



# Corporation of the City of White Rock

## Executive Summary for Audit Findings Report

*KPMG LLP*

As of May 4, 2021 for presentation on May 10, 2021

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## Purpose of this report

We are pleased to present this Executive Summary to assist you, as a member of Council, in your review of our Audit Findings Report (the “Report”) in relation to the audit of the financial statements (“financial statements”) of the Corporation of the City of White Rock (the “City”) as at and for the year ended December 31, 2020.

We would like to thank management and staff of the City for their cooperation and assistance during the course of our audit.



## Changes from the Audit Plan

There were no significant changes regarding our audit from the Audit Planning Report previously presented to you, except for revising materiality to \$1,300,000 to reflect actual expenses.



## Finalizing the audit

As of the date of this report, we have completed the audit of the financial statements, except for routine finalization steps, including receipt of legal letter confirmation, our discussions with Council, receipt of the signed management representation letter, and Council’s acceptance of the financial statements.



## Areas of audit focus

Our audit is risk focused. We have not identified any significant risks. However, as part of our audit, we identified areas of audit focus which include:

- Financial reporting implications of COVID-19;
- Revenue recognition and deferred revenue;
- Expenses, including payroll;
- Valuation of post-employment benefits;
- Recreation management system conversion;
- Contingencies; and
- Presumed risk of management override of controls.

There were no significant issues identified as a result of the testing performed. See pages 7 to 13 of the Report for further details.



## Adjustments and differences

There were no corrected adjustments noted in the audit.

There was one uncorrected difference relating to presentation of the amended annual budget on the financial statements. This difference is not considered material to the financial statements and does not have an effect on our auditors' report.



## Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

The presentation and disclosure of the financial statements are, in all material respects, in accordance with Canadian public sector accounting standards.

See page 15 of the Report for further details.



## Control observations

We did not identify any control deficiencies that we determined to be significant deficiencies in internal controls over financial reporting.



## Independence

We confirm that we are independent with respect to the City within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation from January 1, 2020 up to the date of our Report.



## Current developments

There have been no significant updates to the current developments included in our Audit Plan previously provided to Council.



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