



April 30, 2024

Cariboo Regional District
Suite D 180 North 3rd Avenue
Williams Lake BC V2G 2A4

Attention: Mrs. Margo Wagner, Chairman of the Board

Dear Mrs. Wagner:

This letter has been prepared to assist you with your review of the financial statements of Cariboo Regional District for the year ending December 31, 2023. We look forward to meeting with you and discussing the matters outlined below.

Audit Status

We have completed the audit of the financial statements, with the exception of the following items:

1. Receipt of a signed representation letter by management;
2. Obtaining evidence of the Board's approval of the financial statements by signing the attached Statement of Financial Position;

Once these items have been completed, we will date and sign our auditor's report.

Significant Risks

The following is a list of the significant risks that we identified during the engagement as well as our audit responses:

#	Description of each significant risk	Audit response
1	Management override	Testing of journal entries, review of estimates for biases, and evaluation whether the circumstances producing bias represent a risk of material misstatement due to fraud.
2	Revenue recognition	Review and documentation of processes, controls and control environment, tests of controls.

Significant Matters Arising

Changes to Audit Plan

There were no changes to the audit plan (as previously presented to you).

Other matters

We have not identified any other significant matters that we wish to bring to your attention at this time.

Significant Difficulties Encountered

There were no significant difficulties encountered during our audit.

Comments on Accounting Practices

Accounting Policies

The significant accounting policies used by the entity are outlined in Note 2 to the financial statements.

1. There were no significant changes in accounting policies other than the following:

Adoption of asset retirement obligation using modified retroactive application

3. We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.

Significant Accounting Estimates

The following significant estimates/judgments are contained in the financial statements:

- a. Book value of tangible capital assets; and
- b. Accrued liabilities

Based on audit work performed, we are satisfied with the estimates made by management.

Significant Financial Statement Disclosures

We did not identify any financial statement disclosures that are particularly significant, sensitive or require significant judgments, that we believe should be specifically drawn to your attention.

Uncorrected Misstatements

We accumulated uncorrected misstatements that we identified during our audit and communicated them to management. We then requested that management correct these misstatements. All uncorrected misstatements for the current period have been corrected.

There are no uncorrected misstatements from prior year financial statements.

Significant Deficiencies in Internal Control

A deficiency in internal control exists when a risk is not treated by a control or when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies, apart from those outlined below:

**Significant Deficiencies in Internal Control** *(continued)*

#	Nature of significant deficiency	Implication for the financial statements	Recommendation
1	During the course of our audit we identified that contractors, including fire chiefs are not being issued T4A slips to report these payments.	No impact on financial statements.	We recommend that any individuals paid as contractors receive T4A slips if the amount they received exceeded \$500.

Written Representations

In a separate communication, called the client representation letter, we have requested a number of written representations from management in respect to their responsibility for the preparation of the financial statements in accordance with Canadian public sector accounting standards.

Other Audit Matters of Governance Interest

We did not identify any other matters to bring to your attention at this time.

We would like to thank management and staff for the assistance they provided to us during the audit.

We hope the information in this audit findings letter will be useful. We would be pleased to discuss them with you and respond to any questions you may have.

This letter was prepared for the sole use of those charged with governance of Cariboo Regional District to carry out and discharge their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Yours truly,

PMT CHARTERED PROFESSIONAL ACCOUNTANTS LLP

JoAnn M. Francis, CPA, CA