



# **The Corporation of the City of Burlington**

## **2019 Audit service plan**

For the year ended December 31, 2019  
To be presented to the Audit Committee  
On February 12, 2020



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To the Members of the Audit Committee  
The Corporation of the City of Burlington  
426 Brant St  
Burlington ON L7R 3Z6

Dear Audit Committee Members,

**2019 Audit service plan**

We are pleased to present our 2019 audit service plan for the Corporation of the City of Burlington (the "City"), which describes our audit scope and approach and our planned communications with you.

Our audit will include:

- An audit of the City of Burlington's consolidated financial statements (the "Financial Statements") for the year ended December 31, 2019 prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS");
- Audits of the financial statements for the year ended December 31, 2019 of the following local boards and entities: Burlington Public Library Board, Burlington Museums Board, Burlington Theatre Board, Burlington Business Improvement Association, Burlington Economic Development Corporation, Aldershot Village Business Improvement Association;
- An audit of the financial statements of the Art Gallery of Burlington for the year ended December 31, 2019 prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations; and
- An audit of the Trust Funds of the City of Burlington's financial statements for the year ended December 31, 2019 prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations;

herein after, collectively referred to as the "Financial Statements".

We are providing this audit service plan to the City Council through the Audit Committee ("the Committee") on a confidential basis. It is intended solely for the use of the Committee to assist you in discharging your responsibilities with respect to the Financial Statements and is not intended for any other purpose. Accordingly, we disclaim any responsibility to any other party who may rely on it.

We look forward to discussing our Audit service plan with you and to answering any questions that you may have.

Yours truly,

*Original signed Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants

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# Our audit explained

## Significant events

We are not currently aware of any significant events that would impact the audits of the Financial Statements for the December 31, 2019 year end.

## Audit scope and terms of engagement

We have been asked to perform audits of the financial statements of the City, the Boards, and the Trust Funds (collectively, the "City") in accordance with Canadian Public Sector Accounting Standards ("PSAS") as at and for the year ending December 31, 2019. Our audits will be conducted in accordance with Canadian Generally Accepted Auditing Standards ("Canadian GAAS").

The terms and conditions of our engagements are described in our master services agreement dated November 7, 2016 and confirmation of changes dated October 9, 2018, which were signed on behalf of Council and management.

We performed our interim audit during the week of November 18, 2018, and the year-end field work will be commencing on January 27, 2020 for the audits of the local boards and entities, and commencing on March 9 for the audit of the City's consolidated financial statements.

## Significant events

## Materiality

## Scope and terms of engagement

## Audit risks

## Group audit

## Materiality

We are responsible for providing reasonable assurance that your Financial Statements as a whole are free from material misstatement.

Our materiality levels will be determined using professional judgement, on the basis of 3% of total expenses (2018 – 3% of total expenses).

We will report to the Committee all uncorrected misstatements greater than a clearly trivial amount (5% of materiality) and any misstatements that are, in our judgment, qualitatively material. In accordance with Canadian Generally Accepted Auditing Standards (GAAS), we will request that misstatements, if any, be corrected.

## Audit risks

Through our preliminary risk assessment process, we have identified the significant audit risks. These risks of material misstatement and related audit responses are discussed in the "Audit Risks" section of this report.

## Group audit

When designing our audit strategy, we also considered:

- The financial significance or relative importance of the consolidated entities to your organization as a whole;
- The complexity and nature of the operations, internal controls and accounting issues at each of the consolidated entities;
- The degree of centralization or decentralization of processes and controls including, the extent of relevant enterprise-level controls; and
- The extent and nature of internal control deficiencies and financial statement misstatements identified in current and previous periods at each of the consolidated entities.

### Fraud risk

We will develop our audit strategy to address the assessed risks of material misstatement due to fraud. Determining this strategy will involve:

1. Asking those involved in the financial reporting process about inappropriate or unusual activity.
2. Testing a sample of journal entries throughout the period as well as adjustments made at the end of the reporting period.
3. Identifying and obtaining an understanding of the business rationale for significant or unusual transactions that are outside the normal course of business.
4. Evaluating whether your accounting policies may be indicative of fraudulent financial reporting resulting from management's effort to manage results.
5. Evaluating whether the judgements and decisions related to management estimates indicate a possible bias.
6. Incorporating an element of unpredictability in selecting our audit procedures.

We will also ask the Committee for their views about the risk of fraud, whether they know of any actual or suspected fraud affecting the City and their role in the oversight of management's antifraud programs.

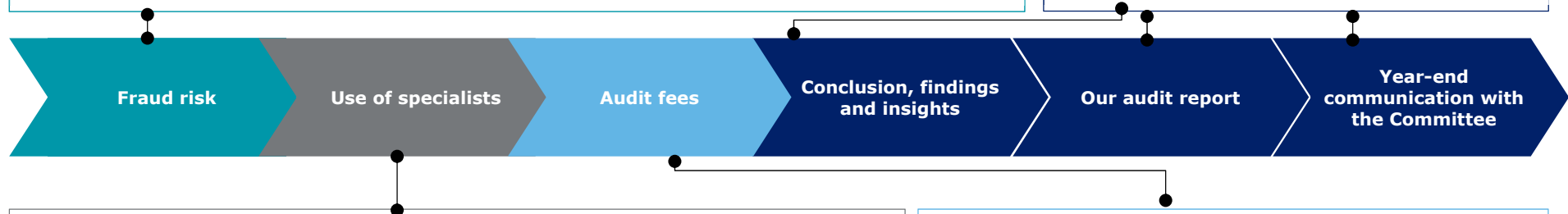
If we suspect fraud involving management, we will immediately inform the Committee of our suspicions and discuss the nature, timing, and extent of audit procedures necessary to complete the audits.

### Complete engagement reporting

Under GAAS, we are required to communicate certain matters to the Committee. The primary reports and formal communications through which we will address these matters are:

- This Audit Service Plan
- Year End Communication, and
- Our Independent auditor's reports on the Financial Statements.

Further details on communication requirements can be found in Appendix 2.



### Use of specialists

Our audit team is supported with online resources as well as practice and national office specialists who assist our team when dealing with more complex, technical accounting, auditing and reporting issues.

We intend to use the work of the City's actuary in their determination of the City's post-employment benefits. We will review and test any data and assumptions used, ensure the disclosure in the financial statements is adequate, and that the actuary is in good standing with the Canadian Institute of Actuaries

### Audit fees

Our fees are based on the scope of service as outlined in our proposal for audit services dated August 6, 2015.

# Audit risks

During our risk assessment, we identified some areas of audit risk that will require special audit consideration. These areas of risk, together with our planned responses, are described below.

The following tables set out certain areas of audit risk that we identified during our preliminary planning activities, including our proposed response to each risk. Our planned audit response is based on our assessment of the likelihood of a risk's occurrence, the significance should a misstatement occur, our determination of materiality and our prior knowledge of the City.

## Revenue and deferred revenue amounts\*

### Audit risk

Canadian Auditing Standards include the presumption of a fraud risk involving improper revenue recognition.

### Our audit response

- Substantive testing to determine if restricted contributions (i.e., development charges, gas tax, conditional grants, etc.) have been recognized as revenue in the appropriate period.

## Year-end cut-off

### Audit risk

Determine if cut-off of revenues and expenses is appropriate.

### Our audit response

- Substantive testing on accounts payable, accrued liabilities, deferred revenue and accounts receivable, and
- Test disbursements subsequent to year-end.

## Tangible capital assets

### Audit risk

Appropriate accounting and disclosure.

### Our audit response

- Test assumptions used in determining completeness, valuation, recording and cut-off of 2019 additions and disposals, and
- Testing of calculations of amortization.

## Year-end accruals and other estimates (including salaries, employee future benefits, contaminated sites, and allowance for doubtful accounts)

### Audit risk

Estimates require management judgments and assumptions.

### Our audit response

- Obtain documentation on management's control over accounting estimates and assess risk
- Review and assess the consistency of major assumptions used to develop significant accounting estimates
- Compare actual historical experience to models employed in such calculations
- Obtain calculations from experts for accruals such as employee future benefit liability, and assess assumptions and data used to prepare the report, and
- Review actual outcome of prior year estimates.

## Management override of controls\*

### Audit risk

Management override of controls is a presumed area of risk in a financial statement audit due to management's ability to override controls that otherwise appear to be operating effectively.

### Our audit response

- Our audit tests the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements
- We will obtain an understanding of the business rationale for significant transactions that we become aware of that are outside of the normal course of business, or that otherwise appear to be unusual given our understanding of the City and its environment
- We will review accounting estimates for bias and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement
- In addition, experienced Deloitte personnel will be assigned to the testing and review of journal entries and areas of estimates, and
- Professional skepticism will be maintained throughout the audit.

\*These areas have been identified as areas of significant risk.

In addition to the audit risks identified above, we will inquire of the Audit Committee as to their assessment of any additional business and financial risk areas on which we should focus our work efforts.

We will inform you of any significant changes to the areas of audit risk discussed above and the reasons for those changes as part of our year end communication, or earlier if deemed necessary

# Appendix 1 – Audit approach

Deloitte's audit approach is a systematic methodology that enables us to tailor our audit scope and plan to address the unique issues facing the City.

The following steps are not necessarily sequential nor are they mutually exclusive. For example, once we've developed our audit plan and the audits are being performed, we may become aware of a risk that was not identified during the planning phase. Based on that new information, we would reassess our planning activities and adjust the audit plan accordingly.

## 1. Initial planning

The Deloitte's audit approach begins with an extensive planning process that includes:

- Assessing your current business and operating conditions
- Understanding the composition and structure of your business and organization
- Understanding your accounting processes and internal controls
- Understanding your information technology systems
- Identifying potential engagement risks
- Planning the scope and timing of internal control and substantive testing that take into account the specific identified engagement risks, and
- Coordinating our activities with external parties and experts and/or Deloitte specialists.

Our Audit will take into account specific items of particular interest raised by the Committee as well as areas of concern identified by the Committee or management.

## 2. Assessing and responding to engagement risk

Our audit approach combines an ongoing identification of risks with the flexibility to adjust our approach when additional risks are identified. Since these risks may impact our audit objectives, we consider materiality in our planning to focus on those risks that could be significant to your financial reporting.

**Risk assessment**

We compile information from a variety of sources, including discussions with management and the Committee, to identify risks to the City’s financial reporting process that may require attention. Our preliminary risk assessment takes into account:

- Key business developments and transactions (internal and external)
- Current business, regulatory and accounting pronouncements and developments
- Key management strategies and business plans
- Prior years’ audit results
- Results of procedures relating to internal control, and
- Areas of significant risk.

The risks that we have identified to date, and which will be addressed when conducting the audits, are summarized in the “Audit risks” section. As we perform our audits, we will update our risk assessment. We will inform the Committee of any significant changes to our risk assessment, and any additional risks that we identified, in our year end communication, or earlier if deemed necessary.

**Consideration of the risk of fraud**

Maintaining an attitude of professional skepticism means that we carefully consider the reasonableness of the responses we receive to our inquiries from the Committee, and evaluate other information obtained from them in light of the evidence we obtain during the audits. When we identify a misstatement or control deficiency, we consider whether it may be indicative of fraud and what the implications of fraud and significant error are in relation to other aspects of the audits, particularly the reliability of management representations.

Because of the inherent limitations of internal control, including the possibility of collusion or improper management override of controls, it is possible that material misstatements due to error or fraud may not be prevented or detected on a timely basis. Accordingly, the assurance an auditor provides concerning the lack of misstatements arising from fraud is necessarily lower than the assurance provided concerning those arising from an error.

Misstatements in the Financial Statements can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in the misstatement of the Financial Statements is intentional or unintentional.

The following table explains our respective responsibilities towards fraud.

**Your responsibilities**

- The primary responsibility for the prevention and detection of fraud rests with management and the Committee, including the responsibility for establishing and maintaining internal controls over the reliability of financial reporting, ensuring the effectiveness and efficiency of operations, the identification of fraud risks and compliance with applicable laws and regulations.

**Our responsibilities**

- We are required to obtain representations from management regarding internal controls, assessment of risk and any known or suspected fraud or misstatement.
- As independent auditors, we will obtain reasonable, but not absolute, assurance that the Financial Statements as a whole are free from material misstatement, whether caused by fraud or error.

In determining our Audit strategy to address the assessed risks of material misstatement due to fraud, we will:

- Assign and supervise personnel, taking into account the knowledge, skill and ability of individuals with significant engagement responsibilities and our assessment of the risks of material misstatement due to fraud for the engagement
- Evaluate whether the City's selection and application of accounting policies, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting resulting from management's effort to manage results, and
- Incorporate an element of unpredictability when selecting the nature, timing and extent of our audit procedures.

We will inquire directly of the Committee regarding:

- Its views about the risk of fraud
- Whether it has knowledge of any actual or suspected fraud affecting the City, and
- The role it exercises in the oversight of fraud risk assessment and the establishment of mitigating controls.

We will also inquire if the Committee is aware of tips or complaints regarding the City's financial reporting and, if so, the Committee's responses to such tips and complaints and whether it is aware of matters relevant to the audits, including, but not limited to, violations or possible violations of laws or regulations.

If we suspect fraud involving management, we will communicate these suspicions to the Committee and discuss the nature, timing, and extent of audit procedures necessary to complete the audits.

### **Information technology**

An important part of our audit planning process involves gaining an understanding of:

- The importance of the computer environment relative to the risks to financial reporting
- The way in which that environment supports the control procedures we intend to rely on when conducting our audits, and
- The computer-based information that supports our substantive procedures.

The objective of our review of computer controls is to identify potential areas of risk and assess the relevance, reliability, accuracy and completeness of the data produced by the systems. We also assess the design and implementation of controls relevant to the computer environment and determine the reliability of the financial information used to generate the Financial Statements. To accomplish this, we gain an up-to-date understanding of the City's computer processing environment and our understanding of the relevant general computer controls.

We will assess the design and implementation of general computer controls in the following areas:

- Data centre and network operations
- System software acquisition, change and maintenance
- Program change
- Access security, and
- Application system acquisition, development, and maintenance.

### 3. Developing and executing the Audit plan

The performance of the audits include evaluating the design and determining the implementation of internal controls relevant to the audit, testing the operational effectiveness of the controls we intend to rely on and performing substantive audit procedures.

#### Audit procedures

The timing of our audit procedures is dependent upon a number of factors including the need to coordinate with management for the provision of supporting analysis and other documentation. Generally, we perform our audit procedures to allow us sufficient time to identify significant issues early, thereby allowing more time for analysis and resolution.

#### Tests of controls

As part of our audits, we will review and evaluate certain aspects of the systems of internal control over financial reporting to the extent we consider necessary in accordance with Canadian GAAS. The main objective of our review is to enable us to determine the nature, extent and timing of our audit tests and establish the degree of reliance that we can place on selected controls. An audit of the Financial Statements is not designed to determine whether internal controls were adequate for management's purposes or to provide assurance on the design or operational effectiveness of internal control over financial reporting.

The extent to which deficiencies in internal control may be identified through an audit of Financial Statements is influenced by a variety of factors including our assessment of materiality, our preliminary assessment of the risks of material misstatement, our audit approach, and the nature, timing and extent of the auditing procedures that we conduct. Accordingly, we gain only a limited understanding of controls as a result of the procedures that we conduct during an audit of Financial Statements.

We will inform the Committee and management of any significant deficiencies that are identified in the course of conducting the audits.

We intend to test and rely on the operating effectiveness of certain business cycles as part of our audit this year.

Deloitte enjoys a solid reputation for our **commitment to quality**. Key factors supporting that reputation include:

- A strong tone at the top
- A comprehensive ethics and compliance program
- An uncompromising approach to quality in client service
- Communication of and adherence to professional standards and client service principles
- A mature client feedback program
- A multifaceted approach to monitoring independence
- A robust technical consultation approach
- National office consultation on areas of high risk or that require significant judgment
- Technical training for our professionals
- An annual internal inspection process for audit engagements
- Continuous improvement based on lessons learned and client feedback.

### **Substantive audit procedures**

Our substantive audit procedures consist of a tailored combination of analytical procedures and detailed tests of transactions and balances. These procedures take into account the results of our controls tests and are designed to enable us to obtain reasonable assurance that the Financial Statements are free from material misstatements. To obtain this assurance, misstatements that we identify while performing substantive auditing procedures will be considered in relation to the Financial Statements as a whole. Any misstatements that we identify, other than those that are clearly trivial (the threshold has been set at 5% of materiality), will be reported to management and the Committee. In accordance with Canadian GAAS, we will request that misstatements be corrected.

### **Use of the work of specialists**

The Deloitte audits are distinguished by the use of a broad range of industry and functional specialists who are integral to the audit team and carry a deeper understanding of specific topics. These specialists augment the core engagement audit team in understanding business processes and related risks, and help the audit engagement team apply an appropriate level of professional skepticism to challenge significant management assumptions.

Our specialists are actively involved in the planning and risk assessment process, and will be available to the audit team and the City's management year-round to discuss ongoing risk assessments, industry developments and other matters of interest.

## **4. Reporting and assessing performance**

### **Perform post-engagement activities**

We will analyze the results of the audit procedures performed throughout the year and, prior to rendering our report, we will conclude whether:

- The scope of the audits was sufficient to support our opinion, and
- The misstatements identified during the audits do not result in the Financial Statements being materially misstated.

### **Independence**

We have developed important safeguards and procedures to protect our independence and objectivity. If, during the year, we identify a breach of independence, we will communicate it to you in writing. Our communication will describe the significance of the breach, including its nature and duration, the action taken or proposed to be taken, and our conclusion as to whether or not the action will satisfactorily address the consequences of the breach and have any impact on our ability to serve as independent auditor to the City.

We continue to be independent of the City and we will reconfirm our independence, in writing, to the Committee as part of our year-end communication document.

### **Complete engagement reporting**

After the satisfactory completion of appropriate audit procedures, we will provide our Independent auditor's reports on the City's financial statements as noted in the cover letter to this document.

We also provide reports to the Committee to assist you in fulfilling your responsibilities as required by applicable auditing standards. Appendix 2 summarizes the required communications between Deloitte and the Committee.

Deloitte's client service principles include providing management and the Committee with insights into the condition of the business and offering meaningful suggestions for improvement that come to our attention during the audit. We will report these insights and suggestions to the appropriate members of management and/or the Committee for their consideration.

To enable us to determine how well we have achieved our client service objectives, including an assessment of the quality of our audit engagement, we actively solicit feedback from our clients. This feedback will be obtained either through meetings with members of the Committee and management or their completion of questionnaires.

Your feedback enhances our understanding of your expectations of us through your evaluation of our performance. The information you provide helps us refine our client service objectives to ensure that we remain focused, responsive and proactive in meeting your needs while fulfilling our professional responsibilities.

### **5. Leveraging technology**

Our audit approach utilizes fully automated, paperless audit software where information and supporting schedules are prepared and exchanged electronically. Our audit software facilitates leveraging what the City already prepares as part of account analysis and financial closings and allows us to share files and work papers with our engagement team members. We use other web-based connectivity tools and file interrogation software to quickly and comprehensively analyze data.

Our audit software supports the full lifecycle of an audit engagement. The proprietary software we use is globally connected and allows for real-time tracking, ultimately providing better status reporting to our clients. Our software leverages industry guidance and knowledge so that we tailor our approach in a meaningful way to reflect the nuances of our clients' businesses. Our ability to customize our software to each client's specific situation enables us to have more engaging business conversations. In addition, our software allows us to track findings and observations noted throughout the course of our audits, enabling us to provide our clients with more meaningful insights and discuss any issues as they arise with fewer surprises.

The tools described in the following table help us determine our audit scope, prepare consistent audit work papers and files, conduct analytical procedures, select data for testing, accumulate audit results, and monitor progress to provide for the timely completion of tasks. In addition, we intend to make full use of the City's own technologies to gain further efficiencies.

Technology	Description	Benefits
<b>Engagement Management System</b>	Deloitte’s audit software, incorporating audit-specific templates, reference materials, support documents, and management insights	Rapid and effective electronic transfer of information among the audit team members
<b>Deloitte Technical Library</b>	A comprehensive online compilation of accounting and financial disclosure literature that allows Deloitte to research specific accounting issues and functions through access to authoritative literature from pertinent regulatory bodies, as well as our own interpretations and guidance	The extensive accounting and reporting guidance helps support the quick and efficient research of complex accounting matters
<b>Deloitte Connect</b>	A secure, online collaboration platform and file sharing portal for our engagement teams and clients	Allows client assistance schedules and audit requests to be tracked online with automated reminders, as well as secure file sharing

Data security is of utmost importance to us. In establishing our technology platforms, we have ensured that adequate security protection is in place around access provisioning, authentication, as well as data storage. We ensure that your confidential data is accessed by us only on approved, encrypted devices, and retained for only as long as the data is needed, to minimize against security incidents.

# Appendix 2 – Communication requirements

Required communication	Reference
<b>Audit Service Plan</b>	
1. Our responsibilities under Canadian GAAS, including forming and expressing an opinion on the financial statements	CAS <sup>1</sup> 260.14
2. An overview of the overall audit strategy, addressing: <ul style="list-style-type: none"> <li>a. Timing of the audits</li> <li>b. Significant risks, including fraud risks</li> <li>c. Nature and extent of specialized skill or knowledge needed to perform the planned audit procedures related to significant risk</li> <li>d. Names, locations, and planned responsibilities of other independent public accounting firms or others that perform audit procedures in the audits</li> </ul>	CAS 260.15
3. Significant transactions outside of the normal course of business, including related party transactions	CAS 260 App. 2, CAS 550.27
<b>Enquiries of those charged with governance</b>	
4. How those charged with governance exercise oversight over management's process for identifying and responding to the risk of fraud and the internal control that management has established to mitigate these risks	CAS 240.20
5. Any known suspected or alleged fraud affecting the City	CAS 240.21
6. Whether the City is in compliance with laws and regulations	CAS 250.14
<b>Year-end communication</b>	
7. Fraud or possible fraud identified through the audit process	CAS 240.40-.42
8. Significant accounting policies, practices, unusual transactions, and our related conclusions	CAS 260.16 a.
9. Alternative treatments for accounting policies and practices that have been discussed with management during the current audit period	CAS 260.16 a.
10. Matters related to going concern	CAS 570.23

<sup>1</sup> CAS: Canadian Auditing Standards – CAS are issued by the Auditing and Assurance Standards Board of CPA Canada

Required communication	Reference
11. Management judgments and accounting estimates	CAS 260.16 a.
12. Significant difficulties, if any, encountered during the audits	CAS 260.16 b.
13. Material written communications between management and us, including management representation letters	CAS 260.16 c.
14. Other matters that are significant to the oversight of the financial reporting process	CAS 260.16d.
15. Modifications to our Independent Auditor's Reports.	CAS 260.A18
16. Our views of significant accounting or auditing matters for which management consulted with other accountants and about which we have concerns	CAS 260.A19
17. Significant matters discussed with management	CAS 260.A.19
18. Matters involving non-compliance with laws and regulations that come to our attention	CAS 250.23
19. Significant deficiencies in internal control, if any, identified by us in the conduct of the audits of the financial statements	CAS 265
20. Uncorrected misstatements and disclosure items	CAS 450.12-13
21. Any significant matters arising during the audits in connection with the City's related parties	CAS 550.27

# Appendix 3 – New and revised Public Sector Accounting Standards

The following is a summary of certain new and revised Canadian Public Sector Accounting Standards that will become effective in 2019 and beyond.

To review all recent amendments that will impact your organization in the foreseeable future, we invite you to review our [Standard-setting Activities Digest](#), included in our Centre for Financial Reporting ([www.cfr.deloitte.ca](http://www.cfr.deloitte.ca)).

Title	Description	Effective date
<b>Section PS 3430 – Restructuring transactions</b>	This Section establishes standards on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.	This Section applies to restructuring transactions occurring in fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted.  This is applicable for the City's December 31, 2019 year end; however, we are not aware of any restructuring transactions impacting the City.
<b>Section PS 2601 – Foreign currency</b>	This section establishes standards on how to account and report transactions that are denominated in a foreign currency.	This Section is effective for: (i) Government organizations – fiscal years beginning on or after April 1, 2012, and (ii) Governments – fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
<b>Section PS 3450 – Financial instruments</b>	This Section establishes standards on how to account for and report all types of financial instruments including derivatives.	This Section is effective for: (i) Government organizations – fiscal years beginning on or after April 1, 2012, and (ii) Governments – fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
<b>Section PS 1201 – Financial statement presentation</b>	This Section establishes general reporting principles and standards for the disclosure of information in government financial statements.	This Section is effective for: (i) government organizations for fiscal years beginning on or after April 1, 2012, and (ii) governments for fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
<b>Section PS 3041- Portfolio Investments</b>	This Section establishes standards on how to account for portfolio investments.	This Section applies in the period Financial Statement Presentation PS 1201, Foreign Currency Translation PS 2601 and Financial Instruments PS 3450 are adopted.

Title	Description	Effective date
<b>Section PS 3280 – Asset retirement obligations</b>	This Section establishes standards for reporting legal obligations associated with the retirement of long lived tangible capital assets currently in productive use.	This Section is effective for fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
<b>Section PS 3400 – Revenue</b>	This Section establishes standards that apply to revenues of governments and government organizations other than government transfers and tax revenue. This standard addresses recognition, measurement and presentation.	This Section is effective for fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.