

April 21, 2017

United Townships of Head, Clara & Maria
15 Township Hall Road
Stonecliffe, ON
K0J 2K0

Dear Members of Council:

We have been engaged to audit the financial statements of United Townships of Head, Clara & Maria for the year ending December 31, 2016.

The purpose of this letter is to communicate with you regarding all relationships between the municipality and us that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, we consider relevant rules and related interpretations prescribed by the rules of Professional Conduct of the Institute of Chartered Accountants of Ontario and applicable legislation, covering such matters as:

- (a) holding a financial interest, either directly or indirectly, in a client;
- (b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) economic dependence on a client; and
- (e) provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since April 8, 2016, the date of our last letter.

We are not aware of any relationships between United Townships of Head, Clara & Maria and us that, in our professional judgement, may reasonably be thought to bear on our independence, and that have occurred from April 8, 2016 to April 21, 2017.

We hereby confirm that we are independent with respect to United Townships of Head, Clara & Maria within the meaning of the rules of Professional Conduct of the Institute of Chartered Accountants of Ontario as of April 21, 2017.

This report is intended solely for the use of the Members of Council, management, and others within the organization and should not be used for any other purposes.

Should you wish to discuss the contents of this letter please feel free to contact us.

Yours truly,

A handwritten signature in black ink, appearing to read 'Peter Harrington', with a long, sweeping flourish extending to the right.

Peter Harrington, CPA, CA
Welch LLP