



REGIONAL
DISTRICT
OF NANAIMO

Revised Canadian Auditing Standard (CAS) 315 – Additional Information

RECOMMENDATION

1. That the additional details regarding changes to the Canadian Auditing Standard (CAS) 315 be received for information.

BACKGROUND

The MNP 2022 Audit Service Plan (Attachment 1) provides information regarding changes to the Canadian Auditing Standard (CAS) 315. The revised standard requires the auditor to gain detailed understanding of the organization's processes and use of Information and technology (IT) and the related IT controls. The revised CAS 315 will be effective for the audit of the Regional District's financial statements ending December 31, 2022. The attached audit plan also provided a list of sample questions for the Board to consider asking the auditors and the management staff regarding this revised standard.

Attachment 2 & 3 provides a list of the questions for auditors and management, and the response prepared by MNP and management staff respectively.

FINANCIAL IMPLICATIONS

The annual audit fee is included in the Finance Department's budget. The MNP 2022 Audit Service Plan estimates an additional \$2,000-\$4,000 fee resulting from the extra requirements associated with the adoption of CAS 315.

STRATEGIC PLAN ALIGNMENT

The Board of Directors is responsible for the approval of the consolidated financial statements. The auditors report directly to the RDN Board of Directors to communicate the audit service plan and other significant matters that affect the audit of the financial statements. Compliance with this requirement directly supports the Board's value of Fiscal Responsibility and Good Governance, which demands transparency in financial reporting and that Directors are accountable to the public.

REVIEWED BY:

- T. Moore, Chief Financial Officer
- S. Nixon, Acting/General Manager, Corporate Services

ATTACHMENTS

1. RDN Audit Service Plan 2022
2. CAS 315 Supplemental Information from MNP
3. CAS 315 Supplemental Information from RDN Management staff