

January 16, 2024

British Columbia Lacrosse Association  
101-7382 Winston Street  
Burnaby BC V5A 2G9

Dear members of the board of directors,

We recently expressed an audit opinion on the financial statements (the “Financial Statements”) of British Columbia Lacrosse Association (the “Association”) for the year ended August 31, 2023. We have prepared the comments below to summarize our discussions with you and also to satisfy our professional obligations under Canadian Auditing Standards (“CAS”) 260 “Communication with Those Charged with Governance” of the Chartered Professional Accountants of Canada Handbook.

### **Evaluation of Internal Controls**

In planning our audit, we performed a review and evaluation of the system of internal controls to assist in determining the level of reliance that may or should be placed on the system in assessing the nature and extent of audit procedures to be undertaken. We elected not to test the Association’s system of internal control and no reliance was placed on the operating effectiveness of internal controls. However, if during the course of the audit, certain significant deficiencies in internal control came to our attention, these will be discussed with management and reported to you.

### **Illegal Acts, Fraud, Intentional Misstatements and Errors**

The objective of our audit is to express an opinion on the Financial Statements, and our audit conducted in accordance with Canadian Generally Accepted Auditing Standards may not detect all errors and fraud, illegal or possibly illegal acts, significant deficiencies in internal control or other irregularities. An audit cannot provide absolute assurance or guarantee that material misstatements in the Financial Statements will be detected because of factors such as the use of judgement, the inherent limitations of internal control, the use of testing, and the fact that much of the evidence is persuasive rather than conclusive in nature. An audit does not usually identify all important issues that may be of interest to or the responsibility of management and the board of directors.

During our audit we did not find any evidence of any actual or suspected fraud, illegal acts or intentional misstatements. The board of directors is required to advise us if they are aware of or suspect fraud, illegal acts or intentional misstatements. In addition, the board of directors is also to advise us how it exercises oversight with respect to management’s processes for identifying and responding to the risks of fraud and error in the Association and the internal controls that management has established to mitigate these risks.

### **Related Party Transactions**

During our audit, we conduct various tests and procedures to identify transactions considered to involve related parties. Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management, directors and their immediate family members and companies with which these individuals have an economic interest.

All related party transactions that were identified during the audit have been represented by management to have been disclosed in the notes to the Financial Statements, recorded in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), and have been reviewed with you. All gains and losses occurring as a result of transactions with related parties have been recorded in accordance with ASNPO. Management has advised that no other related party transactions have occurred that have not been disclosed to us. The board of directors is required to advise us if they are aware of or suspect any other related party transactions have occurred which have not been disclosed in the Financial Statements.

### **Significant Accounting Principles and Policies**

The Association's Financial Statements are prepared by management using various accounting principles, which have been incorporated into the Association's accounting policies, and disclosed in the notes to the Financial Statements. Where accounting policies have changed from one period to the next, such change has been noted and the effect of these changes has been disclosed.

The adopted accounting policies are acceptable policies under ASNPO; however, alternative policies may also be acceptable under ASNPO. The Association and the board of directors have a responsibility to not adopt extreme or inappropriate interpretations of ASNPO that may have inappropriate or misleading results. Alternative policies, if adopted, may produce significant changes in the reported results of the operations, financial position and disclosures of the Association.

The board of directors has a responsibility to review the accounting policies adopted by the Association, and where alternative policies are available, make determinations as to the most appropriate policies to be adopted under the circumstances. If members of the board of directors are concerned that the adoption or change of an accounting policy may produce an inappropriate or misleading result in financial reporting or disclosure, this concern must be discussed with management and the auditors.

The Association's significant accounting policies, as determined by management, are set forth in Note 1 to the Financial Statements. These policies are consistent with those adopted by organizations of a similar nature and are reasonable based on our assessment.

### **Management Judgments and Accounting Estimates**

The preparation of the Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, disclosure of information related to going concern issues, and disclosure of information related to economic and financial dependency. We have reviewed the significant accounting estimates used by management to prepare the Financial Statements and the judgments made related to the disclosure of information.

Based on our audit procedures, we have concluded such estimates and judgments are reasonable in the context of the Financial Statements when taken as a whole.

### **Audit Adjustments and Uncorrected Misstatements**

In the course of our audit, we have not identified any material uncorrected misstatements or significant uncorrected misstatements that, in aggregate, exceed materiality thresholds established for the audit, nor have we identified any significant uncorrected misstatements that would likely cause future Financial Statements to be materially misstated.

We have prepared a schedule, which we have previously provided to you, with regard to audit adjustments that we proposed and that management has accepted and recorded in the Financial Statements. In our judgment these adjustments, either individually or in the aggregate, have a significant effect on the Association's financial reporting process. An audit adjustment, whether or not recorded by the Association, is a proposed correction of the Financial Statements that, in the auditor's judgment, may not have been detected except through the auditing procedures performed. Matters underlying adjustments proposed by the auditor but not recorded by the Association could potentially cause future Financial Statements to be materially misstated.

### **Disagreements with Management**

In the course of our audit, we did not have any significant disagreements with management, nor were we under any significant time pressures or poor working conditions. We are not aware of any cause for concern as to management's attitude, competence or credibility with respect to matters affecting the Financial Statements.

### **Going Concern**

Based on our audit procedures, we are satisfied that management's use of the going concern assumption in the preparation and presentation of the Financial Statements is appropriate.

### **Consultation with Other Accountants**

We are not aware of any consultations with other accountants or auditors regarding accounting or audit matters.

### **Laws and Regulations**

We are not aware of any matters involving non-compliance with laws and regulations, other than when the matters were clearly inconsequential. Management and the board of directors have represented that the Association is compliant with all relevant laws and regulations that are recognized to have a direct effect on the determination of material amounts and disclosures in the Financial Statements, and that they are unaware of any instances of non-compliance with other laws and regulations that may have a material effect on the Financial Statements.

### **Independence Matters**

CAS 260 provides that we may communicate with you regarding relationships between the Association and us that may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider rules and interpretations prescribed by the Organization of Chartered Professional Accountants of British Columbia and applicable legislation, covering such matters as:

- holding a financial interest, either directly or indirectly, in a client;
- holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- economic dependence on a client; and
- provision of services in addition to the audit engagement.

We are not aware of any relationships between the Association and ourselves that, in our professional judgement, may reasonably be thought to bear on our independence.

CAS 260 provides that we may confirm our independence to the board of directors in the context of the CPA Code of Professional Conduct of the Organization of Chartered Professional Accountants of British Columbia. Accordingly, we hereby confirm that we are independent with respect to the Association within the meaning of the CPA Code of Professional Conduct and also confirm that we have complied with the relevant ethical requirements of the Organization of Chartered Professional Accountants of British Columbia.

**Use of Report**

This report is intended solely for the use of the board of directors, management and others with your Association and should not be used for any other purpose.

Should any member of the board of directors wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours truly,

MANNING ELLIOTT LLP  
Chartered Professional Accountant

*Manning Elliott LLP*