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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:

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



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Audit differences

One corrected disclosure difference

- The commitments disclosure note was reduced by \$4 million to remove potential transactions that did not yet have contracts or purchase orders in place at year end.

One uncorrected adjustment

- We identified one misstatement in relation to a reduction in an estimated accrued liability of \$200,000 to reflect finalized amounts being settled after year end. This is a timing issue and management will adjust in fiscal 2023.

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 3280 Asset retirement obligations – applicable in 2023

The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets. Retirement costs will be recognized as an integral cost of owning and operating tangible capital assets.

PS 3450 Financial instruments – applicable in 2023

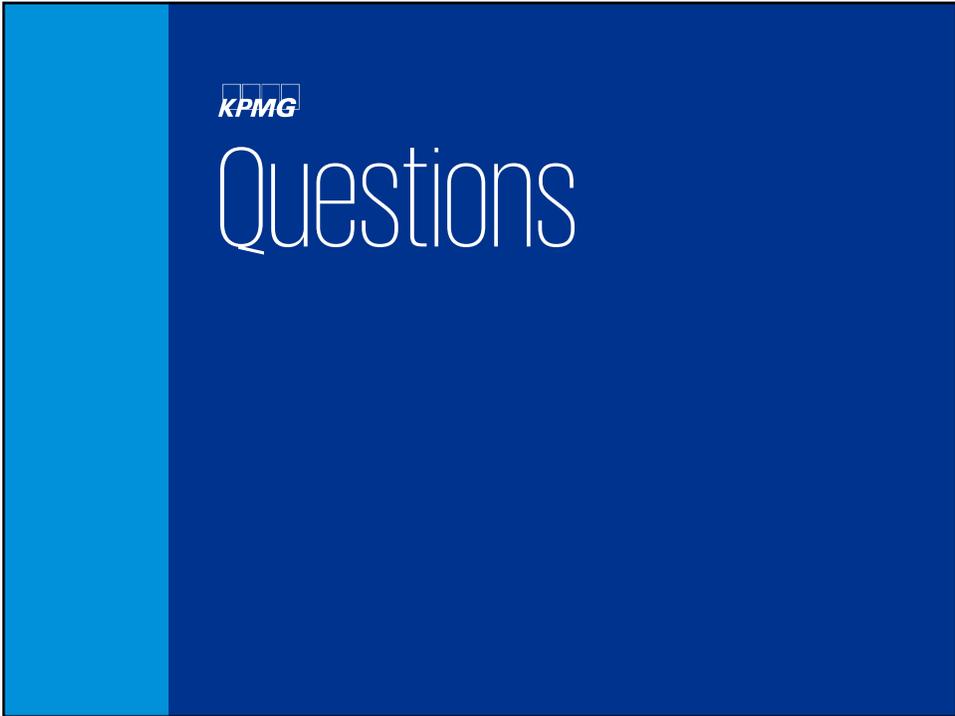
Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable.



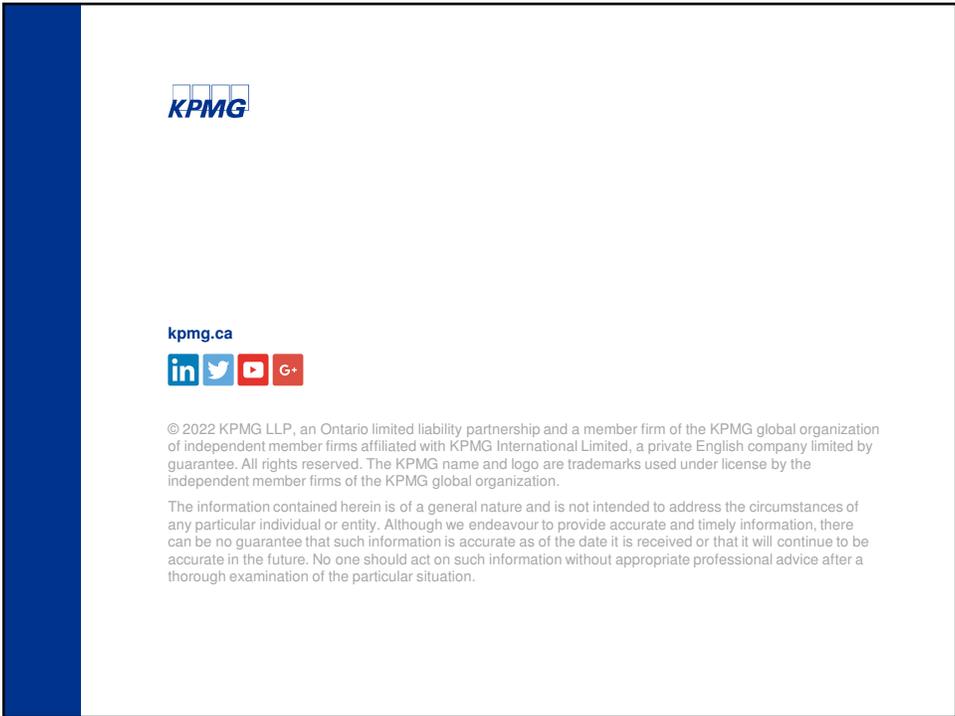
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