



City of Ottawa

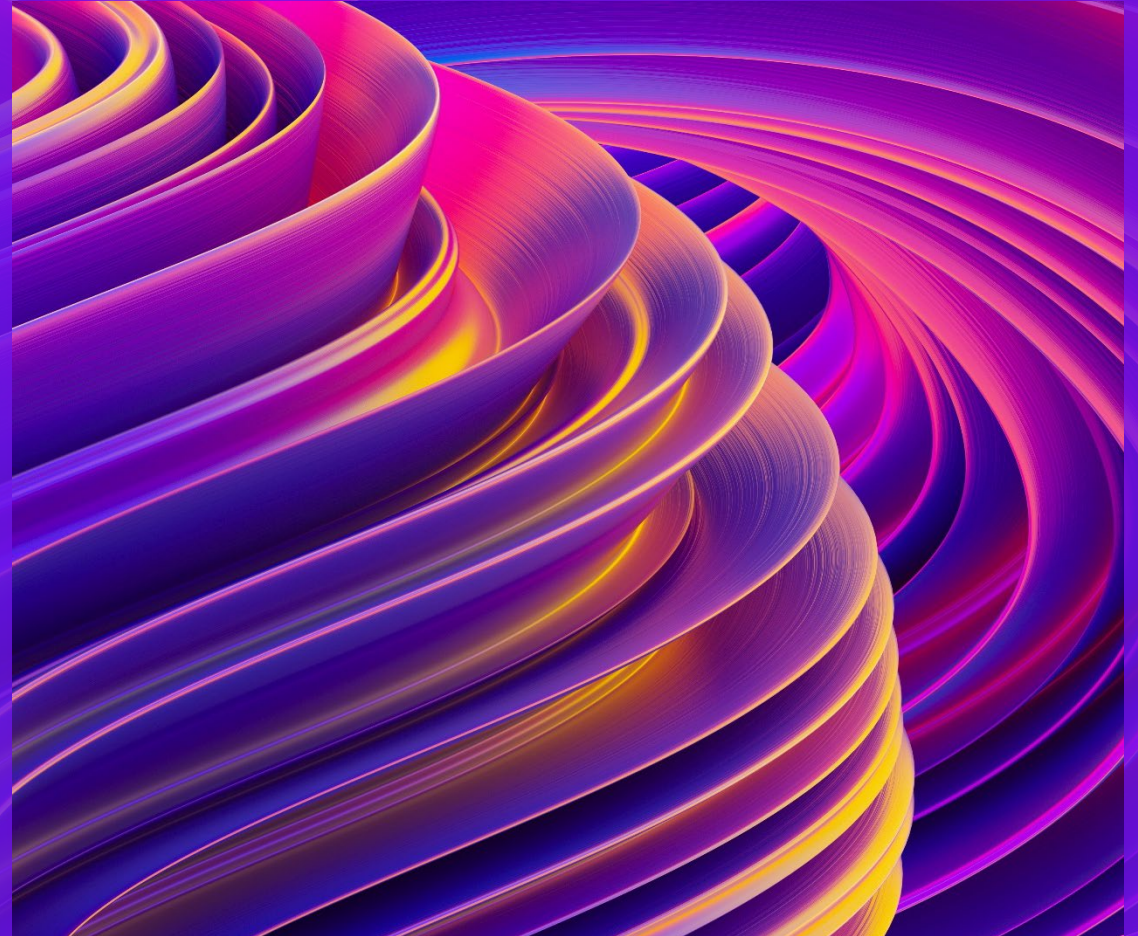
Audit Findings Report
for the year ended
December 31, 2023

KPMG LLP

Licensed Public Accountants

Prepared as of May 27th, 2024 for presentation to the Audit Committee
on June 10th, 2024

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



Andrew Newman

Co-Lead Audit Engagement Partner

613-212-2877

andrewnewman@kpmg.ca



Kevin Travers

Co-Lead Audit Engagement Partner

416-228-7004

ktravers@kpmg.ca



Rebecca Prophet

Other Audit Partner

613-212-3748

rprophet@kpmg.ca



Katie Denbok

Engagement Quality Control

Review Partner

519-660-2115

kdenbok@kpmg.ca



Wayne Darling

IT Audit Partner

613-212-2859

wdarling@kpmg.ca



Greg Winston

Actuarial Partner

614-777-8862

gregwinston@kpmg.ca

KPMG contacts

Key contacts in connection with this engagement



Jonathan Genereux
Lead Audit Senior Manager
613-350-1340
jgenereux@kpmg.ca



Emma Mildren
Audit Manager
613-350-1384
emildren@kpmg.ca



Somya Das
Audit Senior Manager
613-212-3678
somyadas1@kpmg.ca



Labo Laniyan
IT Audit Senior Manager
613-212-3693
llaniyan@kpmg.ca

Table of contents

Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

5	Highlights	6	Status	7	Risks and results
11	Misstatements	13	Control deficiencies	14	Policies and practices
16	Appendices				

The purpose of this report is to assist you, as a member of the Audit Committee, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management, the Audit Committee, and the Board of Directors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights



No matters to report



Matters to report – see link for details

Status

We have completed the audit of the consolidated financial statements (“financial statements”), with the exception of certain remaining outstanding procedures, which are highlighted on the ‘Status’ slide of this report.



Significant changes



Significant changes since our audit plan

Risks and results



Significant risks

- Consolidation process
- Presumed risk of fraudulent revenue recognition as per Canadian Auditing Standards



Other risks of material misstatement

- Asset Retirement Obligations (PSAS 3280)
- Financial Instruments (PSAS 3450) and related sections

Policies and practices & Specific topics



Significant unusual transactions



Accounting policies and practices



Other financial reporting matters

Uncorrected misstatements



Uncorrected misstatements

During our audit, we have identified misstatements which remain uncorrected. We concur with management’s evaluation that the misstatements are not material to the users of the financial statements.

Corrected misstatements



Corrected misstatements

During our audit, we have identified certain misstatements affecting the current and prior period which management has corrected. Refer to slide 12 for further details.

Control deficiencies



Significant deficiencies



Status

As of the date of this report, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- Obtaining a legal ownership organizational chart
- Receiving and reviewing management's assessment of certain service organizations
- Completing our discussions on certain outstanding audit items and or findings with management
- Receipt of certain remaining sample items and other supporting documentation
- Performance of control walkthroughs on certain processes

- Completing our subsequent event procedures up until the date of the issuance of our auditor's report
- Receiving and reviewing final legal letter from external counsel
- Receiving and reviewing the final financial statements
- Completing our discussions with the Audit Committee
- Obtaining evidence of Council's approval of the financial statements, expected on June 26, 2024, and obtaining the management representation letter thereafter.

We anticipate completing the audit on time for the Council's approval of the financial statements. We will update the Audit Committee, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

A draft of our auditor's report is provided in Appendix: Draft Auditor's Report.

Our auditor's report has been modified from the standard report as a result of:

- Prospective adoption of the new accounting standard on Financial Instruments
- Modified retrospective adoption of a new accounting standard relating to Asset Retirement Obligations leading to restatement in the comparative information
- Correction of an immaterial prior period error in the comparative information related to the accounting treatment of Gas Tax Funding Agreements
- Comparative information having been audited by a practitioner other than KPMG LLP





Significant risks and results

We highlight our significant findings in respect of **significant risk**.



Consolidation Process

RISK OF



ERROR

Significant risk

Estimate?

Risk of material misstatement related to the consolidation process due to complex organizational structure and the manual process (in excel spreadsheets) followed by the City.

No

Our response

We obtained an understanding of the process by completing the following:

- Obtaining a detailed listing of legal entity ownership to assess completeness of related parties
- Involving individuals from KPMG's Internal Audit & Risk Compliance Services group to assist in completing walkthroughs of the process
- Assessing management's process by obtaining an understanding of the process and relevant controls
- Involving IT audit specialists to assess how transactions are processed and approved regarding those processed leveraging automated controls
- We evaluated the design and implementation of selected relevant controls in place over the consolidation and financial reporting process.
- Performed substantive procedures over the consolidation adjustments, including but not limited to those completed outside of SAP periods (i.e. paper entries), those relating to Government Business Entities and their impact on the financial statements, along with removal of intercompany transactions at the group level
- We obtained the consolidation workbook and performed recalculation and reperformance of the key aspects of consolidation exercise.

Significant qualitative aspects of the City's accounting practices

The consolidation process requires significant qualitative understanding of the City's operations and associated transactions with its related parties.

Significant findings

We have not identified a misstatement, nor a significant control deficiency related to the process.



Significant risks and results

We highlight our significant findings in respect of **significant risk**.



Presumption of the risk of fraud involving improper revenue recognition

RISK OF



FRAUD

Significant risk

Estimate?

This is a presumed risk of material misstatement due to fraud as per Canadian Auditing Standards. We have considered the type and complexity of revenue transactions, and the perceived opportunities and incentives to fraudulently misstate revenue for the City.

No

The fraud risk resides within overstatement of revenue through adjustments relating to obligatory reserves.

Our response

Our audit approach consisted of obtaining an understanding of the revenue recognition process of deferred obligatory reserves, evaluating the design and implementation of selected relevant controls over the manual journal entries and other adjustments within the process.

- We performed substantive procedures on journal entries and other adjustments associated with deferred obligatory reserves.
- We involved professionals from our Internal Audit & Risk Compliance Services to obtain a comprehensive audit approach related to the revenue recognition process related to these funds which includes:
 - Obtaining an understanding of the activities over the initiation, authorization, processing, recording and reporting related to obligatory reserves.
 - Obtaining the detailed continuity for obligatory reserves, testing a sample of cash receipts and revenue recognized using representative sampling techniques.
 - Obtaining the supporting documentation related to the samples tested for the cash receipts and revenue recognized and assess the support to ensure that recognition for revenue is in accordance with the PSAS.

Significant qualitative aspects of the City's accounting practices

None noted.

Significant findings

We have not identified any significant deficiencies as a result of this audit work.



Other risks of material misstatement and results

We highlight our significant findings in respect of **other risks of material misstatement**.



Asset Retirement Obligations (ARO)

Other risk of material misstatement

Estimate?

The risk of material misstatement linked to asset retirement obligations is, in our view, primarily linked to:

Yes

- Application of new ARO accounting standard and its presentation in the financial statements, on a modified retrospective basis
- Application of the best estimate method in determining the liability
- Selection of the remediation cost assumptions

Our response

Our audit approach consisted of the following:

- Obtained management's final assessment of ARO, including support for the calculation of any recorded liability related to future costs associated with legal obligations that will be incurred upon retirement of a controlled tangible asset.
- Obtained an understanding of the activities performed by management to identify the legal obligations associated with retirement of tangible capital assets. Ensure that all of the recognition criteria have been met to recognize an ARO in the financial statements.
- Assess the costs that have been included in ARO liability based on information available to management and provided by any external experts.
- Recalculate the asset retirement obligation.
- Assess the presentation of ARO in the financial statements and ensure that the financial statements include appropriate note disclosure related to the adoption of the new standard.

Significant qualitative aspects of the City's accounting practices

The asset retirement obligation standard requires judgment as to whether a reasonable timeframe can be identified for remediation activities for which the liability would be discounted. Management has asserted that at this time, no reasonable timeframe can be made with certainty, and as a result, no discounting has been applied to the liability.

Significant findings

We have not identified any significant control deficiencies nor any corrected or uncorrected misstatements as a result of our audit work.



Other risks of material misstatement and results

We highlight our significant findings in respect of **other risks of material misstatement**.



Financial Instruments

Other risk of material misstatement

Estimate?

The risk of material misstatement linked to financial instruments is, in our view, primarily linked to:

- Application of new financial instrument standard (and related standards as disclosed in the notes) and its presentation in the financial statements, on a prospective basis

Not a significant estimate as only endowed investment equities are recorded at fair value.

Our response

Our audit approach consisted of the following:

- Obtaining management's records and reconciliations of amounts included in the financial statements.
- Obtaining confirmations from the City's custodians for assets held confirming both number of units held and values associated with each investment.
- Using our proprietary iRadar technology to develop an independent expectation of fair values comparing management's elected values to 6 independent indices for the endowment investments recorded at fair value.
- Obtaining the System of Control Report (SOC) of management's custodian and evaluating the custodian's control environment.
- Assessing the presentation of the newly implemented reporting standard, including the new statement of remeasurement gains and losses.

Significant qualitative aspects of the City's accounting practices

None noted.

Significant findings

We have not identified any significant deficiencies nor any corrected or uncorrected misstatements as a result of our audit work.



Uncorrected misstatements

Uncorrected misstatements include financial presentation and disclosure omissions.



Impact of uncorrected misstatements – Not material to the financial statements

- The management representation letter includes the Summary of Uncorrected Misstatements, which discloses the impact of all uncorrected misstatements considered to be other than clearly trivial
- Based on both qualitative and quantitative considerations, management have decided not to correct certain misstatements and represented to us that the misstatements—individually and in the aggregate—are, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.
- We concur with management's representation that the uncorrected misstatements are not material to the financial statements. Accordingly, the uncorrected misstatements have no effect on our auditor's report.

Below is a summary of the impact of the uncorrected misstatement identified in the current year (\$ Thousands):

Currently, the City has presented its associated liabilities with employee future benefits amounting to \$9,163 relating to Ottawa Community Housing Corporation in its Accounts Payable & Accrued Liabilities. In our view, these should be presented in line with other employee future benefits. A summary is presented below:

Financial Statement Caption	As currently presented	Uncorrected misstatement	Uncorrected presentation	% of account
Accounts payable and accrued liabilities	\$1,637,887	(\$9,163)	\$1,628,724	0.6%
Employee future benefits & pension agreements liability	\$772,958	\$9,163	\$782,121	1.2%



Individually significant corrected misstatements

Corrected misstatements greater than \$5.5M individually: Recognition and Presentation of Gas Tax Funding

Through the audit, **an immaterial prior period error** was identified with respect to the City's recognition and presentation of transfers of gas tax funds received from the federal and provincial governments and restricted for capital project expenditures. The City has historically recognized gas tax transfers as revenue when received with any unused balance included in accumulated surplus as a restricted reserve, based on an interpretation that the gas tax agreements did not contain sufficient stipulations restricting the use of the funds to create a liability.

In the current year, the City reviewed this accounting position including reviewing the accounting treatment of the largest municipalities in Ontario, and identified that the 29 other municipalities recorded gas tax revenues as deferred revenue-obligatory reserve funds when received and recognized revenue as related capital expenditures were incurred. As a result, the City determined that their interpretation of the agreements was inconsistent with that of the other Ontario municipalities, and that the past reporting of gas tax funding was in error. The City determined that the error was immaterial to the 2022 financial statements and decided to correct the error through an adjustment of the comparative information as disclosed in note 25 to the financial statements.

It is important to note that no errors were identified in the recording of individual transactions related to the restricted gas tax funds. Management also completed the required communication with the predecessor auditor.

KPMG performed the required audit procedures, analysis and consultations with respect to this matter. KPMG concurs with management's correction of the immaterial prior period error. The impact of the adjustment on the 2022 and 2023 financial statements is provided below:

Entry to Correct Immaterial Prior Period Error 2022 Fiscal Year	\$ Thousands	
	Debit	Credit
Government Transfers Revenue	\$22,884	
Interest Revenue	\$1,094	
Accumulated Surplus – Beginning of year	\$96,422	
Deferred Revenue		\$120,400

Entry to correct Current Year Misstatement 2023 Fiscal Year	\$ Thousands	
	Debit	Credit
Government Transfers Revenue	\$44,488	
Interest Revenue	\$2,955	
Accumulated Surplus – Beginning of year	\$120,400	
Deferred Revenue		\$167,843



Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified one or more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

No significant control deficiencies were noted. However, observations related to performance improvement opportunities have been made and will be shared with Management for their verification and response and expect to be presented at a future Audit Committee meeting.



Accounting policies and practices



Initial selection

The following new accounting policies and practices were selected and applied during the period.

- PSAS 3280 – Asset Retirement Obligations
- PSAS 3450 – Financial Instruments

Changes to the significant accounting policies and practices and the impact on the financial statements are disclosed in Note 2 , 25 and 26 to the financial statements.

Refer to slides 9 & 10 of our audit findings report for the audit procedures completed over these implementations.



Other financial reporting matters

We also highlight the following:



Financial statement presentation - form, arrangement, and content



No matters remaining to report.

KPMG provided suggestions to City management on ways to improve the form, arrangement and content of the City's consolidated financial statements.



Concerns regarding application of new accounting pronouncements



No matters remaining to report. The City adopted the required new accounting standards as described in the notes to the consolidated financial statements and this report.



Significant qualitative aspects of financial statement presentation and disclosure



No matters remaining to report.



Appendices



Sinking Fund



Required communications



Audit quality



New auditing standards





Appendix: City of Ottawa Sinking Fund



Financial Reporting and Audit Highlights

KPMG also performs an audit of the financial statements of the City of Ottawa Sinking Fund, a draft of which is provided to the Committee. The following are the status and highlights of this audit as of the date of this report:

Status:

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing certain audit and file review procedures
- Completing our subsequent event procedures up until the date of the issuance of our auditor's report
- Completing our discussions with the Audit Committee
- Obtaining evidence of Council's approval of the financial statements, expected on June 26, 2024; and obtaining the management representation letter thereafter

Highlights:

- The new Financial Instruments Accounting Standard, and related standards were adopted on a prospective basis by the Sinking Fund, and did not result in any significant changes in accounting or financial reporting for the Sinking Fund
- We did not identify any significant, unusual transactions; changes in accounting policies other than the new accounting standards; or any significant other financial reporting matters
- We did not identify any corrected or uncorrected misstatements
- We did not identify any significant control deficiencies during our audit



Appendix: Draft auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council

Opinion

We have audited the consolidated financial statements of City of Ottawa (the City), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net debt for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2023, and its consolidated results of operations, its consolidated changes in net debt, its consolidated remeasurement gains and losses, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Prospective Change in Accounting Policy

We draw attention to Note 26 to the financial statements which indicates that the City has adopted certain public sector accounting standards on a prospective basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Comparative Information

We draw attention to Note 25 to the financial statements which explains that certain comparative information presented for the year ended December 31, 2022 has been restated and corrected.

Note 25 explains the reason for the restatements and corrections and also explains the adjustments that were applied to certain comparative information.

Our opinion is not modified with respect of this matter.

Other Matter – Comparative Information

The financial statements for the year ended December 31, 2022, excluding the adjustments that were applied to restate and correct certain comparative information, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 15, 2023.

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate and correct certain comparative information presented for the year ended December 31, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review or apply any procedures to the financial statements for the year ended December 31, 2022. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient audit evidence regarding the financial information of the entities or business activities within the Group of the City to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

(date)



Appendix: Other required communications



Engagement terms

A copy of the engagement letter has previously been provided to the Audit Committee.



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2021 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2023 Interim Inspections Results](#)



Appendix: Management representation letter(s)

(Letterhead of Client)

KPMG LLP
Performance Court
150 Elgin Street, Suite 180
Ottawa, Ontario
K2P 2P8

June 26, 2024

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as “financial statements”) of the City of Ottawa (“the City”) as at and for the period ended December 31, 2023.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated November 8, 2023, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation, and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.

- e) providing you with additional information that you may request from us for the purpose of the engagement.
- f) providing you with unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
- g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the City, did not intervene in the work the internal auditors performed for you.

Adjustments:

- 2) We acknowledge that amounts and balances were adjusted by management throughout the entire financial statement close and audit process, and that these adjustments were identified, analysed and corrected collectively by management. We have provided you all the information relevant to these adjustments. We approve all of these adjustments related to the 2023 financial statements.

Internal control over financial reporting:

- 3) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 4) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.

- d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
- e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 5) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

- 6) We have disclosed to you the identity of the City's related parties.
- 7) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 8) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.
- 9) The list of related parties disclosed in the financial statements accurately and completely describes the City's related parties and the relationships with such parties.

Estimates:

- 10) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Going concern:

- 11) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 12) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the City's ability to continue as a going concern.

Comparative information:

- 13) The 2022 comparative information has been adjusted for restatements for adoption of new accounting standards and corrections of immaterial prior period errors. In respect to these restatements and corrections, we reaffirm that the written representations we previously provided to the predecessor auditor, in respect of the prior period financial statements presented as comparative information, remain appropriate.
- 14) We have communicated the adjustments to the comparative information with respect to the corrections of immaterial prior period errors to the incumbent auditor.
- 15) We approve the adjustments of the comparative information as provided in [Attachment III](#).

Misstatements:

- 16) We approve the corrected misstatements related to the 2023 financial statements identified by you during the audit described in [Attachment II](#).
- 17) The effects of the uncorrected misstatements related to the 2023 financial statements described in [Attachment II](#) are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Other information:

- 18) We confirm that the final version of Annual Financial Report 2023 will be provided to you when available, and prior to issuance by the City, to enable you to complete your audit procedures in accordance with professional standards.

Non-SEC registrants or non-reporting issuers:

- 19) We confirm that the City is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 20) We also confirm that the financial statements of the City will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG, or an SEC Issuer audited by any member of the KPMG organization.

Sinking fund:

- 21) We have appropriately recognized and disclosed the balances related to the sinking fund as per the term sheet that provides details related to the issuance of the sinking fund. We confirm that the issuance of the sinking fund debt is in accordance with the most recent financing policy approved by the council.

Accounting policies:

- 22) We confirm that we have reviewed the City's accounting policies and, having regard to the possible alternative policies, our selection and application of accounting policies and estimation techniques used for the preparation and presentation of the consolidated financial statements is appropriate in the City's particular circumstances.

Minutes

- 23) All matters requiring disclosure to or approval of Council, the Executive Committee, and the Audit Committee have been brought before them at appropriate meetings and are reflected in the minutes.

Completeness of transactions

- 24) All contractual arrangements entered into by the City with third parties have been properly reflected in the accounting records or/and, where material (or potentially material) to the consolidated financial statements, have been disclosed to you. The City has complied with all aspects of contractual agreements that could have a material effect on the consolidated

financial statements in the event of non-compliance. There are no side agreements or other arrangements (either written or oral) undisclosed to you.

Assets and liabilities

- 25) We have satisfactory title or control over all assets. All liens or encumbrances on the City's assets and assets pledged as collateral, to the extent material, have been disclosed in the consolidated financial statements.

We have recorded or disclosed, as appropriate, all liabilities, in accordance with Canadian public sector accounting standards. All liabilities and contingencies, including those associated with guarantees, whether written or oral, under which the City is contingently liable in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3300, *Contingent Liabilities*, have been disclosed to you and are appropriately reflected in the consolidated financial statements.

Litigation and claims

- 26) All known actual or possible litigation and claims, which existed as at December 31, 2023, or exist now, have been disclosed to you and accounted for and disclosed in accordance with Canadian public sector accounting standards, whether or not they have been discussed with legal counsel.

Cash and banks

- 27) The books and records properly reflect and record all transactions affecting cash funds, bank accounts and bank indebtedness of the City.

All cash balances are under the control of the City, free from assignment or other charges, and unrestricted as to use, except as disclosed to you. The amount shown for cash on hand or in bank accounts excludes trust or other amounts, which are not the property of the City. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed. All cash and bank accounts and all other properties and assets of the City are included in the consolidated financial statements.

Restricted assets and revenues

- 28) All assets and revenues subject to externally imposed restrictions are disclosed in the consolidated financial statements.

All externally restricted inflows, other than those that relate to government transfers received or trusts under administration, have been recognized as revenue in the year/period in which the resources were used for the purpose specified. All externally restricted inflows received before this criterion has been met have been reported as liabilities until the resources are used for the purpose specified.

Condensed supplementary financial information relative to internally restricted entities has been disclosed in the consolidated financial statements, by entity and as a whole.

Accounts receivable

29) All amounts receivable by the City were recorded in the books and records.

Amounts receivable are not subject to discount except for normal cash discounts which are appropriately provided for.

All receivables were free from hypothecation or assignment as security for advances to the City, except as hereunder stated.

We have disclosed to you all transfers of receivables (including securitizations) that have occurred during the year.

Receivables, other than transfers receivable accounted for in accordance with the CPA Canada Public Sector Accounting Handbook Section PS 3410, *Government Transfers* and taxes receivable accounting for in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3510, *Tax Revenue*, recorded in the consolidated financial statements, represent bona fide claims against debtors for sales or other charges arising on or before year end and are not subject to discount except for normal cash discounts.

Loans receivable

30) We have disclosed to you all loan agreements containing forgivable conditions, significant concessionary terms and those that are to be repaid through future appropriations.

Loans receivable that are not to be repaid through future appropriations, nor contain forgivable conditions have been accounted for as financial assets, in accordance with CPA Canada Public Sector Accounting Handbook PS 3050, *Loans Receivable*. The cost of loans receivable excludes any portion of the loan that will be repaid through future appropriations and any grant portion relating to significant concessionary terms of the loan. We have reviewed loans receivable for collectability, risk of loss and expected forgiveness, and made appropriate valuation allowances or write-offs thereon, if necessary, in accordance with CPA Canada Public Sector Accounting Handbook PS 3050, *Loans Receivable*. The valuation allowance for loan losses and/or forgiveness encompasses probable credit losses related to specifically identified loans as well as probable credit losses inherent in the remainder of the loan portfolio that have been incurred as at year end.

Portfolio investments and other financial assets

31) All securities and other financial assets that were owned by the City were recorded in the accounts.

All income earned on the financial assets has been recorded in the accounts, and any interest income has been accrued using the effective interest rate method.

We are not aware of any objective evidence of impairment that would result in the recognition of an impairment loss on any financial assets.

You have been informed of the acquisition of or the formation of all government units, business enterprises, partnerships, joint ventures, or other participations during the year.

All transactions with subsidiaries, business enterprises, partnerships or joint ventures have been recorded in the accounts presented to you. All investments in and advances to

subsidiaries, business enterprises, partnerships, joint ventures, or other participations are appropriately recorded, and there is no evidence of impairment in value below the resulting balances shown in the consolidated financial statements.

There has been no activity in any dormant or inactive subsidiaries, business enterprises, partnerships, joint ventures, or other participations, except as disclosed to you.

The Hydro Ottawa Holding Corporation meets the definition of government business enterprise (GBE) in accordance with PS 3070, *Investments in Government Enterprises*. The modified equity method has been used to account for the City's investment in the above-mentioned GBE.

Inventory

- 32) Provision has been made to reduce excess or obsolete inventories held for resale to their estimated net realizable value.

There have been no events conditions or changes in circumstances that indicate inventory held for consumption will no longer be used or consumed in the City's operations.

Tangible capital assets

- 33) All charges to tangible capital asset accounts represented the actual cost of additions to tangible capital assets.

All contributed tangible capital assets have been recorded at fair value at the date of the contribution.

No significant tangible capital asset additions were charged to repairs and maintenance or other expense accounts.

Book values of tangible capital assets sold, destroyed, abandoned, or otherwise disposed of have been eliminated from the accounts.

Tangible capital assets owned by the City are being depreciated on a systematic basis over their estimated useful lives, and the provision for depreciation was calculated on a basis consistent with that of the previous date.

All lease agreements covering assets leased by or from the City have been disclosed to you and classified as leased tangible capital assets or operating leases.

Leased tangible capital assets are being amortized on a systematic basis over the period of expected use.

There have been no events, conditions or changes in circumstances that indicate that a tangible capital asset no longer contributes to the City's ability to provide goods and services or that the value of future economic benefits associated with the tangible capital asset is less than its net book value. We believe that the carrying amount of the City's long-lived tangible capital assets is fully recoverable in accordance with CPA Canada Public Sector Accounting Handbook PS 3150, *Tangible Capital Assets*.

Long-term debt

- 34) All borrowings and financial obligations of the City of which we are aware are included in the consolidated financial statements as at year end, as appropriate. We have fully disclosed to you all borrowing arrangements of which we are aware.

The City has not violated any covenants on its long-term debt during the year. We have fully disclosed to you all covenants and information related to how we determined our compliance with the terms of the covenants.

Deferred revenue and deferred contributions

- 35) All material amounts of deferred revenue and deferred contributions were appropriately recorded in the books and records.

Retirement benefits, post-employment benefits, compensated absences, and termination benefits

- 36) All arrangements to provide retirement benefits, post-employment benefits, compensated absences and termination benefits have been identified to you and have been included in the actuarial valuation as required.

The details of all pension plan amendments since December 31, 2023, the date of the last actuarial valuation, have been identified to you.

The actuarial valuation dates December 31, 2021, incorporates management's best estimates, detailed as follows:

- a) The actuarial assumptions and methods used to measure liabilities and costs for financial accounting purposes for pension and other post-retirement benefits are appropriate in the circumstances; and
- b) The City does not plan to make frequent amendments to the pension or other post-retirement benefits.
- c) All changes to the plan provisions and the employee group, or events that impact the plan's performance since the last actuarial valuation have been reviewed, communicated to you as well as to the actuary, and considered in determining the pension plan costs and the estimated actuarial present value of accrued pension benefits and value of pension plan asset.
- d) The City's actuaries have been provided with all information required to complete their valuation as at December 31, 2022, and where applicable, their extrapolation to December 31, 2022.
- e) We confirm that the extrapolations are accurate and include the proper reflection of the effects of changes and events occurring subsequent to the most recent valuation that had a material effect on the extrapolation.
- f) The employee future benefit costs, assets and obligations have been determined, accounted for, and disclosed in accordance with CPA Canada Public Sector Accounting Handbook PS 3250, *Retirement Benefits* and CPA Canada Public Sector Accounting

Handbook PS 3255, *Post-employment Benefits, Compensated Absences and Termination Benefits*. In particular:

- g) The significant accounting policies that the City has adopted in applying CPA Canada Public Sector Accounting Handbook Section PS 3250, *Retirement Benefits*, and CPA Canada Public Sector Accounting Handbook Section PS 3255, *Post-employment Benefits, Compensated Absences and Termination Benefits*, are accurately and completely disclosed in the notes to the consolidated financial statements.
- h) Each of the best estimate assumptions used reflects management's judgment of the most likely outcomes of future events.
- i) The best estimate assumptions used are, as a whole, internally consistent, and consistent with the asset valuation method adopted.
- j) The discount rate used to determine the accrued benefit obligation was determined by reference to the City's borrowing rate or the plan asset earnings using assumptions that are internally consistent with other actuarial assumptions used in the calculation of the accrued benefit obligation and plan assets.
- k) The assumptions included in the actuarial valuation are those that management instructed Mercer to use in computing amounts to be used by management in determining pension costs and obligations and in making required disclosures in the above-named consolidated financial statements, in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3250, *Retirement Benefits*.
- l) In arriving at these assumptions, management has obtained the advice of consulting actuaries who assisted in reaching best estimates, but has retained the final responsibility for them.
- m) The source data and plan provisions provided to the actuary for preparation of the actuarial valuation are accurate and complete.
- n) A full valuation allowance has been recorded on the plan surplus of the Ottawa-Carleton Regional Transit Commission Employee's Pension Plan and the City of Ottawa Superannuation Fund because it is uncertain that the City will have the unconditional right to benefit from the surplus at the time of windup of the pension plans.

Consolidated statements of operations, changes in net debt

- 37) All transactions entered into by the City have been recorded in the books and records presented to you. All amounts have been appropriately classified within the statements of operations and net debt.

The accounting principles and policies followed throughout the year were consistent with prior period practices (except as disclosed in the consolidated financial statements).

Liabilities for contaminated sites

- 38) Liabilities for remediation of contaminated sites were recognized and accounted for in accordance with CPA Canada Public Sector Accounting Handbook PS 3260, *Liabilities for Contaminated Sites*. We believe that such estimate is reasonable based on available information and that the liabilities have been adequately described in the City's consolidated financial statements.

Environmental matters

- 39) There are no liabilities or contingencies arising from environmental matters that have not already been disclosed to the auditor.

Liabilities or contingencies related to environmental matters have been recognized, measured, and disclosed, as appropriate, in the consolidated financial statements.

We have considered the effect of environmental matters and the carrying value of the relevant assets is recognized, measured, and disclosed, as appropriate, in the consolidated financial statements.

All commitments related to environmental matters have been measured and disclosed, as appropriate in the consolidated financial statements.

Use of a specialist

- 40) We assume responsibility for the findings of specialists in evaluating the employee benefits obligation, contaminated sites liability and landfill closure and post-closure liabilities and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the consolidated financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

General

- 41) There are no proposals, arrangements or actions completed, in process, or contemplated that would result in the suspension or termination of any material part of the City's operations.

Information relative to any matters handled on behalf of the City by any legal counsel, including all correspondence and other files, has been made available to you.

Segment disclosures

- 42) Pursuant to CPA Canada Public Sector Accounting Handbook Section PS 2700, *Segment Disclosures*, in identifying segments, management has considered the definition of a segment and other factors, including:

- a) the objectives of disclosing financial information by segment;

- b) the expectations of members of the community and their elected or appointed representatives regarding the key activities and accountabilities of the government;
- c) the qualitative characteristics of financial reporting as set out in CPA Canada Public Sector Accounting Handbook Section PS 1000, Financial Statement Concepts;
- d) the homogeneous nature of the activities, service delivery, or recipients of the services;
- e) whether the activities relate to the achievement of common outcomes or services as reflected in government performance reports and plans;
- f) whether discrete financial information is reported or available; and
- g) the nature of the relationship between the government and its organizations (within the reporting entity).
- h) Management has identified following operating segments: General Government, Protection, Roads, Traffic and Parking, Transit, Environmental Services, Health Services, Social and Family Services, Social Housing, Recreation and Cultural Services, and Planning and Development.
- i) The consolidated financial statements disclose all the relevant factors used to identify the City's reportable segments.

Government transfers

43) Transferring organization

- a) Transfers have only been recognized as an expense in the year the transfer has been authorized and all eligibility criteria have been met by the recipient.

44) Recipient organization

- a) We have disclosed all significant terms and agreements in respect of transfers received from governments.
- b) Transfers without eligibility criteria or stipulations have been recognized as revenue once the transfer has been authorized.
- c) Transfers with eligibility criteria but without stipulations have been recognized as revenue once the transfer has been authorized and all eligibility criteria have been met.
- d) Transfers with or without eligibility criteria but with stipulations have been recognized as revenue in the year the transfer has been authorized and all eligibility criteria have been met, except when, and to the extent that, the transfer gives rise to an obligation that meets the definition of a liability for the recipient government in accordance with CPA Canada Public Sector Accounting Handbook PS 3200, Liabilities.

45) Disclosure

- a) The major kinds of transfers recognized have all been disclosed in the consolidated financial statements as well as the nature and terms of liabilities arising from government transfers received.

Budgetary data

- 46) We have included budgetary data in our consolidated financial statements, which is relevant to the users of consolidated financial statements. Planned results were presented for the same scope of activities and on a basis consistent with that used for actual results

Other

- 47) We believe that the risks associated with our financial instruments are appropriately disclosed in the financial statement.
- 48) We are responsible for the filing of our tax and information returns, as required by the Canada Revenue Agency and the provincial and federal governments

Yours very truly,

Cyril Rogers, Chief Financial Officer and Treasurer

Wendy Stephanson, City Manager

Isabelle Jasmin, Deputy City Treasurer, Corporate Finance

cc: Audit Committee

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the City's own circumstances.

Information is obscured if it is communicated in a way that would have a similar effect for users of financial statements to omitting or misstating that information. The following are examples of circumstances that may result in material information being obscured:

- a) information regarding a material item, transaction or other event is disclosed in the financial statements but the language used is vague or unclear;
- b) information regarding a material item, transaction or other event is scattered throughout the financial statements;
- c) dissimilar items, transactions or other events are inappropriately aggregated;
- d) similar items, transactions or other events are inappropriately disaggregated; and
- e) the understandability of the financial statements is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Attachment II – Summary of Audit Misstatements Schedule(s) - 2023

Summary of corrected misstatements – 2023 Financial Statements

Corrected misstatements (in \$000 of Canadian dollars)	Income Dr/(Cr)	Assets Dr/(Cr)	Liabilities Dr/(Cr)	Equity Dr/(Cr)
<p><u>Federal Gas Tax revenue recognition differential for stipulations in line with PSAS 3410</u></p> <p>To correct the recognition of gas tax funds as revenue in the year received and reporting the balance as accumulated surplus instead of deferred revenue.</p> <p>Dr. Government Transfers revenue \$44,488 Dr. Investment income \$2,955 Dr. Opening Accumulated Surplus \$120,400 Cr. Deferred Revenue \$167,843</p>	\$47,443		(\$167,843)	\$120,400
As a result of the items above, the net impact is:	\$47,443	\$Nil	(\$167,843)	\$120,400

**Attachment II – Summary of Audit Misstatements Schedule(s) – 2023
(Continued)**

Summary of uncorrected misstatements – 2023 Financial Statements

Uncorrected misstatements (in \$000 of Canadian dollars)	Income Dr/(Cr)	Assets Dr/(Cr)	Liabilities Dr/(Cr)	Equity Dr/(Cr)
<p><u>Reclassification of employee future benefits related OHC upon consolidation</u></p> <p>To correct the presentation of employee future benefits currently presented as accounts payable and accrued liabilities.</p> <p>Dr. Accounts payable and accrued liabilities \$9,163 Cr. Employee future benefits and pension agreements (\$9,163)</p>			\$Nil	
<p><u>Amortization of capital assets</u></p> <p>Amortization of capital assets acquired in preceding years for which in-use and depreciation date were not appropriately applied - as identified by the predecessor auditor.</p> <p>Dr. Amortization expense \$9,893 Cr. Tangible Capital assets (\$9,893)</p>	\$9,893	(\$9,893)		(\$9,893)
<p><u>Revenue Recognition – Timing</u></p> <p>Recognition of revenue in the current year related to activities in the prior year, only having a income effect at the end of the current year - as identified by the predecessor auditor.</p> <p>Dr. Government Transfers</p>	\$8,058			
As a result of the items above the net impact is:	\$17,951	(\$9,893)	\$Nil	(\$9,893)

Attachment III – Summary of Audit Misstatements Schedule(s)

Summary of restatements and corrections – 2022 Comparative Information

Restatements and Corrections (in \$000 of Canadian dollars)	Income Inc.(Dec.)	Assets Inc.(Dec.)	Liabilities Inc.(Dec.)	Accum. Surplus Inc.(Dec.)
<p><u>Adoption of New Accounting Standards (Asset Retirement Obligations)</u></p> <p>To implement the Asset Retirement Obligations Standard on a modified retroactive basis.</p> <p>Dr. Landfill closure and post-closure liability \$38,838 Dr. Tangible capital assets \$14,804 Dr. Expenses \$147 Dr. Opening Accumulated Surplus \$35,332 Cr. Contaminated sites liability \$14,562 Cr. Asset retirement obligations liability \$74,559</p>	(\$147)	\$14,804	\$50,283	(\$35,479)
<p><u>Corrections of Immaterial Prior Period Errors related to Federal Gas Tax revenue recognition differential for stipulations in line with PSAS 3410</u></p> <p>To correct the recognition of gas tax funds as revenue in the year received and reporting the balance as accumulated surplus instead of deferred revenue.</p> <p>Dr. Government Transfers revenue \$22,884 Dr. Investment income \$1,094 Dr. Opening Accumulated Surplus \$96,422 Cr. Deferred Revenue \$120,400</p>	(\$23,978)	–	\$120,400	(\$120,400)
As a result of the items above the net impact is:	(\$24,125)	\$14,804	\$170,683	(\$155,879)



Appendix: Audit quality - How do we deliver audit quality?

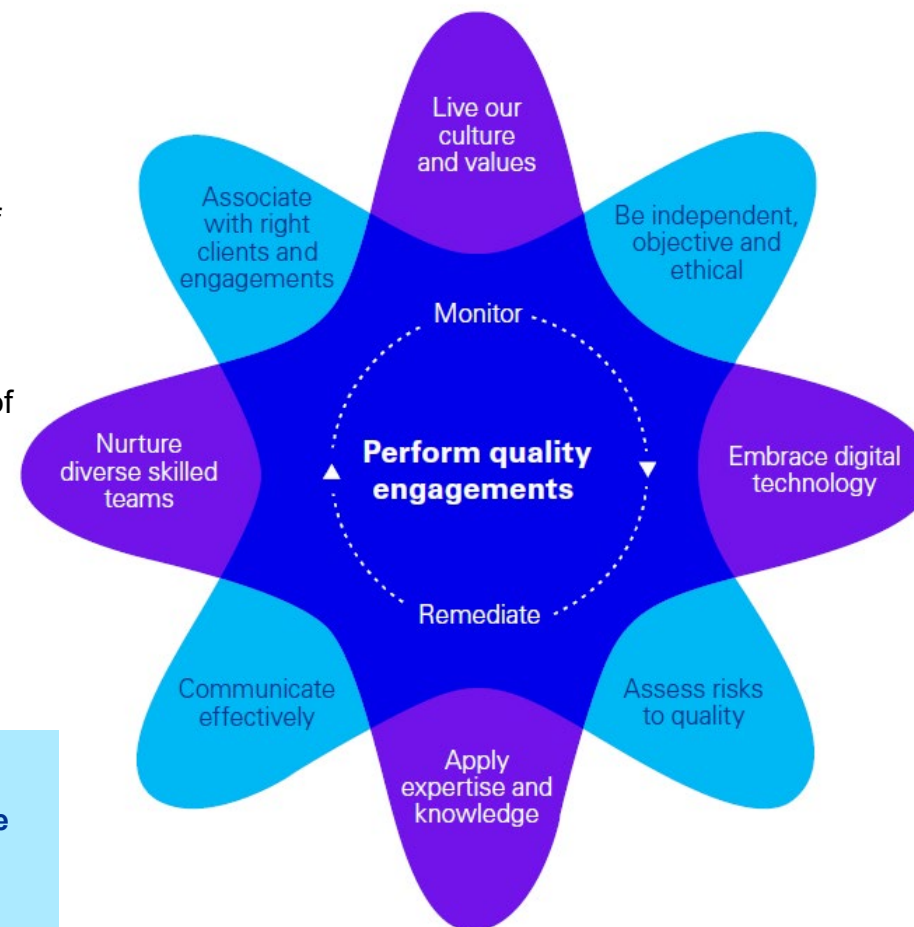
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Our Transparency Report includes our firm's Statement on the Effectiveness of our SoQM.

[KPMG 2023 Audit Quality and Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.



Appendix: Newly effective and upcoming changes to auditing standards

For more information on newly effective and upcoming changes to auditing standards see Current Developments



Effective for periods beginning on or after December 15, 2022

ISA/CAS 220

.....
(Revised) Quality management for an audit of financial statements

ISQM1/CSQM1

.....
Quality management for firms that perform audits or reviews of financial statements or other assurance or related services engagements

ISQM2/CSQM2

.....
Engagement quality reviews

Effective for periods beginning on or after December 15, 2023

ISA 600/CAS 600

.....
Revised special considerations – Audits of group financial statements



<https://kpmg.com/ca/en/home.html>

© 2024 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

