: Province's experience with clean audit opinions (since 1993/94)

From: "Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
To: "Orencsak, Greg (TBS)" <greg.orencsak@ontario.ca>
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Date: Fri, 23 Sep 2016 11:52:42 -0400

Greg,
Please see responses to your questions. Nadine

From: Scheifley, Rob (TBS)
Sent: September 23, 2016 11:49 AM
To: Petsche, Nadine (TBS); Fong, Pauline (TBS); Jim Keates (jimkeates@hotmail.com)
Cc: Veinot, Cindy (TBS)
Subject: RE: FOLLOW UP REQUIRED: Province's experience with clean audit opinions (since 1993/94)

Q: Was the Province qualified 25 years ago (91/92)?
A: The PA of 91/92 received a clean audit opinion.

Q: How far do we go back, and to the extent that we do, in how many years has the Province been qualified?
A: Since fiscal year 1970/71, Ontario has received a clean audit opinion in every year except fiscal year 1992/93.

Q: Can we say that since the province adopted PSAB standards (since 93/94) it has received unqualified opinions?
A: Yes. This statement is factually correct.

Q: Was the cash accounting issue in 92/93 that cause the qualification due to a surplus in the plan, i.e. any resemblance to the current issue we are working through?
A: No. Today's issue is related to pension valuation. The issue in 92/93 was related to the basis of accounting / timing of recognition of an expense (i.e. a payment was made after March 31 relating to a pension expense prior to year-end). It is in 92/93 that the AG indicated that future PA would be audited against PSAAB standards and urged Ontario to produce their PA on that basis (accrual).

Q: Is 15 years the time period during which we have had an asset on our books? If that's the case, what happened prior to that -- was there a liability? **To follow**

Q: How long have the relevant pension accounting standard been in place? If they haven't changed over the last 15 years, when was the last time that they did?
A: The current standard has been in effect since September 2001. Subsequent to 2001, only editorial changes had been made to the standard (no substantive changes to the standard since 2001)..