
**Strathcona County Consolidated Financial Statements for the Year Ended
December 31, 2022 and Audit Results****Report Purpose**

To present the Strathcona County Consolidated Financial Statements for the Year Ended December 31, 2022 for approval and the Audit Results for the year ended December 31, 2022.

Recommendation

THAT the Strathcona County Consolidated Financial Statements for the Year Ended December 31, 2022, as set out in enclosure 1 of the July 4, 2023 Financial and Strategic Services report, be approved.

Our Strategic Goals

Governance Requirement

Report

With the external audit completed, administration requests Council's approval of the draft financial statements (enclosure 1). Prior to Council providing this approval, the external auditors will provide information on the results of the audit through their presentation of the Strathcona County Audit Results for the Year Ended December 31, 2022 (enclosure 3). This presentation to Council is an important step in the audit process.

The Audit Results provides an overview of the results of the 2022 external audit, which includes:

- Audit services;
- Critical policies, estimates and areas of audit emphasis;
- Fraud considerations and the risk of management override; and
- Information on corrected and uncorrected misstatements identified throughout the audit and significant disclosure deficiencies (if any).

In accordance with the *Municipal Government Act* (MGA), the audited financial statements are to be made publicly available by May 1 of the following year. As the County was granted an extension from the Ministry of Municipal Affairs on the submission of its audited financial statements, this deadline for public disclosure was also extended. To satisfy the requirement, following Council's approval, the consolidated financial statements will be posted to the Strathcona County website. Additionally, a summary of the financial statement information will be made available on the Strathcona County website and in the Sherwood Park News.

Council and Committee History

June 6, 2023	The 2022 Year End Financial Update was presented to Council.
June 6, 2023	Council approved the 2022 capital carry forwards.
April 18, 2023	The Strathcona County 2022 Annual Management Report was presented to Priorities Committee.
April 25, 2023	Council approved the 2022 operating carry forwards and recommended surplus allocations.
February 14, 2023	Council received a presentation on the 2022 Audit Plan for the Year Ending December 31, 2022.

July 5, 2022

Council appointed Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2022.

Other Impacts

Policy: FIN-001-010: Financial Reporting

Legislative/Legal: Canadian Auditing Standards Section CAS 260 of the Chartered Professional Accountants (CPA) of Canada Handbook further requires the auditors communicate with those having oversight responsibility of the financial reporting process. Presentation of the Audit Findings Report to Council satisfies this requirement. The *Municipal Government Act* (MGA), RSA 2000, c. M-26m sections 276-283 outlines the requirement of the auditor of the municipality to report to Council on the audited financial statements. Section 276 of the MGA specifies that annual financial statements are to be prepared in accordance with generally accepted accounting principles for municipal governments published by the Chartered Professional Accountants (CPA) of Canada and made available to the public in a manner Council considers appropriate by May 1 of the following year.

Financial/Budget: n/a

Interdepartmental: All departments

Master Plan/Framework: n/a

Communication Plan

The financial statements will be made available to the public via a newspaper advertisement and on the Strathcona County website.

Enclosures

- 1 Draft Strathcona County Consolidated Financial Statements for the Year Ended December 31, 2022
- 2 Strathcona County Consolidated 2022 Financial Statements presentation
- 3 Strathcona County Audit Results for the Year Ended December 31, 2022 presentation