



April 30, 2024

Cariboo-Chilcotin Regional Hospital District  
Suite D - 180 North 3rd Ave  
Williams Lake BC V2G 2A4

Attention: Al Richmond, Chairman of the Board

Dear Al:

This letter has been prepared to assist you with your review of the financial statements of Cariboo-Chilcotin Regional Hospital 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:

- a. Receipt of a signed representation letter by management;
- b. 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	Accounts payable - completeness	Review of subsequent bank statements and invoices to confirm correct expense recognition.

**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.

- a. There were no significant changes in accounting policies.
- b. We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.
- c. We did not identify any significant accounting policies in controversial or emerging areas.

### **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 with the exception of the following:

#	Nature of uncorrected misstatement	Effect on the financial statements	Management's reason for not correcting
1	Unrecorded payables as at December 31, 2023 to allocate invoices between fiscal years.	Accounts payable lower in the current year. Capital projects will be lower in the current year and higher in the subsequent year by a corresponding amount.	Not considered material and will self-correct in 2025.

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.



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

**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-Chilcotin Regional Hospital 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