



Physician Clinical Teachers' Association

2020 Audit Findings

Report to the Audit Committee

March 31, 2020

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OVERVIEW

We are pleased to submit to you this Audit Findings Report (the "Report") for discussion of our audit of the financial statements of Physician Clinical Teachers' Association (the "Association") as at May 4, 2020 and for the year then ended. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Audit Committee.

As auditors, we report to the members on the results of our examination of the financial statements of the Association as at and for the year ended March 31, 2020. The purpose of this Report is to assist you, as members of the Audit Committee, in your review of the results of our audit.

This Report is intended solely for the information and use of the Audit Committee and management and should not be distributed to or used by any other parties than these specified parties.

We appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

ENGAGEMENT STATUS

We have completed our audit of the financial statements of the Association which has been carried out in accordance with Canadian generally accepted auditing standards and are prepared to sign our Independent Auditor's Report subsequent to completion of the following procedures:

- Receipt of the signed management representation letter;
- Discussion of subsequent events with the Audit Committee;
- The Audit Committee's review and approval of the financial statements.

No significant limitations were placed on the scope or timing of our audit.

INDEPENDENT AUDITOR'S REPORT

We expect to have the above procedures completed and to release our Independent Auditor's Report on May 4, 2020.

Unless unforeseen complications arise, our Independent Auditor's Report will provide an unmodified opinion to the members of the Association. The matters disclosed in the Independent Auditor's Report are discussed further in the relevant sections of the Report.

AUDIT REPORTING MATTERS

Our audit was carried out in accordance with Canadian generally accepted auditing standards, and included a review of all significant accounting and management reporting systems, with each material year end balance, key transaction and other events considered significant to the financial statements considered separately.

SIGNIFICANT AUDIT, ACCOUNTING AND REPORTING MATTERS

AREA	COMMENTS
 FINAL MATERIALITY	Final materiality used for our audit was \$5,200 for March 31, 2020, and \$5,000 for March 31, 2019.
 IDENTIFIED OR SUSPECTED FRAUD	While our audit cannot be relied upon to detect all instances of fraud, no incidents of fraud, or suspected fraud, came to our attention in the course of our audit.
 IDENTIFIED OR SUSPECTED NON-COMPLIANCE WITH LAWS AND REGULATIONS	Nothing has come to our attention that would suggest any non-compliance with laws and regulations that would have a material effect on the financial statements.

AREA	COMMENTS
 MATTERS ARISING IN CONNECTION WITH RELATED PARTIES	<p>No significant matters arose during the course of our audit in connection with related parties of the Association.</p>
 AUDITOR'S VIEWS OF SIGNIFICANT ACCOUNTING PRACTICES, ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES	<p>The application of Canadian accounting standards for not-for-profit organizations allows and requires the Association to make accounting estimates and judgments regarding accounting policies and financial statement disclosures.</p> <p>As auditors, we are uniquely positioned to provide open and objective feedback regarding your Association's accounting practices, and have noted the following items during the course of our audit that we wish to bring to your attention.</p> <p>The accounting policies used by the Association are appropriate and have been consistently applied.</p>
 FINANCIAL STATEMENT DISCLOSURES	<p>The disclosures made in the notes to the financial statements appear clear, neutral and consistent with our understanding of the entity and the amounts presented in the financial statements.</p>

SIGNIFICANT RISK AREAS AND RESPONSES

SIGNIFICANT RISK AREA	RESPONSE AND CONCLUSION
<p>Travel</p> <p>Disbursements are susceptible to misappropriation.</p>	<p>We reviewed travel expenses, their related invoices/receipts and reviewed management approval to determine whether expenses have occurred, are classified correctly and are accurately recorded. Overall, based on completed procedures, we conclude that travel expenses prepared by management have been appropriately recorded.</p>

OTHER AREAS

AREA	COMMENTS
AUDITOR INDEPENDENCE	<p>We confirm to the Audit Committee that we are independent of the Association. Our letter to the Audit Committee discussing our independence is included with the year-end package.</p>
MANAGEMENT REPRESENTATIONS	<p>We have requested certain written representations from management, which represent a confirmation of certain oral representations given to us during the course of our audit. This letter, provided by management, has been included with the year-end package.</p>

We appreciate having the opportunity to meet with you and respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Sincerely,

MNP LLP

**Chartered Professional Accountants
Licensed Public Accountants**

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