

April 30, 2021

Board of Directors
Associated Medical Services Incorporated
162 Cumberland Street, Suite 228
Toronto, Ontario
M5R 3N5

Dear Board of Directors:

We have been engaged to audit the financial statements of Associated Medical Services Incorporated for the year ending December 31, 2020. Canadian generally accepted auditing standards require that we communicate the following information with you in relation to your audit.

Evaluation of Internal Controls

Audits include a review and evaluation of the system of internal controls to assist in determining the level of reliance that may or should be placed on the system in assessing the nature and extent of audit procedures to be undertaken.

We will communicate internal control matters that we identified during our audit in our forthcoming management letter.

Significant Accounting Policies

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The accounting policies used by Associated Medical Services Incorporated are described in Note 1 of the financial statements.

There were no new accounting policies adopted or changes to the application of accounting policies of Associated Medical Services Incorporated during the year.

Significant Unusual Transactions

We are not aware of any significant or unusual transactions entered into by Associated Medical Services Incorporated of which you should be informed.

Accounting Estimates

Management is responsible for the accounting estimates included in the financial statements. Estimates and the related judgments and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- calculation of accounting estimates;
- reasonability of key factors such as underlying management assumptions;
- materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- sensitivity to variation and deviation from historical patterns;
- consistency with the Corporation's business plans; and
- other audit evidence.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the Corporation's financial statements or independent auditors' report. Disagreements may arise over:

- selection or application of accounting principles;
- assumptions and related judgments for accounting estimates;
- financial statement disclosures;
- scope of the audit; or
- wording of the independent auditors' report.

We are pleased to inform you that we had no disagreements with management during the course of our audit.

Consultation with Other Accountants (Second Opinions)

Management may consult with other accountants about auditing and accounting matters to obtain a "second opinion". When a Corporation requests that another accountant provide a written report or oral advice on the application of accounting principles to a specific transaction or the type of opinion that may be rendered on the entity's financial statements, we are required to ensure that management has ensured that the reporting accountant has knowledge of all facts and circumstances and has conducted the engagement in accordance with Canadian generally accepted auditing standards on the Reports on the Application of Accounting Principles.

We are not aware of any consultations that have taken place with other accountants.

Issues Discussed

The auditor generally discusses, among other matters, the application of accounting principles, auditing standards and fees with management during the initial or recurring appointment of the auditor during the normal course of business. There were no major issues discussed during our audit with regards to our retention that were not in the normal course of business.

Uncorrected Misstatements

We are not aware of any uncorrected misstatements.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board of Directors.

Items Required to Complete the Audit

To ensure the audit is finalized on a timely basis and to avoid late filing deadlines with regulatory bodies we require the following items (in addition to the signed Audit Findings Letter, *Letter of Representations and the Subsequent Event Questionnaire*):

1. Signed documents from preaudit package
2. Board of Directors meeting minutes from April 1, 2021 to date of financial statements approval
3. QuickBooks bank account activity from March 1, 2021 to date of financial statements approval
4. Bank statements/online banking activity from April 1, 2021 to date of financial statements approval

We shall be pleased to discuss with you further any matters mentioned above, at your convenience.

This communication is prepared solely for the information of the Board of Directors and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

To ensure there is a clear understanding and record of the matters discussed, we ask that members of the Board of Directors sign their acknowledgement in the spaces provided below. Should any member of the Board of Directors wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Very truly yours,

PRENTICE YATES & CLARK



Dionne Reid, CPA, CA, LPA
Partner

Acknowledgement of the Board of Directors:

We have read and reviewed the above disclosures and understand the comments therein:

Associated Medical Services Incorporated

Signature: _____ Title: _____ Date: _____

Signature: _____ Title: _____ Date: _____