

August 15, 2025

Men's Sheds Canada  
206, 8925 82 Avenue NW  
Edmonton, AB T6C 0Z2

Dear committee members,

**Re: Audit findings**

This letter has been prepared to assist you with your review of the financial statements of the Men's Sheds Canada for the year ending on March 31, 2025.

**Significant Matters Arising from Our Audit**

***Changes to Audit Plan***

There were no changes to the audit plan (as previously presented to you).

***Other Matters***

We have not identified any significant matters that would be of interest to those charged with governance.

**Significant Difficulties Encountered**

We have not encountered any significant difficulties.

**Comments on Accounting Practices**

***Accounting Policies***

With regards to the significant accounting policies used by the organization, no changes have occurred in the current year.

***Other accounting policies***

- We did not identify any significant accounting policies in controversial or emerging areas.

***Significant Accounting Estimates***

The following significant estimates/judgments are contained in the financial statements:

- Net realizable value of accounts receivable and allowance for doubtful accounts;
- Book value of tangible capital assets including wages capitalized to leasehold improvements;
- Accrued liabilities;
- Deferred revenue, and;
- Deferred contributions related to tangible capital assets

***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.

**Significant Deficiencies in Internal Controls**

A deficiency in internal control exists 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.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies apart from those outlined below:

i) Documentation of Voided and Damaged Cheques

Maintain complete records for all voided and damaged cheques, including the reason for voiding, details of any replacement cheque issued, and either the original cheque or a scanned copy if the original is shredded.

Avoid issuing cheques out of numerical sequence to ensure accuracy in reconciliation and audit tracking.

ii) Tax Coding and Receipt Documentation

Review and monitor tax coding in QuickBooks to ensure accuracy and consistency with CRA requirements.

Require all receipts submitted for reimbursements to be itemized, clearly showing the nature of each expense, in order to support transparency and compliance during audits.

iii) Issuance of T4A Slips

Ensure T4A slips are issued to all individual contractors who are paid more than \$500 in a calendar year, in accordance with CRA regulations. This will support accurate tax reporting and mitigate the risk of non-compliance penalties.

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 the Men's Sheds Canada 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,  
Bergeron & Co. Chartered Professional Accountants



Per: Mathieu Lepage CPA, CGA