



# Municipalities



**BDO Dunwoody LLP**  
Chartered Accountants  
and Advisors



**Over time, regulatory changes and limited funding have increasing operational and technological demands. Complexity has grown. BDO can help you meet your financial obligations with confidence.**

For over 90 years, BDO has worked with municipalities to meet their financial reporting responsibilities. We are leaders in researching and implementing all new standards, and give valuable insights that offer opportunities to affect your bottom line. Our experienced professionals apply their expertise to help you with your specific needs.

### **The BDO Audit Approach**

BDO's risk-based audit approach focuses on obtaining sufficient evidence to reduce the risk of a material misstatement in the financial statements.

This approach focuses the audit effort on the high risk areas that need emphasis. It involves understanding your operations and developing a plan in close cooperation with your Members of Council. It is a "top down" approach requiring planning and care in developing audit programs before the work commences. This approach also puts emphasis on planning and communication.

Beyond year-end audits of financial statements and advice on Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), we also offer specialized assurance services, including assistance with Public Sector Accounting Board (PSAB) conversion and disclosure requirements, reserve fund, five year plan and capital budget advice, benchmarking and additional audit reports on specific functions or for specific funders. We are also knowledgeable in the application of International Financial Reporting Standards to Government Business Enterprises. Our IFRS team can assist in the planning and conversion to IFRS that will be required by certain government entities.

### **Other Services**

Aside from audit and assurance services, BDO offers a range of professional services to streamline your financial direction. A few of these services are listed below.

#### **Taxation**

Tax minimization is an issue for all clients, including municipalities. Along with our tax specialists, we develop strategies and innovative ideas that help you to be tax efficient while maintaining compliance with financial requirements. Our areas of specialization include:

- GST and other commodity tax analysis and re-filing
- Payroll
- Employee tax planning
- Property purchase
- Public/private partnerships



#### **The BDO Municipality Service Group**

At BDO, we value the work we do with over 100 Canadian municipalities. Having created our own internal group of municipal professionals, we are in the unique position to offer the services and resources of a big firm with a local firm's attention to personal service.



# made it harder for municipal governments to address sequently, pressure from stakeholders for financial accountability confidence.

## Business Advisory Services

BDO offers a range of strategic advice, analysis and due diligence services critical to today's municipalities:

- Assistance with evaluation of potential private/public partnership arrangements
- Value-for-money audits of specific functions
- Due diligence related to acquisitions
- Review of cost-sharing agreements
- Restructuring:
  - Organizational reviews
  - Developing personnel
  - Physical and financial impact studies as a result of amalgamation
  - Implementation and transition
- Human Resources:
  - Employee search and selection
  - Attitudinal studies
  - Performance evaluations
  - Salary reviews
  - Workshops and training sessions for employees

## Risk Advisory Services

BDO's risk advisory services are based on the pillars of the Enterprise Risk Management COSO framework.

The RAS group assists organizations with the following services:

- Risk assessment
- Enhancement or establishment of the Internal Audit Function
- Evaluation of the effectiveness of the Internal Audit Function
- Information Technology Internal Audits: Computer feasibility studies, System design, System selection or conversion, Installation, Training
- Strategic partnering and co-sourcing
- Enterprise-wide risk management



## Accountable and Transparent

BDO recognizes the need for accountability and transparency within municipalities, which, directly or indirectly use public funds. The procedures we undertake to help you meet these requirements include:

- Review and analysis of (non-payroll) payments to staff and Council
- Review and analysis of payments made to companies controlled by senior staff or Council members
- Review of conflict of interests
- Review of expense report format and filings to council and staff
- Statistical analysis of payments to staff and Council
- Review of tender procedures

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