



City of Nanaimo

Summary of Audit Findings



Prepared for the Council meeting on May 25, 2020

Audit Status

We have completed the audit with the exception of:

- *Discussions with Council*
- *Council's approval 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.



Areas of focus

- **Management override**

- Professional standards
- Required procedures
- Satisfied in our findings

- **Areas of audit focus (no issues noted):**

- Tangible capital assets and developer contributed capital assets
- Cash and investments
- Revenues and receivables management
- Salaries and benefits
- Expenses, procurement and payables
- COVID-19

Audit differences and internal controls

- **One corrected audit difference:**
 - related to cash collected in advance of being applied towards development cost charges. The correction removed \$896,413 from revenue and increased deferred revenue by the same amount.
 - Entry decreased annual surplus by \$896,413.
- **Minor presentation and disclosure adjustments**
- **No uncorrected adjustments**

- **Internal controls:**
 - We did not identify any significant deficiencies in internal controls in the current year.



Questions



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