02 PM, in Committee Room #3, Second Floor, London City Hall.

PRESENT: Councillor P. Hubert (Chair), Councillors M. Brown, N. Branscombe and J. Swan, and W. DeShane and B. Westlake-Power (Secretary).

ALSO PRESENT: J. Braam, R.L. Fair, J. Brown, M. Bushby, C. Clendenning (PwC), K. denBok (KPMG), D. Fawcett, B. Galloway, S. Gilfillan (PwC), S. Houde, I. Jeffries (KPMG), J. Keen, M.J. Mastandrea (PwC), C. Shah (PwC), J. Stanford, L. Stevens, S. Swance, and M. Turner.

I. DISCLOSURES OF PECUNIARY INTEREST

1. No pecuniary interests were disclosed.

II. CONSENT ITEMS

2. 1st Report of the Audit Committee

Recommendation: That the 1st Report of the Audit Committee from its meeting held on December 7, 2011 **BE RECEIVED**.

III. SCHEDULED ITEMS

IV. ITEMS FOR DIRECTION

3. PricewaterhouseCoopers, Internal Auditors - Quarterly Report on Internal Audit Results

Recommendation: That the following actions be taken with respect to the Quarterly Report on Internal Audit Results, dated February 1, 2012, from PricewaterhouseCoopers:

- a) Community Services – Housing Division – the Action Plans included as Appendix 'A' of the above-noted report **BE IMPLEMENTED**; and,
- b) Fleet Asset Management –
 - i) the Action Plans included as Appendix 'B' of the above-noted report **BE IMPLEMENTED**;
 - ii) the Civic Administration **BE DIRECTED** to provide a follow-up report to the appropriate standing committee with respect to the actions noted for implementation in part i), above; and,
 - iii) the Civic Administration **BE DIRECTED** to provide a further information report to the Finance and Administrative Services Committee with respect to the current fleet replacement and fleet maintenance policies, including the risk management and cost benefit analysis of the policies.

4. KPMG LLP - Audit Planning Report for the year ending December 31, 2011

Recommendation: That the KPMG LLP Audit Planning Report, for the year ending December 31, 2011, **BE APPROVED**.

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

None.

VI. ADJOURNMENT

The meeting adjourned at 4:54 PM.