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Audit Status

We have completed the audit with the exception of:

- *Discussions with the Finance and Audit Committee*
- *Council's acceptance of the financial statements*
- *Obtaining the signed management representation letter*
- *Completing subsequent event review procedures*

We anticipate issuing a "clean" audit opinion.

We received the full cooperation of management throughout the audit.

We confirm our independence in accordance with professional standards.

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Risks and areas of focus

Management override risk

- Professional standards
- Required procedures
- Satisfied in our findings

Areas of audit focus:

- Capital assets and commitments
- Revenue and deferred revenue
- Salaries and benefits
- Cash, investments and debt
- Expenditures other than salaries and benefits
- Asset retirement obligations



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Audit differences

One corrected disclosure difference

- The gross amount borrowed and payments and actuarial allocations disclosure were reduced by \$1,593,415 due to a matured loan not being removed from the underlying calculation.

Two out of period adjustments

- An out of period adjustment related to the timing of when an asset was transferred from work in progress to in use. \$655,549 should have been transferred to in use in 2021.
- An out of period adjustment related to the valuation of a previously donated asset. A third party valuation indicated the asset's value should be reduced by \$665,756.

Minor presentation and disclosure adjustments



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Control observations

Significant deficiencies

No significant deficiencies in internal controls over financial reporting noted.

Other observations

No other control observations noted.



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Upcoming accounting standards changes

PS 3400 Revenue – applicable in 2024

The standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. In the case of revenue arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations. Unilateral revenue arises when no performance obligations are present, and recognition occurs when the City records the revenue and an event has happened that gives the public sector entity the right to the revenue.

PS 3160 Public private partnerships – applicable in 2024

The standard includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership.



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Upcoming accounting standards changes

Public Sector Guideline 8 Purchased Intangibles – applicable in 2024

The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles. Narrow scope amendments were made to PS 1000 Financial statement concepts to remove the prohibition to recognize purchased intangibles and to PS 1201 Financial statement presentation to remove the requirement to disclose purchased intangibles not recognized.



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Questions

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