

Annual Report to the Board

July 25, 2018

Mandate:

The mandate of the Audit Committee is to do oversight of financial reporting and disclosure which includes the following:

- Annual review of sample transactions will be executed.
- Review of Annual Audited Financial Statements (recommendation to the Board)
- Monitoring, confirmation and replacement of Auditors (recommendation to the Board).

Current Members:

The current members are: Randee Pavalow (Chair), Robert Gouley, Lesley Cresswell, Paolo Albanese, Jason Knowblauch, Adrian Ball, Matt Hossack

Meetings and Activities of the Committee during 2017/2018

Meetings:

Since August 2018, there were the following meetings held:

- December 11, 2018
- April 23, 2019

Audit of Random Selection of Transactions

The Audit committee was tasked with auditing a random selection of transactions that were executed in the 2018 fiscal Year. The purpose of this audit was to ensure that there was a sufficient paper trail and approval process for each transaction and that the reason for the expenditure was within the mandate of the CSTA.

Review of Fiscal 2018 Audited Statements

The Audit Committee reviewed the audited financial statements, auditor's report, and accompanying management letter (collectively the Financial Reports) of the fiscal year ending January 31, 2018 prepared by Freeman & Lourenco, LLP (the "Auditor"). The Committee reviewed the Financial Reports with the Auditor, which is responsible for expressing an opinion on the conformity of the Financial Statements with appropriate standards of accounting principles, as well as its opinion as to the quality and acceptability of the Financial Statements. In reliance on the reviews and discussions referred to above, the Audit Committee was satisfied

with the quality of work performed by Freeman & Lourenco, LLP and recommended the statements be approved by the Board.

Submitted by:
Ranee Pavalow,
Chair of the Audit Committee