



AFOA CANADA

Building a Community of Professionals

ENGAGEMENT FROM AUDITOR

Sample Letter

AFOA.CA





XX First Nation
PO Box 1
[LOCATION], CAN A1A 0A0

[DATE]

Dear Sir/Madam:

The purpose of this letter is to confirm our engagement to audit the consolidated financial statements of XX First Nation for the year ending [Date]. Our audit will be conducted in accordance with Canadian Generally Accepted Auditing Standards (GAAS), and the financial statements are expected to comply with Canadian Public Sector Accounting Standards (PSAS).

Our responsibility is to express an opinion on whether the financial statements present fairly, in all material respects, the financial position and results of operations of XX First Nation. Management is responsible for the preparation of the financial statements, the design and implementation of internal controls, and the prevention and detection of fraud.

It is understood that:

- You will provide the information required for us to complete this Audit.
- The responsibility for the accuracy and completeness of the representations in the financial statements remains with management.
- If the firm's name is to be used in connection with the financial statements, you will attach the Audit engagement report when distributing the financial statements to third parties; and
- This engagement cannot be relied upon to prevent or detect errors and fraud and other irregularities.
 - We wish to emphasize that responsibility for the prevention and detection of error and fraud and other irregularities must remain with management.

We will also provide a Management Letter outlining any recommendations for improving financial controls, accounting systems, or governance practices. This letter will be addressed to Chief and Council and may be discussed with your Finance and Audit Committee if applicable.

The arrangements outlined in this letter will continue in effect from year to year unless changed by us. If you have any questions about the contents of this letter, please raise them with us. If the services outlined in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return it to us. We appreciate the opportunity to support XX First Nation in its commitment to financial transparency and accountability.

Sincerely,

[Name and Company]

Please confirm your acceptance of this engagement by signing and returning a copy of this letter. If you have any questions about the scope or terms, we welcome a discussion prior to commencement.

Signature _____

Date _____

Position _____