

**PRENTICE
YATES &
CLARK**

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since 1944*

PRENTICE YATES & CLARK
Co-op and Non-Profit Housing Audit Preparation

CONFIRMATION CHECKLIST

Prepare, sign and mail the following confirmations to PYC's office:

- (i) Mortgage Confirmation letter(s). _____
- (ii) Completed Bank Confirmation form(s). _____
(Please enter the account numbers and account types)
- (iii) Completed Securities Confirmation letter(s). _____
- (iv) Legal confirmation letter(s). _____
(Include a sentence asking your lawyer to confirm cash in trust amounts)
- (v) Blank Resident Receivable Confirmation letter. _____
(Prepare one copy only)

Please Note

Sample confirmation letters are available for download from our website at www.pyc.net



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FIELD AUDIT CHECKLIST

A. Are Your Books Ready To Be Audited?

- i) Have last year's audit adjusting entries been put into your accounting records? _____
- ii) Do your prior year adjusted Statements of Financial Position and Operations account balances agree with the audited Working Trial Balance that we sent last year (to the penny)? _____
- iii) Does your Statement of Financial position balance at the end of your current fiscal year? _____
- iv) Does "Current Year Surplus" in the Net Assets section of your Statement of Financial Position agree with the Surplus on your Statement of Operations? _____
- v) Have reconciliations been done each month for:
 - 1. Every bank account; not just the operating account? _____
 - 2. Every investment account; including broker cash accounts (if any)? _____
- vi) Have you made year end bookkeeping entries for:
 - 1. Investment interest receivable? _____
 - 2. Bad debt write-offs or allowance for bad debt write-offs? _____
 - 3. GST receivable; including the municipal status rebate (if applicable)? _____
 - 4. Prepaid insurance? Prepaid taxes? _____
 - 5. Other prepaids; such as membership dues and prepaid contracts? _____
 - 6. Subsidies receivable? Subsidies allocated? _____
 - 7. Accounts payable? _____
 - 8. Mortgage accounts; including sector support principal and interest (if applicable)? _____
 - 9. Replacement reserve (r/r) allocation? Does the allocation agree with your approved budget? _____
 - 10. Interest allocation to the r/r? Expenditures charged to the r/r? _____
 - 11. Interest on tenant deposits (if applicable)? _____
 - 12. Repayment of amounts owing to MSM, CMHC, MOHLTC, MCSS or other? _____
- vii) Have you completed your annual housing supplement request forms for CMHC? Have they been filed? (ILM, Sections 61 co-ops and Section 95 non-profits) _____
- viii) Do your actual housing charges/ rents (including subsidies allocated) equal your approved budget? _____
- ix) Are your housing charges/rents and vacancy losses split between market and subsidized amounts? (For MSM projects; the subsidized amounts should be split between unit type.) _____

FIELD AUDIT CHECKLIST

B. Required Information and Documentation

NewViews Backup

- i) Please provide a backup copy of your books (either zip disk, memory stick or CD). Ensure books have edit date restriction for the first day of the new year. _____
- ii) If you are using another program, we will arrange to obtain any electronic copies necessary. _____

Please Note

- 1. Once the backup has been prepared, **please do not post any further entries relating to the year being audited.** Simply provide these entries to your auditors and they will make the appropriate adjustments.

Cash and Investments

- i) Bank statements, approved reconciliations, and cancelled cheques for each month of the fiscal year. _____
- ii) Bank statements, approved reconciliations, and cancelled cheques for the first month(s) of the new fiscal year _____
- iii) Cheque book(s) or cheque stubs from the fiscal year end through to the start of the field audit. _____
- iv) Broker statements for each month of the fiscal year and for the first month of the new fiscal year. (if applicable) _____
- v) Advice slips for investments purchased and/or sold during the fiscal year and through to the start of the field audit. Keep those slips for investments held at year end separate from the rest _____

Resident Receivables and Deposits

- i) Signed repayment agreements for those residents listed on the receivable listing at year-end _____
- ii) Listing of current Board members. _____
- iii) Listing of receivables written off during the fiscal year and copies of Board minutes indicating their approval (if applicable). _____
- iv) Listing of receivables to be written off and/or provided for at the fiscal year end and copies of Board minutes indicating their approval (if applicable). _____
- v) Collection agency report dated for the fiscal year-end or later _____
- vi) Deposit and pre-numbered cash receipt books covering the entire fiscal year through to the field audit date. _____

FIELD AUDIT CHECKLIST

Other Receivables and Prepaids

- i) GST rebate applications filed during the fiscal year and through to the start of the field audit (including GST Form 523) _____
- ii) GST rebate Notice of Assessments received during the fiscal year and through to the start of the field audit. _____
- iii) Confirmation of GST rebate percentage used throughout the fiscal year. _____
- iv) A breakdown of miscellaneous receivables at the fiscal year end (if applicable). _____
- v) A breakdown of prepaid assets and deposits at the fiscal year end (if applicable). _____
- vi) Municipal tax bills (interim and final) received/paid during the fiscal year and through to the start of the field audit. Should you pay your taxes to your mortgage company, provide documentation. _____
- vii) Commercial insurance policies covering the current and future fiscal years; indicate how the premiums are paid (lump sum payment or direct monthly withdrawal; include documentation). _____
- viii) Insurance claims made during the fiscal year and through to the start of the field audit. _____
- ix) Paid invoices for membership dues made during the fiscal year. _____

Government Subsidies

Municipal Service Manager (MSM) Programs

- i) Current and future fiscal years' MSM and Membership approved operating budgets. _____
- ii) MSM reconciliations received during the fiscal year and through to the start of the field audit relating to prior fiscal years. _____
- iii) All other correspondence received from the MSM during the fiscal year and through to the start of the field audit. _____
- iv) See memorandum for further requirements. _____

CMHC-Section 95(1) (formally 56.1) Programs

- i) Current and future fiscal years approved operating budgets submitted to CMHC. _____
- ii) CMHC settlements received during the fiscal year and through to the start of the field audit relating to prior fiscal years. _____
- iii) Current year completed S95 Income-Tested Assistance Reconciliation worksheet. _____
- iv) All other correspondence received from CMHC during the fiscal year and through to the start of the field audit. _____

Section 61 (formally 34.18), OCHAP, and ILM Programs

- i) Current and future fiscal years approved operating budgets submitted to CMHC. _____
- ii) Completed annual housing supplement request forms for the fiscal year audit. _____
- iii) CMHC settlements received during the fiscal year and through to the start of the field audit. _____
- iv) All other correspondence received from CMHC during the fiscal year and through to the start of the field audit. _____



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Ministry of Health and Long-Term Care (MOHLTC)

- i) Current and future fiscal years MOHLTC approved operating budgets. _____
- ii) Program reconciliation forms provided by the MOHLTC for the current fiscal year. _____
- iii) MOHLTC settlements received during the fiscal year and through to the start of the field audit relating to prior fiscal years. _____
- iv) All other correspondence received from the MOHLTC during the fiscal year and through to the start of the field audit. _____

Ministry of Community and Social Services (MCSS)

- i) Current and future fiscal years MCSS approved operating budgets. _____
- ii) Completed Annual Project Expenditure Report (APER) for the current fiscal year. _____
- iii) MCSS settlements received during the fiscal year and through to the start of the field audit relating to prior fiscal years. _____
- iv) All other correspondence received from the MCSS during the fiscal year and through to the start of the field audit. _____

Accounts Payable and Accrued Liabilities

- i) A listing of the fiscal year end accounts payable. Include supporting invoices. _____
- ii) All other invoices paid subsequent to the fiscal year end to the start of the field audit. _____
- iii) All unpaid invoices to the end of the field audit. _____
- iv) Invoices (paid or unpaid) relating to audit, legal, and other professional services rendered during the fiscal year and to the start of the field audit. _____
- v) Details of all contractual obligations at year-end or entered into subsequent to year-end. _____
- vi) Details of all contingent liabilities, if any. _____

Reserves

- i) Invoices charged to reserve accounts during the fiscal year and copies of Board minutes indicating their approval. Include membership approval documentation (if required). _____
- ii) CMHC/MSM approval of expenditures made during the fiscal year (if required). _____
- iii) Provide rationale of interest allocation made to reserve funds during the fiscal year (if applicable) _____

Minutes of Meetings

- i) Provide signed and approved minutes of Board meetings held during the fiscal year and to the start of the field audit. _____
- ii) Provide signed and approved minutes of General Membership meetings held during the fiscal year and to the start of the field audit (co-ops only) _____



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Revenues

- i) Listing of housing charges/rents by unit type that were charged during the fiscal year (only if these amounts differ or are not included in the approved budget). _____
- ii) Listing/printout of the vacancies during the fiscal year (separate market and subsidized losses by unit type). _____
- iii) The available number parking spaces to be rented and their monthly charge(s) (if applicable). _____
- iv) Details of any laundry collection agreements entered into during the fiscal year or changes to existing agreements (if applicable). _____
- v) Details of any roof rental agreements in effect during the fiscal year. _____
- vi) Monthly cable and/or sector support revenue charges (if applicable) _____

Corporate Tax Return (T2) and NPO Return (T1044)

- i) Notice of Assessment received from CCRA relating to the prior fiscal year. _____
- ii) Number of members in the corporation at the fiscal year end date. _____
- iii) Number of members receiving any type of remuneration from the corporation (if applicable). _____

Registered Charity Information Return (T3010)

- i) If your corporation is a registered charity, complete every part of the return provided. _____
- ii) Please provide labels that accompany the return. _____
- iii) Please provide list of Board of Directors including addresses and birth dates. _____

Other Items

- i) Mortgage renewal documents, should the mortgage have rolled over during the fiscal year or to the start of the field audit. _____
- ii) Listing of all service contracts and other leases entered into by the corporation during the fiscal year or to the start of the field audit. _____
- iii) Payroll records/ management contracts and copies of Board minutes approving payroll increases hirings, and/or contracts. _____
- iv) Provide access to resident subsidy files and paid invoice/suppliers files. _____