



Financial and Corporate Services

Edmonton

**FCS01074 | City of Edmonton  
2021 Consolidated Financial Statements**

# Legislated Financial Statements

## Purpose

- MGA requires municipalities to produce annual legislated financial statements in accordance with Public Sector Accounting Standards (PSAS)
- Must be made public by May 1st of the following year
- Audited with findings presented to Audit Committee
- Intended audience is academia, financial institutions, credit rating agencies, other levels of government, Councillors
- Summarized financial reporting provided through Financial Report to Citizens

# Legislative Financial Statements

<b>Legislative Reporting</b>	<b>Performance Reporting</b>
Consolidated (Reporting Entity)	City of Edmonton Legal Entity Only
Amortization Included	Amortization Excluded
Reserve Transfers Excluded	Reserve Transfers Included
Debt Principal Repayments Excluded	Debt Principal Repayments Included

# Legislated Financial Statements

## Reporting Entity

- Tax-supported departments
- The City of Edmonton Library Board
- Explore Edmonton Corporation
- Fort Edmonton Management Company
- Edmonton Combative Sports Commission
- The City of Edmonton Non-Profit Housing Corporation
- Waste Services Utility (including Waste RE-solutions Edmonton)
- Land Enterprise
- Blatchford Renewable Energy Utility
- Ed Tel Endowment Fund
- Innovate Edmonton

# Other Items

- Management estimates
  - Preparation of financial statements includes amounts based on the best estimates and professional judgement of management
- Future accounting standards

# Uncorrected Audit Misstatement

## Timeline of Events

- 2019 - Impairment of Metro Line LRT signalling asset - \$56M
- 2020/2021 - City worked with province to reallocate GreenTRIP
- 2021 - Province approved funding to be reallocated to Stadium LRT Station Upgrade and diesel bus purchases
- 2021 - Administration reversed recognition of GreenTRIP grant revenue

## Accounting Misstatement

- Derecognition of the grant revenue identified as misstatement related to a prior period (2019)
- Revenue should have been reversed in 2019 as opposed to 2021
- Prior period adjustment is not required as closing financial position is accurate and the amount is not material to the financial statements

## Next Steps

- Statements to City Council on April 19, 2022 for approval
- 2021 Annual Report posted on the City of Edmonton website by May 1, 2022
- Provincial Financial Information Return and statements to Municipal Affairs by May 1, 2022
- Summarized Financial Report to Citizens to follow
- Audit Management Letter and management responses later in 2022

**Thank you.**

**Edmonton**