

Priorities Committee Meeting_Jan30_2018

STRATEGIC INITIATIVE AND UPDATE**Audit Planning Report for the Year Ending December 31, 2017****Report Purpose**

To present a public sector audit overview and the 2017 Audit Planning Report.

Council History

July 18, 2017 – Council appointed KPMG as the external auditor of Strathcona County for the year ended December 31, 2017.

Strategic Plan Priority Areas

Economy: N/A

Governance: Providing audited financial statements supports public involvement and communication with the community on issues affecting Strathcona County's future. This also provides good governance by supporting strong fiscal management of programs and organizational capacity.

Social: N/A

Culture: N/A

Environment: N/A

Other Impacts

Policy: N/A

Legislative/Legal: Sections 276 – 283 of the Municipal Government Act, R.S.A. 2000 C. M – 26, require that a municipality prepare annual financial statements, that Council appoints an Auditor, and that the Auditor report to Council on the annual financial statements. Furthermore, Canadian Auditing Standard (CAS) 260 of the Chartered Professional Accountants (CPA) Handbook requires that Auditors communicate their responsibilities in relation to the financial statement audit and the planned scope and timing of the audit with those charged with governance. Presentation of the Audit Planning Report to the Committee of the whole discharges these requirements.

Interdepartmental: All departments

Summary

KPMG will provide an overview (Enclosure 1) of public sector auditing including governance roles and responsibilities, auditing and financial statements.

The 2017 Audit Planning Report (Enclosure 2) identifies the audit services that will be provided by KPMG. This report provides an overview of the audit process and details the considerations taken into account while developing the audit plan for Strathcona County, including the key areas of focus and materiality. The report also introduces the engagement team and provides the planned timing of the audit with significant milestones. The appendices to the report include a copy of the engagement letter, KPMG's Audit Quality Framework, the audit approach and methodology, a listing of required communications, and current developments that are relevant to Strathcona County.

Enclosures

- 1 KPMG Presentation (Document: 11174613)
- 2 Audit Planning Report 2017 (Document: 11147007)