

**PROCEDURES TO BE PERFORMED
BY STAFF**

1. Prepare an analysis of all balance sheet accounts as detailed below (complete, to agree with opening general ledger balance and final general ledger balance).
2. Prepare bank reconciliations, including a list of any outstanding cheques and deposits for the following bank accounts:

Also prepare a note of any unissued cheques included as outstanding.
3. Ensure that the July 2004 cut-off bank statements for all the accounts listed above are available. Request bank to provide statements from July 1 to 15, 2004.
4. Investment continuity schedule – a list of investments at the beginning of the year, purchases, sales (maturities) and the balance at the end of the year. Contracts for purchases/sales and monthly RBC Dominion Securities Account Statements should be on hand for our inspection.
5. Finalize the accounts receivable lists at year-end and ensure that supporting documentation is available. List details of subsequent payments received in July and ensure that supporting documentation is available.
6. Prepare the inventory listing as of June 30th for all CD recordings and for any other inventory items on hand. Please note the date of when the inventory count took place and who performed it.
7. Prepare an analysis for all prepaid accounts including the following:
 - Subscription prospecting;
 - Renewals;
 - Promotion;
 - Tours;
 - Other

For all prepaid accounts, please have copies of supporting documentation available for any prepaid expenses greater than \$1,000. Also prepare details of all insurance expenses for the year and prepaid amounts. Ensure copies of insurance coverages are available for our inspection.

8. Capital Assets should be analyzed giving:
 - the opening balance, additions in the year, disposals in the year and final year-end balance;
 - additions over \$1,000 each should be supported with photocopies of all suppliers' invoices;
 - disposals over \$1,000 each should be supported by details of the original cost, accumulated depreciation and proceeds received or receivable.

The above procedures should be performed for each of the following general ledger accounts:

- Office furniture & equipment
- Computer equipment
- Equipment under capital lease
- Leasehold improvements
- Instruments

9. Please make available for our review all paid and unpaid invoices from the year-end up to the date of our audit commencement.
10. Accounts payable:
 - Prepare a year-end aged trial balance of accounts payable which agrees to the general ledger;
 - Reconcile large (outstanding balances in excess of \$2,500) accounts payable to suppliers' statements at year-end;
 - Suppliers names and amounts accrued should be prepared as well as a listing of other miscellaneous actual or estimated accrued liabilities;
 - Detailed listings showing payroll-clearing accounts, accrued payroll, worker's compensation and sundry sales taxes payable should be prepared as necessary;
 - Copy of all GST filings for the fiscal year should be available.
11. Prepare a schedule of liabilities for the accrued vacation pay as at June 30, 2004
12. Photocopy for our records and retention, copies of minutes of the Board of Directors and Finance Committee meetings.
13. Prepare a schedule of unearned income for both grants and sponsorships with supporting documentation including relevant grant approval letters.
14. Analysis of Endowment fund donations, other revenue and allocated expenses should be available for our review.
15. Details of donations made to the Ontario Arts Council Foundation and the related donation receipts issued to the donors and the amount of funds retained by Tafelmusik.
16. Analysis of deferred revenue and reconciliation of subscription income summary from the PASS system to deferred subscription revenue as per the general ledger.
17. Prepare the following PASS generated reports for the period July 1, 2003 – June 30, 2004
 - a. Ticket, subs, fund income summary
 - b. Subscription orders with a deposit
 - c. Outstanding gift certificates
 - d. Outstanding online credits
18. Prepare documentation for all Toronto Concerts along with general ledger listings of related expenses.
19. Provide copies of all letters for operating grants received during the fiscal year including those for the Toronto Arts Centre, Ontario Arts Council, and the Canada Council for the Arts.
20. Provide supporting documentation for two of your bigger tours (US, European etc.) and for your Opera Atelier tour. Details should include tour contracts, tour revenue and expense summaries along with supporting documents.
21. Prepare a general ledger listing of all fundraising revenue and expense accounts. All revenue account balances should agree to the PASS summary report. In addition, please provide all correspondence letters for season sponsorships received.
22. Prepare a general ledger listing of all recording and broadcasting revenue and expenses
23. Prepare a schedule showing reconciliation of salaries expense for the year (reconciling to the 2003 T4 Summary).
24. Reconciliation of donation receipts to the general ledger
25. Analysis of legal fees and other professional fees with copies of supporting invoices.

26. Analysis of rent expense.
27. Prepare analysis of repairs and maintenance accounts with invoices and other documentation of all items over \$1,000 available for inspection.
28. Copies of any new leases and/or contracts signed during the year.
29. Prepare a final adjusted trial balance, internal financial statements and general ledger