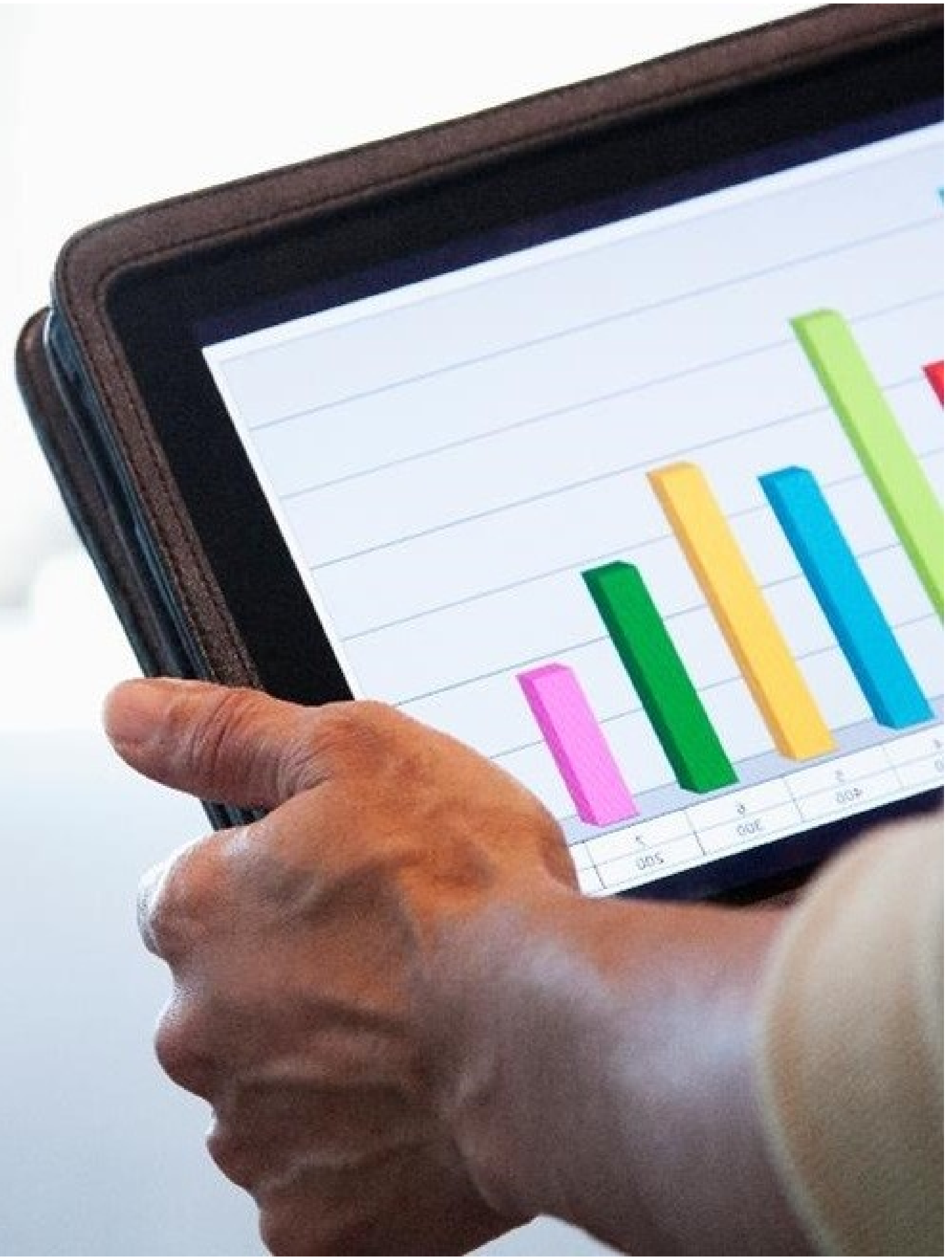
Attachment 2

Toronto and Region Conservation Authority

Audit Findings Report
For the year ended December 31, 2017



KPMG LLP

May 30, 2018

kpmg.ca/audit

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Executive summary

Purpose of this report

The purpose of this Audit Findings Report is to assist you, as a member of the Budget/Audit Advisory Board, in your review of the results of our audit of the financial statements of Toronto and Region Conservation Authority as at and for the year ended December 31, 2017.

Audit approach and findings

Our audit is risk-focused. In planning our audit we have taken into account key areas of focus for financial reporting.

Audit Materiality

Materiality has been determined based on total expenses. We have reviewed the scope of work across segments and businesses across the group. We have determined materiality to be $2,717,000 for the year ended December 31, 2017.

Refer to page 7.

Adjustments and Differences

We did not identify any corrected adjustments.

We identified two uncorrected adjustments and two disclosure omissions.

Finalizing the audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- receipt of legal confirmation;
- completing our discussions with the Budget/Audit Advisory Board;
- completing our subsequent event review procedures;
- receipt of signed management representation letter (dated upon Board approval);
- obtaining evidence of the Board's approval of the financial statements.

We will update you, and not solely the Chair (as required by professional standards), on significant matters, ***if any***, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

Refer to page 11 for further details on the observations and management's response.

Significant accounting estimates

Overall, we are satisfied with the reasonability of accounting policies in place.

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.

Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with the Organization's relevant financial reporting framework.

Audit approach

Professional standards presume the risk of fraudulent revenue recognition and the risk of management override of controls exist in all companies.

The risk of fraudulent revenue recognition can be rebutted, but the risk of management override of control cannot, since management is typically 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.

Professional requirements	Why	Our audit approach
Fraud risk from management override of controls	This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.	As the risk 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 and evaluating the business rationale of significant unusual transactions. No issues noted.

Audit approach

Other areas of focus	Our audit approach
Cash and investments	• Obtain confirmations of cash and investment year-end balances from third parties • Review bank reconciliations and vouch significant reconciling items to source documents • Review of investment earnings • Perform cut-off testing • Review of financial statement presentation and disclosure
Revenue, Deferred revenue and Accounts receivable	• Revenue recognition consideration (recognized versus deferred) • Select a sample of deferred revenue and vouch to supporting documentation • Select a sample of revenue and vouch to supporting documentation • Vouch operating and capital levy revenue to supporting documentation • Subsequent receipts of a sample of amounts receivables post year-end • Review of accounts receivable sub-ledger for credit balances • Review of disclosure requirements
Tangible capital assets	• Select a sample of additions of tangible capital assets and work-in-progress and agree to original invoices to ensure proper accounting treatment • Review of significant transfer of items out of the work in progress account • Review of any significant disposals
Expenses / Accounts Payable and Accrued Liabilities	• Select a sample of expense transactions and agree to original invoices to ensure proper classification of expenses • Review supporting documentation for significant accruals • Perform trend analysis • Review of expense cut-off through the search for unrecorded liabilities

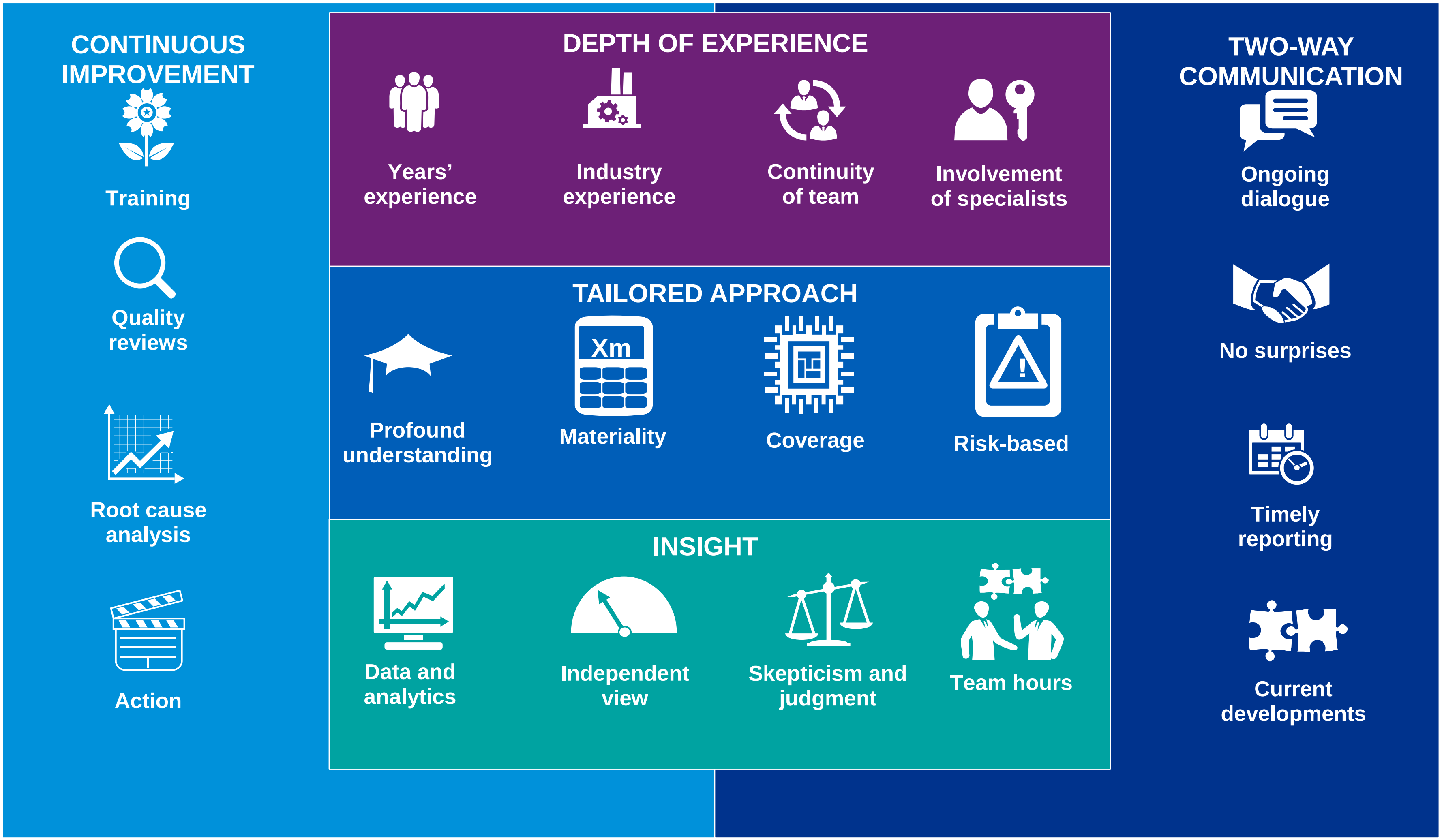
Other areas of focus	Our audit approach
Payroll	• Obtain an understanding on payroll processes • Perform substantive analytical procedures over compensation expenses • Testing of payroll input to source documents • Review supporting documentation for significant payroll and vacation accruals

Materiality

The determination of materiality requires professional judgment and is based on a combination of quantitative and qualitative assessments including the nature of account balances and financial statement disclosures.

Materiality determination	Comments	Current year
Metrics	Total revenue or expenses and net assets	Total expenses
Benchmark	Based on actual 2017 total expenses for the year.	$108,682,000
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was $2,361,000.	$2,717,000
% of Benchmark	The corresponding percentage for the prior year's audit was approximately 2.5%.	2.5%
Performance materiality	Used 75% of materiality, and used primarily to determine the nature, timing and extent of audit procedures. The corresponding amount for the prior year's audit was 75%.	$2,037,000
Audit Misstatement Posting Threshold (AMPT)	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the previous year's audit was $118,050.	$135,000

How we deliver audit quality



Other matters

We have highlighted below other significant matters that we would like to bring to your attention:

Matter	KPMG comment
Change in capitalization threshold for machinery and equipment	During the year, TRCA changed the capitalization threshold for machinery and equipment from $1,000 to $5,000 to be consistent with all tangible capital asset thresholds, other than land and buildings. The change resulted in management writing off $1.4M of machinery and equipment, made up of individually insignificant items, predominately of older equipment items from 2008/2009. We reviewed the supporting disposals listing and ensured that all assets had acquisition costs below the $5,000 threshold. We also reviewed the tangible capital assets additions in the current period on a sample basis, and ensured that all additions were above the $5,000 capitalization threshold and valid capital asset additions. No issues noted.
Change in accounting policy for amortization of vehicles	During the year, TRCA changed the basis of amortization for vehicles from the declining balance method to the straight-line method to more accurately reflect their usage. We note that such as change would constitute a change in accounting policy, and from a financial reporting perspective, would require retroactive application (to account for the change as if it was always under the new policy since inception). The change in amortization method resulted in a $623K adjustment to accumulated amortization which has been reflected in amortization expense in the current period. The adjustment was made to reflect what the accumulated amortization of vehicles would have been, had the basis of amortization always been straight-line. We noted that the change in accounting policy has been applied retrospectively by TRCA to 2017 amortization expense, without adjusting the impact to opening accumulated surplus. As this adjustment of $623K do not belong to the operations of 2017, the entire amount should be adjusted to opening accumulated surplus. As such, we proposed an uncorrected audit adjustment to reverse the $623K from amortization expense to opening accumulated surplus. Refer to the schedule of uncorrected misstatements. From a disclosure perspective, the change in accounting policy has been appropriately reflected in note 1 (g) and note 6 to the financial statements.
Litigious matters	As part of TRCA's normal operations, TRCA could be involved in various legal actions resulting from its involvement in land purchases, fatalities, personal injuries and flooding on or adjacent properties. TRCA maintains insurance coverage against such risks and has notified its insurers of the legal actions and claims. We discussed all ongoing and potential legal claims with management and reviewed significant legal invoices throughout the year to identify any potential claims. Where significant claims are identified and covered by the insurance coverage, we reviewed management's support to corroborate. No discrepancies were noted. We also sent out legal confirmations to five of TRCA's legal counsels. We are currently pending receipt of one legal letter.

Adjustments and differences

Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences. Professional standards require that we request of management and the audit committee that all identified differences be corrected. We have already made this request of management.

Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

Uncorrected differences and disclosure omission

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which disclose the impact of all uncorrected differences considered to be other than clearly trivial. Below also summarizes the uncorrected differences and disclosure omissions:

1) Uncorrected differences noted:

   a. An entry to record a cash receipt and corresponding deferred revenue of $782K relating to 2018 operating levy received in advance.

   b. To reflect the $623K change in accounting policy for the depreciation of vehicles as an adjustment to opening accumulated surplus.

2) Disclosure omission noted:

   a. Deferred revenue – disclosure of any changes in deferred revenue balance attributable to each major category of external restriction. We note that there is no deferred revenue roll included in the financial statements for Authority generated revenue.

   b. Letter of credit – an omission in disclosure of the terms of a new letter of credit outstanding as at December 31, 2017

Based on both qualitative and quantitative considerations, management have decided not to correct certain differences, and represented to us that the uncorrected differences—individually and in the aggregate—are, in their judgment, not material to the financial statements.

We concur with management’s representation that the differences are not material to the financial statements. Accordingly, the differences have no effect on our auditors’ report.

Performance improvement observations

We have previously communicated to management some performance improvement observations identified during the prior year audit. Below is a summary of these performance improvement observations and updated management's response:

Observation	Description and Potential effect	2017 Management Response
Manual adjustments	**<u>2016 audit observation:</u>** During the audit, we noted that management focuses its in-year financial information needs on subproject/program statements of operations which leads to a high volume of manual journal entries subsequent to year-end related to payroll, tangible capital assets, deferred revenue and other correcting entries. Given the extent of entries occurring at year-end, it is possible that management does not have full visibility of the in-year actual results and resources available across the organization. By permitting all employees, regardless of their level of relevant financial training, access to the general ledger accounts for processing transactions, it increases the risk of error. During the audit, we noted many entries recorded to correct originally recorded journal entries. We further noted several adjustments relating to employees' time coded to various projects. Project statements are available to review during the year; however, review may not happen until year-end. By delaying a fulsome review to year-end, it increases the risk of undetected errors during the year. We noted that Tangible Capital Asset (TCA) entries are coded to expense accounts, requiring manual effort to review whether expenditures should have been capitalized if they were capital in nature at year-end. As part of this annual assessment, we noted no formal process to provide evidence to support an asset being moved from an asset under construction to its completed state. We recommend management review acquisitions throughout the year and implement a formal process to acknowledge the completion of an asset. We noted a manual process related to the reporting of deferred revenue. At year-end, manual effort is required to identify all revenue that should be deferred. This increases the risk of missing an item for deferral or the risk of an error related to the recognition of revenue subject to restrictions. We recommend that management: - Consider implementing a semi-annual review of in-year financial information to identify corrections to projects/programs on a more timely basis. - Review its current process with deferred revenue, and consider recording deferred revenue on a quarterly or semi-annual basis.	Management is constantly exploring processes and modifying procedures to improve the efficiency of financial reporting. Specifically, in the current year management performed a detailed review of its deferred revenue processes, which resulted in the configuration of a deferred revenue report and improved transparency in changes to deferred revenue. In fiscal year 2017, management implemented a nine-month hard close reporting process for the statement of operations. For fiscal year 2018, management is implementing reporting deadlines for four quarters of 2018 to provide more current in-year financial information. As management configures the general ledger module in 2018, employees with access to record journal entries will be limited to a group of staff based on job responsibility, with accounting approval and quality control on all journal entries.

Observation	Description and Potential effect	2017 Management Response
	We recommend management provide training to individuals who post journal entries, charge and/or approve time to ensure they understand the financial reporting implications and that permission to record entries be restricted to users with appropriate training to do so. **2017 update:** We obtained an update on the status of the recommendations. Refer to 2017 Management Response column.	
Reporting system (Business World)	**2016 audit observation:** A different set of codes and chart of accounts exist, creating additional steps for all users to cross reference to in order to search for any transactions within the two systems. We note that management has not maximized the functionality of Business World which could help alleviate some of the manual processes. We recommend management explore the options available with the ERP system to simplify and automate some of its current processes, such as allowing users to record journal entries directly in the ERP. **2017 update:** We obtained an update on the status of the recommendation. Refer to 2017 Management Response column.	Modules have been secured and management is developing a plan to effectively implement the ERP system for use across the organization. As noted above, the general ledger update and related training are expected to take place in 2018.
Compliance with vacation policy	**2016 audit observation:** Upon examination of the vacation accrual schedule, we noted that certain employees appear to have accumulated vacation days in excess of what is allowed in the vacation policy. Through discussion with management, we noted that payroll does not have the documented approval for exceptions to the vacation policy on file. We recommend that management enforce the policy and develop a plan to bring the organization in line with the policy within a reasonable timeframe. We further recommend that as a best practice, documented approvals for all banked day requests and exceptions be provided to payroll for record keeping, to ensure consistent application of the vacation policy across the organization. **2017 update:** We obtained an update on the status of the recommendations. Refer to 2017 Management Response column.	Management recognizes the need to enforce its vacation policy, and accordingly revised the policy that will be effective on December 31, 2019. The new policy will enable employees to utilize any vacation in excess of their maximum annual entitlement. TRCA has also recently purchased a Human Resources Information System software product, which will automate compliance tracking to ensure consistent application across the organization.

Appendices

Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – the conclusion of our audit is set out in our draft auditors' report
- **Management representation letter** –In accordance with professional standards, copies of the management representation letter are provided to the Audit Committee.

Appendix 2: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards. Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit our Audit Quality Resources page for more information including access to our audit quality report, Audit quality: Our hands-on process.

- Other controls include:
  - Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits.
  - Technical department and specialist resources provide real-time support to audit teams in the field.
- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.
- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.

- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
  - Assignment based on skills and experience;
  - Rotation of partners;
  - Performance evaluation;
  - Development and training; and
  - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Appendix 3: Background and professional standards

Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

Documents containing or referring to the audited financial statements

We are required by our professional standards to read only documents containing or referring to audited financial statements and our related auditors' report that are available through to the date of our auditors' report. The objective of reading these documents through to the date of our auditors' report is to identify material inconsistencies, if any, between the audited financial statements and the other information. We also have certain responsibilities, if on reading the other information for the purpose of identifying material inconsistencies, we become aware of an apparent material misstatement of fact.

We are also required by our professional standards when the financial statements are translated into another language to consider whether each version, available through to the date of our auditors' report, contains the same information and carries the same meaning.

Appendix 4: Lean in Audit TM

An innovative approach leading to enhanced value and quality

Our new innovative audit approach, Lean in Audit, further improves audit value and productivity to help deliver real insight to you. Lean in Audit is process-oriented, directly engaging organizational stakeholders and employing hands-on tools, such as walkthroughs and flowcharts of actual financial processes.

By embedding Lean techniques into our core audit delivery process, our teams are able to enhance their understanding of the business processes and control environment within your organization – allowing us to provide actionable quality and productivity improvement observations.

Any insights gathered through the course of the audit will be available to both engagement teams and yourselves. For example, we may identify control gaps and potential process improvement areas, while companies have the opportunity to apply such insights to streamline processes, inform business decisions, improve compliance, lower costs, increase productivity, strengthen customer service and satisfaction and drive overall performance.

How it works

1. Lean training

- Provide basic Lean training and equip our teams with a new Lean mind-set to improve quality, value and productivity.

2. Interactive workshops

- Perform interactive workshops to conduct walkthroughs of selected financial processes providing end to end transparency and understanding of process and control quality and effectiveness.

3. Insight reporting

- Quick and pragmatic insight report including your teams immediate quick win actions and prioritized opportunities to realize benefit.

Appendix 5: New Auditor Reporting

In response to investors demanding more than a binary pass/fail opinion from the auditors' report, the new and revised auditor reporting standards have introduced significant changes to the traditional auditors' report we provide.

In April 2017, the Auditing and Assurance Standards Board (AASB) in Canada approved the new and revised auditor reporting standards as Canadian Auditing Standards (CASs).

What's new?

Highlights of the new auditors' report include:

Change	Applicability
Re-ordering of the auditors' report including moving opinion to the first section	Listed and non-listed entities
Expanded descriptions of management's, those charged with governance and auditors' responsibilities	Listed and non-listed entities
Disclosure of name of the engagement partner	Listed entities
Description of key audit matters (KAMs)	Applicable only when required by law or regulation or when the auditors is engaged to do so

When are the new requirements effective?

The new and revised standards in Canada will be effective for audits of financial statements for periods ending on or after December 15, 2018 with early application permitted.

U.S. developments

In June 2017, the Public Company Accounting Oversight Board (PCAOB) adopted their enhanced auditor reporting standards which includes, among other requirements, discussion of critical audit matters (CAMs) (similar to KAMs) and tenure of the auditor. Highlights and effective dates of the new U.S. standards are:

- New auditors' report format, tenure and other information: audits for fiscal years ending on or after December 15, 2017
- Communication of CAMs for audits of large accelerated filers: audits for fiscal years ending on or after June 30, 2019
- Communication of CAMs for audits of all other companies: audits for fiscal years ending on or after December 15, 2020.

Impact to Foreign Private Issuers in Canada

Auditors of foreign private issuers ("FPIs") will still be able to issue a "combined" report (which many FPIs in Canada issue today) that meets both the CAS and enhanced PCAOB standards for 2017 year-end engagements.

Discussions are still underway whether a "combined report" for 2018 year-end engagements will be allowable.

The way forward in Canada

The AASB, working alongside the regulatory bodies, continue to deliberate how the disclosure of KAMs will be required to listed entities in Canada given the recent developments in the U.S.

Appendix 6: Current developments

The following is a summary of the current developments that are relevant to the Organization:

Standard	Summary and implications
PS 3210 Assets	This standard provides a definition of assets and further expands that definition as it relates to control. Assets are defined as follows: • They embody future economic benefits that involve a capacity, singly or in combination with other assets, to provide goods and services, to provide future cash inflows, or to reduce cash outflows. • The public sector entity can control the economic resource and access to the future economic benefits. • The transaction or event giving rise to the public sector entity's control has already occurred. The standard also includes some disclosure requirements related to economic resources that are not recorded as assets to provide the user with better information about the types of resources available to the public sector entity. This standard is effective for fiscal periods beginning on or after April 1, 2017.
PS 3380 Contractual Rights	This standard defines contractual rights to future assets and revenue. Information about a public sector entity's contractual rights should be disclosed in notes or schedules to the financial statements and should include descriptions about their nature and extent and the timing. The standard also indicates that the exercise of professional judgment would be required when determining contractual rights that would be disclosed. Factors to consider include, but are not limited to: (a) contractual rights to revenue that are abnormal in relation to the financial position or usual business operations; and (b) contractual rights that will govern the level of certain type of revenue for a considerable period into the future. This standard is effective for fiscal periods beginning on or after April 1, 2017.
PS 2200 Related Party Disclosures	This standard relates to related party disclosures and defines related parties. Related parties could be either an entity or an individual. Related parties exist when one party has the ability to control or has shared control over another party. Individuals that are key management personnel or close family members may also be related parties. Disclosure is only required when the transactions or events between related parties occur at a value different from what would have been recorded if they were not related and the transactions could have a material financial impact on the financial statements. Material financial impact would be based on an assessment of the terms and conditions underlying the transaction, the financial materiality of the transaction, the relevance of the information and the need for the information to enable the users to understand the financial statements and make comparisons.

	This standard also specifies the information required to be disclosed including the type of transactions, amounts classified by financial statement category, the basis of measurement, and the amounts of any outstanding items, any contractual obligations and any contingent liabilities. The standard also requires disclosure of related party transactions that have occurred where no amounts has been recognized. This standard is effective for fiscal periods beginning on or after April 1, 2017.
PS 3430 Restructuring Transactions	A restructuring transaction in the public sector differs from an acquisition as they generally include either no or nominal payment. It also differs from a government transfer as the recipient would be required to assume the related program or operating responsibility. The standard requires that assets and liabilities are to be measured at their carrying amount. It also prescribes financial statement presentation and disclosure requirements. This standard is effective for fiscal periods beginning on or after April 1, 2018.
PS 3420 Inter-entity Transactions	This standard relates to the measurement of related party transactions and includes a decision tree to support the standard. Transactions are recorded a carrying amounts with the exception of the following: • In the normal course of business – use exchange amount • Fair value consideration – use exchange amount • No or nominal amount – provider to use carrying amount; recipient choice of either carrying amount or value fair. • Cost allocation – use exchange amount This standard is effective for fiscal periods beginning on or after April 1, 2017.
PS 3450 Financial Instruments	A standard has been issued, establishing a standard on accounting for and reporting all types of financial instruments including derivatives. The effective date of this standard has recently been deferred and it is now effective for fiscal periods beginning on or after April 1, 2019. This standard will require the Authority to identify any contracts that have embedded derivatives and recognize these on the consolidated statement of financial position at fair value. Portfolio investments in equity instruments are required to be recorded at fair value. Changes in fair value will be reported in a new financial statement – statement of remeasurement gains and losses. This standard sets out a number of disclosures in the financial statements designed to give the user an understanding of the significance of financial instruments to the Authority. These disclosures include classes of financial instruments and qualitative and quantitative risk disclosures describing the nature and extent of risk by type. The risks to be considered include credit, currency, interest rate, liquidity, and market risk.
Revised Standard PS 2601 Foreign Currency Translation	A revised standard has been issued establishing standards on accounting for and reporting transactions that are denominated in a foreign currency.

The effective date of this standard has been deferred and is effective for fiscal periods beginning on or after April 1, 2019. Earlier adoption is permitted. An entity early adopting this standard must also adopt the new financial instruments standard.

This standard will require exchange gains and losses arising prior to settlement are recognized in a new statement of remeasurement gains and losses.

Deliberations on the Future of Accounting Standards for Not-for-Profit Organizations

In April 2013, the Accounting Standards Board ("AcSB") and the Public Sector Accounting Board ("PSAB") jointly issued a Statement of Principles ("SOP") that proposed to revise Part III of the CPA Canada Handbook and the CPA Public Sector Accounting Handbook to streamline and improve the existing standards for financial reporting by not-for-profit organizations and Government not-for-profit organizations. The SOP garnered much interest from the Not-for-Profit community and, based on the feedback the Boards received, the proposals did not proceed further through the accounting standards development process. In March 2015, citing different financial reporting challenges, user needs and differing priorities faced by PSAB and the AcSB, the Boards announced that they would independently pursue improvements to not-for-profit accounting standards, but collaborate on common issues.

Based on the responses from the SOP, the Public Sector Accounting Board decided that making substantive changes to the Accounting Standards for Government Not-for-Profit Organizations was not a priority at this time. The Board's long-term strategy is to better align the accounting standards used by not-for-profit organizations (as provided in the Section 4200 series in the Accounting Handbook) with those used by other government entities, where practical.

Appendix 7: Audit trends

KPMG understands the wide range of challenges and evolving trends that you face. We also understand that sometimes keeping up with critical issues as they emerge can be difficult.

As your auditors, it is incumbent upon us to provide you with any information that will help you further strengthen corporate governance, enhance your oversight and add greater value within your organization.

As such, KPMG's Audit Committee Institute (ACI) provides information, resources and opportunities for you to share knowledge with your peers. First, you are welcome to attend our Audit Committee Roundtable sessions, which are held in major cities across the country. In addition, you will also benefit from our monthly Audit Point of View article series as well as thought leadership and insights on the most pressing audit committee agenda items.

More information on all of these can easily be found at www.kpmg.ca/audit.

Our discussions with you, our audit opinion and what KPMG is seeing in the marketplace—both from an audit and industry perspective—indicate the following is specific information that will be of particular interest to your organization. We would, of course, be happy to further discuss this information with you at your convenience.

Thought Leadership	Overview	Links
Audit Trends	With a range of provocative data, insight and opinion gleaned from KPMG professionals and The Conference Board of Canada survey of Audit Committees and CFOs, Audit Trends examines seven key issues addressing corporate readiness, preparedness and priority in a volatile business environment.	Link to report
The Blockchain shift will be seismic	Blockchain technology is a focused disruptor of the very foundations of external and internal audit: financial recordkeeping and reporting. This Audit Point of View article offers insight on how blockchain technology is impacting business and what audit committees should be thinking about to prepare for certain risks.	Link to article
Audit Quality 2017	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?	Link to report

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