

TO: CHAIR AND MEMBERS
AUDIT COMMITTEE OF COUNCIL

DATE: 2016 January 22

FROM: DIRECTOR FINANCE

FILE: 6300-20

SUBJECT: AUDIT PLANNING LETTER FOR 2015 FISCAL YEAR

PURPOSE: To provide the Committee with the planned scope and timing for the audit of the consolidated financial statements of the City for the year ended 2015 December 31.

RECOMMENDATION:

1. **THAT** this report be received for information.

REPORT

The City has received the annual audit planning letter from KPMG, the City's external auditors in preparation for the audit of the consolidated financial statements of the City for the year ended 2015 December 31.

NEW PUBLIC SECTOR ACCOUNTING BOARD STANDARD

The letter notes that there is a new Public Sector Accounting Board standard that comes into effect in the current year that will impact the 2015 consolidated financial statements. The new standard addresses the requirement of governments to recognize a *Liability for Contaminated Sites PS3260*, should one exist.

Governments are required to recognize a liability for contaminated sites when the government is responsible for, or accepts responsibility for, the contamination, and the contamination exceeds existing environmental standards. The amount recorded as a liability must be able to be estimated and would include costs directly related to the remediation activities and post-remediation costs that are an integral part of the remediation strategy. Management has commenced work to adopt the new accounting standard as it applies to the City of Burnaby.

The annual meeting with our external Auditors is scheduled for 2016 March 31 at 5pm in the Council Committee Room.



Denise Jorgenson
DIRECTOR FINANCE

DJ:ml

Copied to: City Manager
City Clerk