

EXCERPT FROM INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council of Strathcona County,

Opinion

We have audited the accompanying Family and Community Support Services Program Statement of Revenues and Expenditures of Strathcona County (the "County") for the year ended December 31, 2019 and notes, comprising a summary of significant accounting policies and other explanatory information (the "Financial Information").

In our opinion, the accompanying Financial Information presents fairly, in all material respects, the results of the Family and Community Support Services Program of the County for the year ended December 31, 2019 in accordance with the financial reporting provisions in the Province of Alberta Family and Community Support Services Act and Alberta Regulation 218/94.

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 Information* section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the Financial Information 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 – basis of accounting

We draw attention to Note 1 of the Financial Information, which describes the applicable financial reporting framework. The Financial Information is prepared to assist the County to meet the financial reporting provisions in the Province of Alberta Family and Community Support Services Act and Alberta Regulation 218/94. As a result, the Financial Information may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the Financial Information

Management is responsible for the preparation and fair presentation of the Financial Information in accordance with the Province of Alberta Family and Community Support Services Act and Alberta Regulation 218/94, and for such internal control as management determines is necessary to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the Financial Information as a whole is 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 Information.



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 Information, 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 County's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Financial Information, including the disclosures, and whether the Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Edmonton, Canada
April 30, 2020

Ernst & Young LLP

Chartered Professional Accountants

