

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Direct to Mayor and Council -"
Date: 1/8/2023 6:51:12 PM
Subject: 2022 year-end financial audit
Attachments: 22 COV APR Council Letter.pdf
22 COV APR Final.pdf

Dear Mayor and Council,

Please see attached the 2022 year-end Audit Planning Letter and Audit Planning Report (APR) from our auditor KPMG.

The letter contains a summary of the planned scope and timing of the audit for the year ended December 31, 2022 with more detail included in the APR.

- There are no significant changes in operations or significant unusual transactions in the current year that will significantly impact the audit of the City's consolidated financial statements.
- As noted in the letter, auditing standards require the auditor to make certain enquiries of the General Manager, Finance, Risk and Supply Chain Management/CFO as listed on page 8 of the Audit Planning Report. If Council has any additional information related to those questions you are asked to contact C.J. James, Engagement Partner.
- This is for information only, no action is required on your part unless you wish to provide additional information related the enquires made of the General Manager, Finance, Risk and Supply Chain Management/CFO.

Should you have any questions please contact me or Patrice Impey at 604.873.7610 or Patrice.Impey@vancouver.ca.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Snw̓xw̓ú7mesh (Squamish), and səliwətaʔ (Tsleil-Waututh) Nations.



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PRIVATE AND CONFIDENTIAL

The Mayor and Council
City of Vancouver
453 West 12th Avenue
Vancouver, BC V5Y 1V4

January 5, 2023

To the Mayor and Council of the City of Vancouver (collectively referred to as "Council"):

We are pleased to provide for your information the attached report ("Audit Planning Report") which we have submitted to Patrice Impey, General Manager, Finance, Risk and Supply Chain Management/CFO. This report outlines the planned scope and timing for the audit of the consolidated financial statements of the City of Vancouver (the "City") for the year ending December 31, 2022.

Although provided for your information, we would be pleased to receive any feedback you may have with respect to the planned scope or timing of our audit.

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement contract dated November 27, 2020 between KPMG and the City.

A summary of our Audit Planning Report follows below.

For the current period, materiality has been determined as \$37,000,000 (2021 – \$34,000,000) based on the benchmark of total expenses. We will reassess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate.

Specific areas of focus for our audit include community amenity contributions, deferred liabilities, development cost levies and tangible capital assets. Professional standards presume the risk of management override of controls is present in all entities and requires the performance of specific procedures to address this presumed risk. We plan on performing the required procedures under professional standards, including tests on journal entries, estimates and significant unusual transactions.



City of Vancouver
January 5, 2023

Professional auditing standards require that we annually inquire concerning those charged with governance's oversight of management's process for identifying and responding to the risks of fraud within the City. We have discussed these items with the General Manager, Finance, Risk and Supply Chain Management/CFO. For your information, these inquiries are included on page 8 of the attached Audit Planning Report. If Council has any additional information related to above questions, please contact C.J. James, Engagement Partner either by phone at 604-527-3635 or email at cjjames@kpmg.ca.

We appreciate the opportunity to serve you and look forward to our continuing relationship.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

C.J. James, CPA, CA
Engagement Partner
(604) 527-3635

cc: Mr. Paul Mochrie, City Manager
Ms. Patrice Impey, General Manager, Finance, Risk and Supply Chain
Management/CFO

Enclosure: Audit Planning Report



City of Vancouver

Audit Planning Report for the year
ended December 31, 2022

KPMG LLP

Prepared on January 5, 2023



KPMG contacts

Key contacts in connection with this engagement:

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Table of contents

Digital use information

This Audit Planning Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader”), clicking on the home symbol on the top right corner will bring you back to this page.



Click on any item in the table of contents to navigate to that section.

4	Highlights	5	Audit plan	7	Audit approach
14	Key milestones and deliverables	15	Audit quality	16	Appendices

This report to management, the General Manager, Finance, Risk and Supply Chain Management/CFO and Council is intended solely for the information and use of management, the General Manager, Finance, Risk and Supply Chain Management/CFO and Council and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to management, the General Manager, Finance, Risk and Supply Chain Management/CFO and Council has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Highlights

Scope of the audit

Our audit of the consolidated financial statements ("financial statements") of the City of Vancouver (the "City") as of and for the year ended December 31, 2022 will be performed in accordance with Canadian generally accepted auditing standards ("CAS").



Significant risk



We have not identified significant risks of material misstatement for the audit, except for the presumed risk of management override of controls, which is required by professional standards.

Areas of focus for financial reporting



In planning our audit, we have identified the following areas of focus:

- Community amenity contributions
- Deferred liabilities
- Development cost levies
- Tangible capital assets

Required communications



We are committed to transparent and thorough reporting of issues to management, the General Manager, Finance, Risk and Supply Chain Management/CFO and Council. Please refer to Appendix 1 for a summary of the required communications.

Materiality



Materiality has been determined based on total prior year expenses. We have determined materiality to be \$37,000,000 (2021 – \$34,000,000).

Quality control and independence



We are independent and have a robust and consistent system of quality control. We provide complete transparency on all services and follow the City's approved protocols.

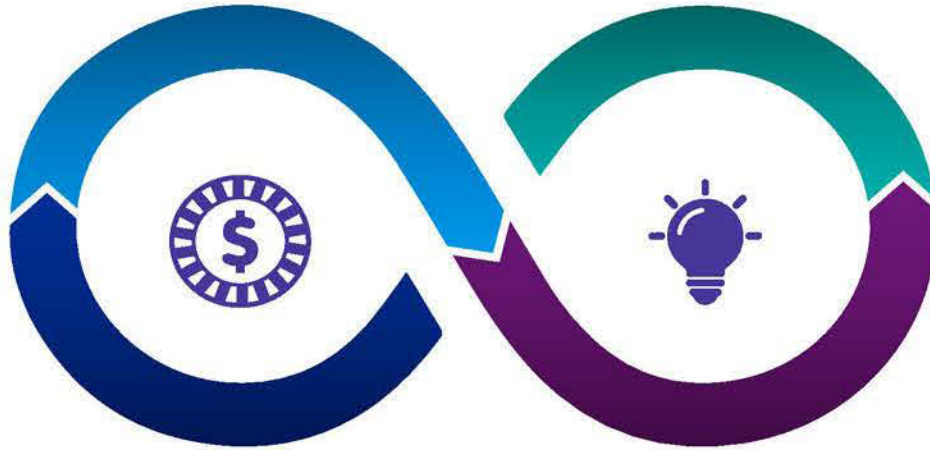
Current developments



Please refer to Appendices 2 and 3 for the current developments updates.



Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Benchmark: Total prior year expenses

\$1,766,814,000

(This benchmark is consistent with the prior year)



Materiality

\$37,000,000

(2021: \$34,000,000)

Audit misstatement posting threshold

\$1,850,000

(2021: \$1,700,000)



Group audit - Scoping

Professional standards require that we obtain an understanding of the City's organizational structure, including its components and their environments that is sufficient to identify those components that are financially significant or that contain specific risks that must be addressed during our audit of the consolidated entity. The components included in the consolidated entity over which we plan to perform our audit procedures are as follows:

Components	Assessment of component relative to the consolidated financial statements	Scope
City of Vancouver (non-consolidated entity)	Financially significant	We will perform an audit of the financial statements.
City of Vancouver Public Housing Corporation	Not financially significant	We will perform an analytical review of each entity's balances relative to the prior year. Where unusual fluctuations in balances are noted, we may perform additional procedures.
Harbour Park Development Ltd.		
Hastings Institute Inc.		
Pacific National Exhibition		
Parking Corporation of Vancouver		
Vancouver Affordable Housing Agency		
Vancouver Civic Development Corporation		
Vancouver Economic Commission		



Significant risk



Management Override of Controls

RISK OF



FRAUD

**Presumption
of the risk of
fraud resulting
from
management
override of
controls**

Why is it significant?

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Audit approach

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- Testing of journal entries and other adjustments.
- Performing a retrospective review of estimates.
- Evaluating the business rationale of significant unusual transactions.



Significant risk (continued)



Management Override of Controls (continued)

RISK OF



FRAUD

**Presumption
of the risk of
fraud resulting
from
management
override of
controls**

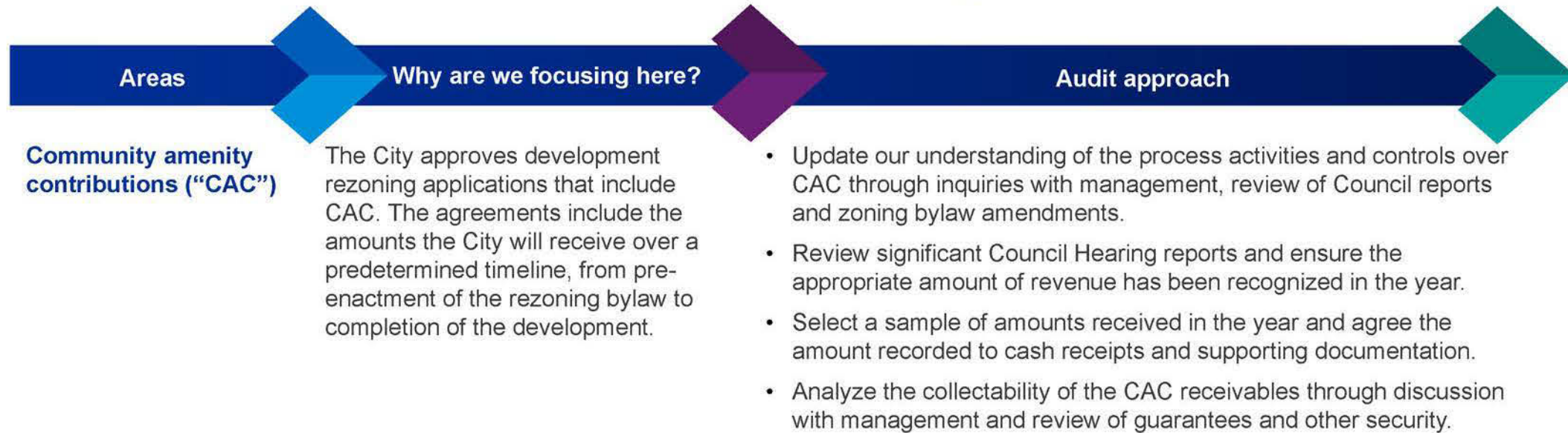
Inquiries

Professional standards require that we obtain the views of the General Manager, Finance, Risk and Supply Chain Management/CFO on the risk of fraud. We make similar inquiries to other City finance management personnel as part of our planning process:

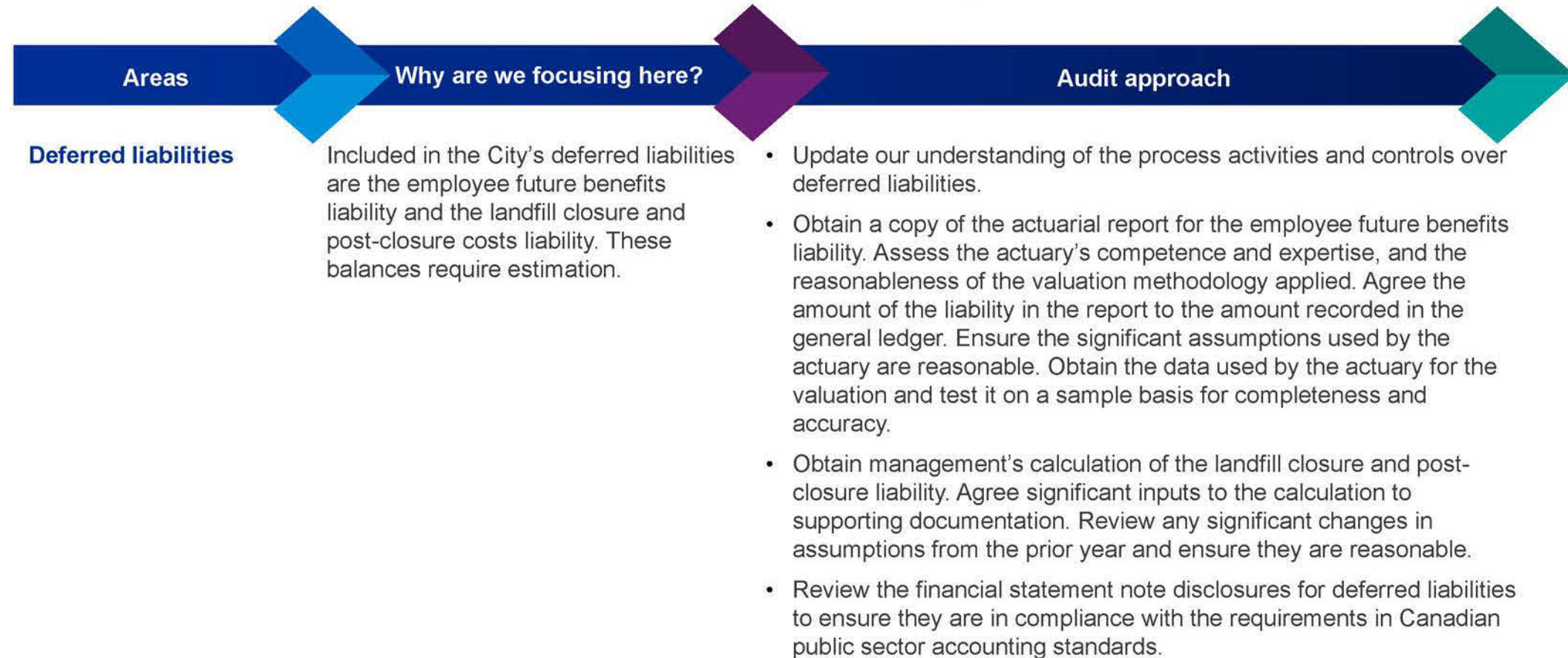
- How do you oversee fraud risk assessments and the establishment of controls to address fraud risks?
- What are your views about fraud risks at the City?
- Are you aware of, or have you identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Are you aware of or have you received tips or complaints regarding the City's financial reporting (including those received through the internal whistleblower program) and, if so, what was your response to such tips and complaints?
- What is your understanding of the City's relationships and transactions with related parties that are significant to the City?
- Do you have concerns regarding relationships or transactions with related parties and, if so, what are the substance of those concerns?
- Has the City entered into any significant unusual transactions?

We look forward to discussing the above with you or you can provide your response to the above questions to C.J. James, Engagement Partner either by phone at 604-527-3635 or email at cjjames@kpmg.ca.

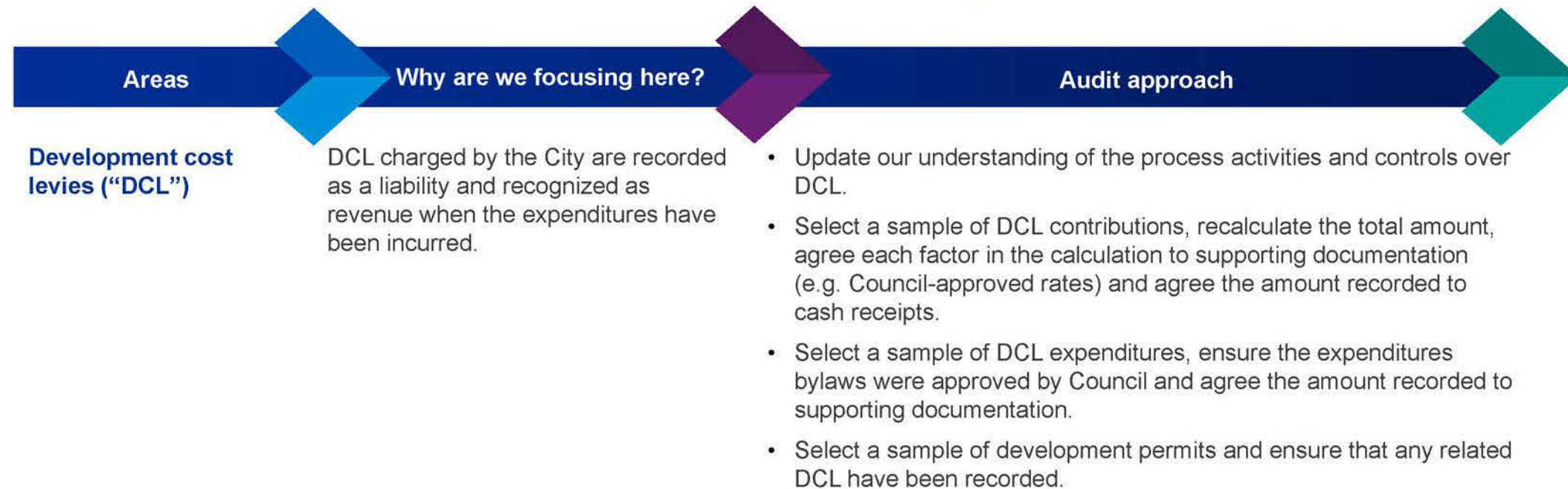
Areas of focus for financial reporting



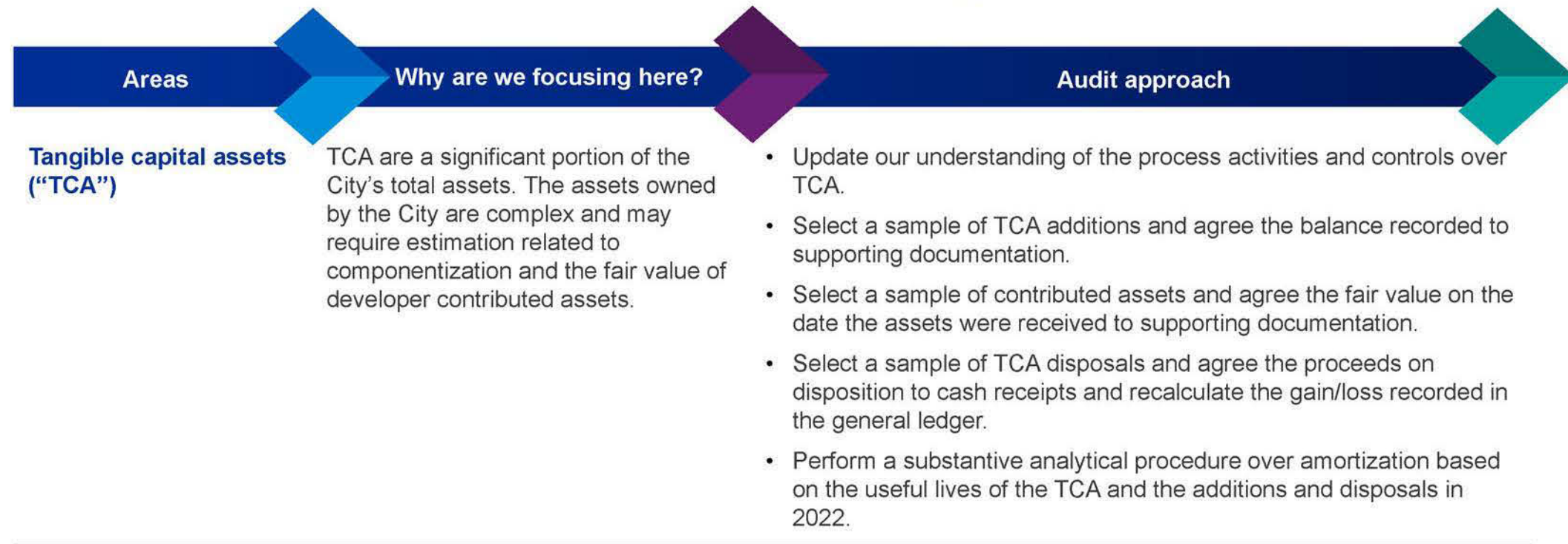
Areas of focus for financial reporting (continued)



Areas of focus for financial reporting (continued)



Areas of focus for financial reporting (continued)



Newly effective auditing standard

CAS 315 (Revised) Identifying and Assessing the Risks of Material Misstatement has been revised, reorganized and modernized in response to challenges and issues with the previous standard. It aims to promote consistency in application, improve scalability, reduce complexity, support a more robust risk assessment and incorporate enhanced guidance material to respond to the evolving environment, including in relation to information technology. Conforming and consequential amendments have been made to other Canadian Auditing Standards.



Affects both preparers of financial statements and auditors

Applies to the audit of the City's 2022 financial statements

See here for more information from CPA Canada



We design and perform risk assessment procedures to obtain an understanding of:

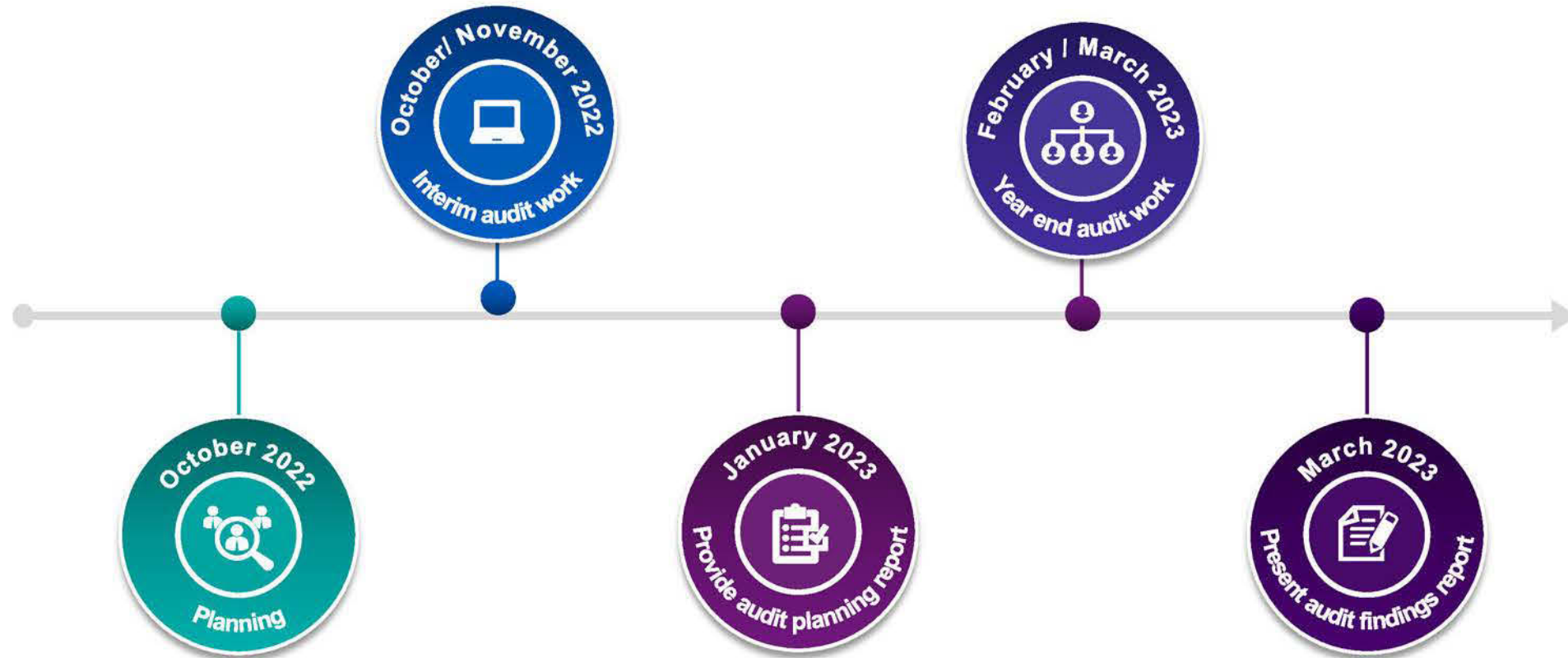
- The City and its environment;
- The financial reporting requirements in the City's financial reporting framework; and
- The City's system of internal control.

The audit evidence obtained from this understanding provides a basis for:

- Identifying and assessing the risks of material misstatement, whether due to fraud or error; and
- The design of audit procedures that are responsive to the assessed risks of material misstatement.



Key milestones and deliverables





Audit quality: How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. Our **Global Quality Framework** outlines how we deliver quality and how every partner and staff member contribute to its delivery.

'**Perform quality engagements**' sits at the core along with our commitment to continually monitor and remediate to fulfil on our quality drivers.

Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.

We define '**audit quality**' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality controls**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.





Appendices

1

**Required
communications**

2

**Changes in
accounting
standards**

3

**Thought
leadership and
insights**



Appendix 1: Required communications

Auditor's report

A copy of our draft auditor's report setting out the conclusion of our audit will be provided at the completion of the audit.

Engagement contract

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement contract dated November 27, 2020. A copy of the contract is available upon request from management.

Audit findings report

At the completion of the audit, we will provide our findings report to the General Manager, Finance, Risk and Supply Chain Management/CFO.

Management representation letter

We will obtain from management certain representations at the completion of the audit. In accordance with professional standards, a copy of the representation letter will be provided to the General Manager, Finance, Risk and Supply Chain Management/CFO.

Independence

At the completion of our audit, we will re-confirm our independence to the General Manager, Finance, Risk and Supply Chain Management/CFO.

Internal control deficiencies

Control deficiencies identified during the audit will be communicated to management and the General Manager, Finance, Risk and Supply Chain Management/CFO.



Appendix 2: Changes in accounting standards

Standard	Summary and implications
Asset retirement obligations	<ul style="list-style-type: none"> • The new standard PS 3280 <i>Asset retirement obligations</i> is effective for fiscal years beginning on or after April 1, 2022. The City must adopt the standard no later than for its December 31, 2023 financial statements. • The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets. Retirement costs will be recognized as an integral cost of owning and operating tangible capital assets. • The asset retirement obligations (“ARO”) standard will require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets (“TCA”). The amount of the initial liability will be added to the historical cost of the asset and amortized over its useful life if the asset is in productive use. • As a result of the new standard, the public sector entity will: <ul style="list-style-type: none"> • Consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset; • Carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements; • Begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify ARO and obtain information to estimate the value of potential ARO to avoid unexpected issues.



Appendix 2: Changes in accounting standards (continued)

Standard	Summary and implications
Financial instruments and foreign currency translation	<ul style="list-style-type: none"> • The new standards PS 3450 <i>Financial instruments</i>, PS 2601 <i>Foreign currency translation</i>, PS 1201 <i>Financial statement presentation</i> and PS 3041 <i>Portfolio investments</i> are effective for fiscal years beginning on or after April 1, 2022. The City must adopt the standards for its December 31, 2023 financial statements. • Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable. • Hedge accounting is not permitted. • A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations. • PS 3450 <i>Financial instruments</i> was amended subsequent to its initial release to include various federal government narrow-scope amendments.
Revenue	<ul style="list-style-type: none"> • The new standard PS 3400 <i>Revenue</i> is effective for fiscal years beginning on or after April 1, 2023. The City must adopt the standard no later than for its December 31, 2024 financial statements. • The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. • The standard notes that in the case of revenue arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations. • The standard notes that unilateral revenue arises when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.



Appendix 2: Changes in accounting standards (continued)

Standard	Summary and implications
Purchased Intangibles	<ul style="list-style-type: none"> • The new Public Sector Guideline 8 <i>Purchased intangibles</i> is effective for fiscal years beginning on or after April 1, 2023 with earlier adoption permitted. The City must adopt the new standard no later than for its December 31, 2024 financial statements. • The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles. • Narrow scope amendments were made to PS 1000 <i>Financial statement concepts</i> to remove the prohibition to recognize purchased intangibles and to PS 1201 <i>Financial statement presentation</i> to remove the requirement to disclose purchased intangibles not recognized. • The guideline can be applied retroactively or prospectively.
Public Private Partnerships	<ul style="list-style-type: none"> • The new standard PS 3160 <i>Public private partnerships</i> is effective for fiscal years beginning on or after April 1, 2023. The City must adopt the standard no later than for its December 31, 2024 financial statements. • The standard includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. • The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the public private partnership ends. • The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure. • The infrastructure would be valued at cost, which represents fair value at the date of recognition with a liability of the same amount if one exists. Cost would be measured in reference to the public private partnership process and agreement, or by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project. • The standard can be applied retroactively or prospectively.



Appendix 2: Changes in accounting standards (continued)

Standard	Summary and implications
Concepts Underlying Financial Performance	<ul style="list-style-type: none"> The revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026 with earlier adoption permitted. The City must adopt the new standard no later than for its December 31, 2027 financial statements. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards. The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.
Financial Statement Presentation	<ul style="list-style-type: none"> The proposed section PS 1202 <i>Financial statement presentation</i> will replace the current section PS 1201 <i>Financial statement presentation</i>. PS 1202 <i>Financial statement presentation</i> will apply to fiscal years beginning on or after April 1, 2026 to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted. The City must adopt the new standard no later than for its December 31, 2027 financial statements. The proposed section includes the following: <ul style="list-style-type: none"> Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained. Separating liabilities into financial liabilities and non-financial liabilities. Restructuring the statement of financial position to present total assets followed by total liabilities. Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called “accumulated other”. A new provision whereby an entity can use an amended budget in certain circumstances. Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position. The Public Sector Accounting Board is currently deliberating on feedback received on exposure drafts related to the reporting model.



Appendix 2: Changes in accounting standards (continued)

Standard	Summary and implications
Employee benefits	<ul style="list-style-type: none"> • The Public Sector Accounting Board has initiated a review of sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>. • The intention is to use principles from International Public Sector Accounting Standard 39 <i>Employee benefits</i> as a starting point to develop the Canadian standard. • Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, the new standards will be implemented in a multi-release strategy. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues. • The proposed section PS 3251 <i>Employee benefits</i> will replace the current sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>. It will apply to fiscal years beginning on or after April 1, 2026. Early adoption will be permitted and guidance applied retroactively. . The City must adopt the new standard no later than for its December 31, 2027 financial statements. • This proposed section would result in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. Organizations would also assess the funding status of their post-employment benefit plans to determine the appropriate rate for discounting post-employment benefit obligations. • The Public Sector Accounting Board is in the process of evaluating comments received from stakeholders on the exposure draft.



Appendix 3: Thought leadership and insights

Thought leadership – Environmental, social and governance (“ESG”)

Note: Click on images to visit document link.



CoP26 made progress towards tackling climate change, but there is much more to do.

At KPMG, we're committed to accelerating the changes required to fight climate change.



In this report, KPMG considers how leading corporations and investors can take action to capture the value that can be found in a healthy, sustainable ocean economy.



This highlights a five-part framework to help organizations shape the total impact of strategy and operations on performance both externally, and internally.



The Green City outlines the need of the cities and the buildings in them to reflect climate consciousness.

The link provides guidance on what that looks like and the first steps to meeting those objectives.



This report outlines the updates in regulatory sustainability reporting.

Its focus is comparing and contrasting proposals from the ISSB, EFRAG, and the SEC.



This article outlines the importance of Gender-lens investing and how it aims on promoting equity and sustainability.



Appendix 3: Thought leadership and insights (continued)

Thought leadership – Environmental, social and governance (“ESG”) (continued)

Note: Click on images to visit document link.

Getting started on the inclusion and diversity journey

In the age of transparency, businesses must implement inclusion and diversity practices

In this age of transparency, businesses must act proactively to implement strategic inclusion and diversity (“I&D”) practices.

This link is a guide for organizations on their own transformation journey.

Climate change, human rights and institutional investors

The adverse impacts to people from a changing climate will create risks for institutional investors throughout the value chain

As the severity of climate impacts increase, so do the socio-economic disruptions due to the risk and fall of climate impacted sectors and projects.

This article breaks down the impact on institutional investors.

How the 'S' in ESG is changing the way we do business

The social component of ESG calls for more heart, empathy and interconnectedness

The "S" in ESG is becoming critical as people and organizations become more conscious about how the social aspect of business will impact their future.

This article touches on the social movements driving business change.

The numbers that are changing the world

Revealing the growing appetite for responsible investing



This article outlines how ESG is impacting valuation and performance of the underlying companies institutional investors have a stake in.

Market statistics highlight the issues surrounding responsible investment.

KPMG’s Climate Change Financial Reporting Resource Centre

KPMG’s climate change resource centre provides FAQs to help you identify the potential financial statement impacts for your business.

[Click here](#) to access KPMG’s portal.

A closer look at the GHG Protocol

Chartered Professional Accountants of Canada (CPA Canada) and the Institute for Sustainable Finance (ISF) produced a 23-page report ([click here](#)) on the GHG Protocol. The report looks to inform potential preparers and users of emissions disclosure; policy makers; standard setters; regulators; and others, and to spur important additional research into key aspects of emissions disclosure and standards that require closer attention.



Appendix 3: Thought leadership and insights (continued)

Thought leadership – Public sector

Voices on 2030: Digitalizing Government

What will the world look like in 2030? How will citizen and customer expectations evolve? And what can public sector organizations be doing today to help ensure they can meet these expectations? We spoke with leaders and disruptors from around the world, across the public and private sector to explore answers to these questions.

[Click here](#) to access KPMG's portal.

Global Economic Outlook

2022 has arguably been one of the most challenging years the world has experienced in modern times. KPMG's Global Economic Outlook is an invaluable asset, helping to map out some of the challenges and opportunities ahead and enables corporate leaders to plan for the future and prepare for an eventual return to sustainable, long-term growth.

[Click here](#) to access KPMG's portal.

Why Audit Committees Should Know About Asset Retirement Obligations

Many public sector entities are currently working through the various aspects of the implementation of the Asset Retirement Obligation standard. In this publication we have provided some key insights to make this complex topic easy to understand by senior level management and those charged with governance at these organizations.

[Click here](#) to access KPMG's portal.

Perspectives on PS 3280 Asset Retirement Obligations

This guide provides KPMG's perspective on key implementation issues and technical interpretations of the guidance in PS 3280.

Contact your KPMG team for your copy of the guide.



Appendix 3: Thought leadership and insights (continued)

Thought leadership – Local government

The Future of Cities

The Future of Cities report unpacks our KPMG Global research and insights on the future of local government, providing an international viewpoint. The report traces the unprecedented journey ahead. Cities worldwide are now poised at a significant inflection point, as their leaders realize that long-held 'one-size-fits-all' approaches to planning and policies will likely no longer work to shape cities for a future that is truly healthy, sustainable, efficient and prosperous for all.

[Click here](#) to access KPMG's portal.

The Future of Local Government

The Future of Local Government report provides a Canadian perspective for how local governments can meet the rapidly changing needs and expectations of their stakeholders – the citizens, partners and leaders across diverse cities and communities they serve.

[Click here](#) to access KPMG's portal.

The Future of Government

The Future of Government report considers all levels of government and provides additional perspective from the content in the Future of Local Government report. It discusses the opportunity for governments to consider a different vision of Canadian social systems and how they can adapt their operations to reflect the needs of a modern Canada.

[Click here](#) to access KPMG's portal.

Cities Portal

KPMG in Canada provides insights and resources for municipalities on a variety of topics including achieving sustainable infrastructure, the new reality for government in Canada, drinking water supply and park access.

[Click here](#) to access KPMG's portal.



Appendix 3: Thought leadership and insights (continued)

Thought leadership – Local government (continued)

CX Coffee Chats: Modernizing Government

As a result of the pandemic, government organizations have been faced with unprecedented demand for digital transformation in the delivery of services to Canadians. In the latest installment of the CX Coffee Chat series, industry specialists discuss the evolving needs of Canadians and the opportunities for government organizations to deliver online services citizens can count on.

[Click here](#) to access KPMG's portal.

20 Predictions for the Next 20 Years

This series looks at how new technologies could evolve and how these advances will change every facet of our lives, including the industries and sectors that drive them. We asked KPMG in Canada subject matter specialists, across industries and sectors, to tell us how they think the world will change in the next two decades. Specifically for local governments, the political and regulatory predictions may be especially relevant.

[Click here](#) to access KPMG's portal.

Gov take 5

Gov take 5 is an always-on platform for KPMG practitioners from around the world to share insights and ideas on a timely basis and trends facing the government and public sector. The ongoing video series will cover a variety of topics including digital transformation, ESG, economic growth and more.

[Click here](#) to access KPMG's portal.

Principles for Digital Transformation in Cities

This report was authored by KPMG and published as part of the World Government Summit. The report highlights the realization of 'smart digitalization' and how it differs across cities.

[Click here](#) to access the World Government Summit portal.



Appendix 3: Thought leadership and insights (continued)

Thought leadership – Audit quality

Audit Quality and Transparency Report

Learn about KPMG's ongoing commitment to continuous audit quality improvement. We are investing in new innovative technologies and building strategic alliances with leading technology companies that will have a transformative impact on the auditing process and profession. How do we seek to make an impact on society through the work that we do?

[Click here](#) to access KPMG's portal.

Audit and Assurance Insights

KPMG provides curated research and insights on audit and assurance matters for audit committees and boards.

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Thought leadership – Digital and technology

Going Digital, Faster in Canada

Pre-COVID-19, private and public organizations were moving towards a digital business model, travelling at varying speeds. But the pandemic forced a dramatic acceleration, both in the speed of change and the required investment to digitally transform. According to Canadian insights from KPMG's recent global survey, organizations are investing heavily in technology to address immediate concerns, ranging from falling revenue and interrupted supply chains to building longer-term competitiveness and operational resilience.

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Five Questions Boards Should Ask About Digital Transformation Projects

Boards and management committees alike have increasingly expressed interest in technology investments that improve operations, enable customer relationships, and support virtual workforces. Based on our experience working with organizations across many industries, five questions have been identified to help a Board understand and 'sponsor' a project successfully.

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Appendix 3: Thought leadership and insights (continued)

Thought leadership – Boards, Audit Committees and C-Suite

2022 CEO Outlook – Canadian Insights

With a potential recession on the horizon, Canadian CEOs are preparing for some rocky roads ahead. However, they remain optimistic about the growth of their businesses and believe any turbulence will be mild and short lived.

These are among the core themes in the latest KPMG CEO Outlook survey and small and medium-sized business poll.

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Audit Committee Guide – Canadian Edition

The Audit Committee Guide – Canadian Edition from our Board Leadership Centre provides timely, relevant and trusted guidance to help both new and seasoned audit committee members stay informed.

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Board Leadership Centre

KPMG in Canada Board Leadership Centre engages with directors, board members and business leaders to discuss timely and relevant boardroom challenges and deliver practical thought leadership on risk and strategy, talent and technology, globalization and regulatory issues, financial reporting and more.

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Momentum

Offering curated insights for management, boards and audit committees, our quarterly newsletter provides the latest thought leadership from KPMG's subject matter leaders across Canada and valuable audit resources for clients.

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Accelerate Series

The role of the audit committee is expanding, and their expertise has never been more in need. In today's environment it's hard to stay fully informed of the issues, never mind manage for them. In this year's Accelerate insights series, KPMG examines some of the pressing issues organization will face in 2023 and spotlight questions audit committees should be asking.

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