

Purpose:

- I The objective of this policy is:
 - (1) To meet Statutory and the Standard framework of guidelines for financial reporting requirements and;
 - (2) To provide a set of standards for accounting policies used in preparation of the official Consolidated Financial Statements (financial statements) of The City of Red Deer (The City) and;
 - (3) To achieve consistency and improve disclosure in financial reporting for The City.

Policy Statement(s):

- 2 The financial statements of The City must be audited, approved by council and made available to the public before the deadline required by The Government of Alberta, Alberta Municipal Affairs.
- 3 The financial statements of The City must be prepared in accordance with Public Sector Accounting Standards (PSAS) and Generally Accepted Accounting Principles (GAAP).
- 4 Responsibilities:
 - (1) Financial Services Department is responsible for:
 - (a) developing, communicating, and periodic review of this policy;
 - (b) providing support to The City's departments in interpretation of accounting standards and/or guidelines issued by the Public Sector Accounting Board (PSAB);
 - (c) implementing new accounting standards and/or guidelines issued by PSAB;
 - (d) updating and providing interpretation of significant accounting policies used in preparation of The City's financial statements;
 - (e) providing guidelines and/or procedures related to accounting policies used in preparation of The City's financial statements; and
 - (f) monitoring the application of this policy as it relates to appropriate reporting and disclosures for the purposes of preparing The City's financial statements.
 - (2) All Departments are responsible for:
 - (a) recording and/or disclosing accounting information following Canadian generally accepted accounting principles (GAAP) as defined in PSAS; and
 - (b) following guidelines and/or procedures related to accounting policies used in preparation of The City's financial statements.

Definitions:

- I Generally Accepted Accounting Principles: Generally accepted accounting principles are broad principles and conventions of general application, as well as rules and procedures that determine accepted accounting practices at a particular time.

- 2 Accounting Policies: Accounting policies are specific policies for recording accounting information and determining appropriate accounting treatments for transactions. A consistent set of accounting principles is required to classify, measure, and interpret government financial information for complete, accurate and consistent reporting. Significant accounting policies of The City are defined in The City's financial statements.
- 3 Government Reporting Entity: The government reporting entity is an organization that is controlled by the government.

References/Links:

- 1 CICA- PSAB Handbook
- 2 Municipal Finance Clarification Regulation 235/2008
- 3 Municipal Government Act
- 4 The City's Consolidated Financial Statements
- 5 5328-CP Government Reporting Entity Procedure
- 6 5329-CP Liability for Contaminated Sites Procedure
- 7 5351-DP Uncorrected Financial Statements Misstatement

Scope/Application:

- 1 This policy applies to all city departments. Entities within the Government Reporting Entity are encouraged to adopt this policy to enhance accountability and consistency of information provided.

Authority/Responsibility to Implement:

- 1 The City Manager delegates through the General Manager of Corporate Services, to the Chief Financial Officer, to implement and update this policy and related procedures.

Inquiries/Contact Person:

- 1 Financial Analyst, Financial Reporting, Financial Services
- 2 Corporate Controller, Financial Systems & Methods, Financial Services

Policy Monitoring and Evaluation:

- I The Financial Reporting and Accounting Policy will be evaluated two years from the date of approval, a review may also occur any time prior to the two year review date.

Document History:

Date:	Approved/Reviewed By:	Title:
Approved: December 30, 2010	"Craig Curtis"	City Manager
Revised: July 13, 2020	"Allan Seabrooke"	City Manager