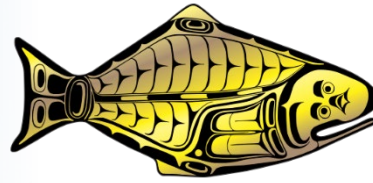


INTERNATIONAL PACIFIC



HALIBUT COMMISSION

FY2022 Independent Auditing process

Agenda Item 9.2
(IPHC-2022-IM098-16)
(D. Wilson, A. Keikkala)



Purpose

- To provide the Commission with the process for completion of the Independent External Auditors Report for FY2022, as per Regulation 14 of the IPHC Financial Regulations (2021).



Background

- **9 October 2022:** The existing three (3) year contract with Moss Adams to undertake and complete annual Statement Audits for FY2020, FY2021, and FY2022, was reconfirmed for FY2022 through the signing of an Engagement Letter details the FY2022 professional services to be provide.
- Included in the engagement letter are the Audit timings for FY2022:

“We expect to begin our audit on approximately October 31, 2022, and issue our report no later than December 19, 2022.”

- In accordance with paragraph 2, Regulation 14, of the IPHC Financial Regulations (2022) (shown below) the IPHC Secretariat commenced the provision of the initial Provided By Client (PBC) list of items to the independent external auditor (25 days after the end of the FY2022 fiscal year).

(para. 2) “The contents identified in the Auditors Provided By Client (PBC) list shall be submitted by the Executive Director to the Auditors appointed by the Commission not later than sixty (60) days after the end of a fiscal year.”



Discussion

12 October 2022: Moss Adams commenced their audit process.

19 December 2022: In accordance with paragraph 7, Regulation 14, of the IPHC Financial Regulations (2021) (shown below) the independent external auditors will provide the final report to the IPHC Secretariat on 19 December 2022 (80 days after the end of the FY2022 fiscal year, 10 days ahead of the deadline set-forth in the IPHC Financial Regulations, to ensure adequate review time).

*(para. 7) “The Auditors shall prepare a report on the accounts certified, and shall discuss their report with the Executive Director prior to submission to the FAC and Commission. The Auditors shall submit their report to the Commission, via the FAC, no later than **90 days** following the end of the fiscal year to which the accounts relate.”*

Next steps: As in previous years, the auditors will present their findings to the Commission via weblink in early 2023. The final auditors report will then be provided to the FAC099 in late January 2023 for final review, and then endorsement by the Commission at AM099.

The total expected costs for the Statement Audit (FY2022) is **US\$29,000**.



Discussion

Moss Adams have indicated that their audit fees for FY2023 (next fiscal year) will increase by 15-20%.

2023: Given that the current Commission appointment of Moss Adams as our statement auditor ends at the completion of the FY2022 audit, the Secretariat will be making a new call for Expressions of Interest in March-May 2023, both to ensure we continue to receive value for money and also to ensure we are compliant with the IPHC Financial Regulations, which require the Commission to appoint a statement auditor for three (3) fiscal years at a time.

Regulation 14 – External Audit

“1. The accounts of the Commission shall be audited annually by external auditors recommended by the FAC and appointed by the Commission. The Auditors shall be appointed for a term of three (3) years, and may be reappointed to multiple terms.”

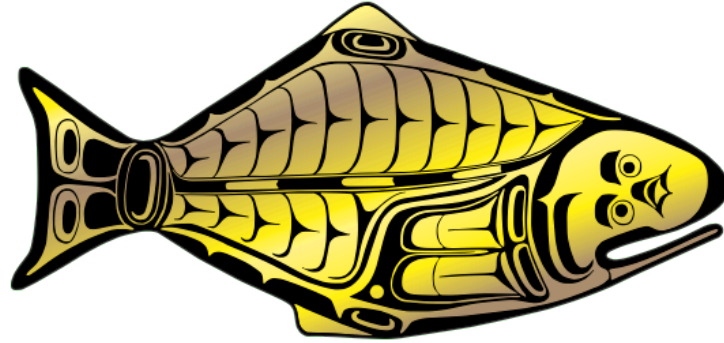


Recommendation

That the Commission **NOTE** paper IPHC-2022-IM098-16 that provided the process for the independent external auditors report for FY2022, as per Regulation 14 of the IPHC Financial Regulations (2021).



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