

**DONALD BEATSON**  
**CHARTERED ACCOUNTANT**  
5806 Goldenrod Crescent  
Delta, B.C. V4L 2H6

July 15, 2008

Scouts Canada-Fraser Valley Council  
664 West Broadway  
Vancouver, B.C. V5Z 1G1

Dear Sirs:

I am summarizing our understanding of the terms of my engagement to perform audit services as they may be required on an ongoing basis.

I will conduct an audit of the accounts of Scouts Canada-Fraser Valley Council and I will prepare audited financial statements for the year ended August 31, 2008 and subsequent years (unless your requirements should change in the future). To such financial statements I will append my Auditor's Report, which, unless unanticipated difficulties are encountered or your organization fails to follow generally accepted accounting principles, will be in the following form:

**AUDITOR'S REPORT**

I have audited the statement of financial position of Scouts Canada-Fraser Valley Council as at August 31, 2008 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at August 31, 2008 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Donald Beatson  
Chartered Accountant

Delta, British Columbia  
Date

I understand that the Council will furnish me with the financial records and the supporting documents and information required for me to complete my audit of the accounts and the preparation of the audited financial statements identified above. I also understand that you will make available for my examination all minutes of meetings of the management committee.

I will also provide the following services as required by and arranged with you from time to time:

- (a) Such bookkeeping and summarization of information as I find necessary preliminary to the preparation of the audited financial statements including preparation of any adjustments required to the financial data supplied to me;
- (b) Discussions pertaining to the financial affairs of the Council in general.
- (c) Preparation of annual return for your registered charity
- (d) Review of budgets and financial projections if necessary
- (e) Assistance in reviewing insurance requirements and filing insurance claims.

I wish to emphasize that control over and responsibility for the prevention and detection of defalcations or other irregularities or errors or omissions rests with you, although I will bring to your attention and irregularities, errors or omissions that I discover during the conduct of my audit.

Fees will be determined on the basis of time spent on this engagement and any disbursements will be added to the billing. Accounts are due and payable when rendered and interim billings may be submitted at periodic dates to cover charges and expenses incurred to those dates.

I trust the foregoing arrangements properly set out our agreement on these matters and meet with your requirements. These arrangements will continue in effect from year to year while I continue to act as auditor for the Council unless changed by either you or myself. I will be pleased to discuss the terms of engagement with you at any time, particularly should your requirements change in the future.

If the services outlined are in accordance with your requirements and if the terms are acceptable to you, please have one copy of this letter signed by the Executive Director in the space provided on page three and return it to me.

Yours very truly,

Donald Beatson  
Chartered Accountant

THE SERVICES AND TERMS SET OUT IN YOUR ENGAGEMENT LETTER OF  
JULY 15, 2008 ARE ACCEPTABLE AND ARE AGREED TO:

Executive Director

Treasurer

Date