



Surrey Tourism & Convention Association (DBA) Discover Surrey

2021 Audit Findings

Report to the Board of Directors

December 31, 2021

Dean Russell, CPA, CA

T: 778.571.3546

E: dean.russell@mnp.ca



Wherever business takes you

MNP.ca

Overview

We are pleased to submit to you this Audit Findings Report (the "Report") for discussion of our audit of the financial statements of Surrey Tourism & Convention Association (DBA) Discover Surrey (the "Association") as at December 31, 2021 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 Board of Directors.

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 December 31, 2021. The purpose of this Report is to assist you, as members of the Board of Directors, in your review of the results of our audit.

This Report is intended solely for the information and use of the Board of Directors 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 substantially 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;
- The Board of Directors' 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 July 15, 2022.

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	
	Changes from Audit Service Plan	<p>There were no deviations from the Audit Service Plan previously presented to you.</p>
	Final Materiality	<p>Final materiality used for our audit was \$43,000 for December 31, 2021, and \$11,600 for December 31, 2020.</p>
	Identified or Suspected Fraud	<p>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.</p>
	Identified or Suspected Non-Compliance with Laws and Regulations	<p>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.</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 not noted the items of significance during the course of our audit that merit bringing 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 Deficiencies in Internal Control	<p>While our review of controls was not sufficient to express an opinion as to their effectiveness or efficiency, no significant deficiencies in internal control have come to our attention.</p>
	Matters Arising From Discussions with Management	<p>There were no significant matters discussed, or subject to correspondence, with management that in our judgment need be brought to your attention.</p>

Significant Risk Areas and Responses

Significant Risk Area	Response and Conclusion
Revenue Occurrence and completeness	MNP obtained supporting documentation for grants and Municipal Regional District Tax (MRDT, commonly known as the Hotel Tax program), received or receivable, and ensured appropriate allocation between the Association and the Surrey Hotel and Motel Association. MNP obtained supporting documentation for other contributions and grants received to determine whether revenue is subject to deferral or recognition, governed by the restrictions (if any) of the contributors. Subsequent bank statements were reviewed to ensure all revenue attributable to fiscal 2021 has been reflected in the correct period.
Expenses Occurrence and completeness	On a sample basis, MNP agreed expenses incurred to supporting documentation, to ensure appropriately and accurately recorded, and that the expenses incurred are consistent with the nature of the Association's operations. Subsequent disbursements were reviewed and agreed to supporting documentation to ensure expense have been reflected in the period in which the services were provided.

Other Areas

Area	Comments
Auditor Independence	We confirm to the Board of Directors that we are independent of the Association.
Management Representations	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.
Summary of Significant Differences	No significant differences were proposed to management with respect to the December 31, 2021 financial statements.

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