

May 15, 2023

Toronto Atmospheric Fund
75 Elizabeth Street
Toronto, Ontario
M5G 1P4

PRIVATE AND CONFIDENTIAL

Attention: Ms. Julia Langer

Dear Madam:

Re: Audit of the December 31, 2022 TAF Financial Statements

During the course of our audit of the financial statements of the Toronto Atmospheric Fund ("TAF") for the year ended December 31, 2022, we identified some matters which may be of interest to management.

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. In addition, an audit cannot be expected to disclose defalcations and other irregularities and it is not designed to express an opinion as to whether the systems of internal control established by management have been properly designed or have been operating effectively.

As a result of our observations, we have outlined matters below along with some suggestions for your consideration.

Please note that under Canadian generally accepted auditing standards we must report significant deficiencies in internal control to those charged with governance.

This letter is not exhaustive, and deals with the more important matters that came to our attention during the audit. Minor matters were discussed verbally with your staff.

Issue # 1 - Accounts receivables / Accounts payable balances are challenging for staff to tie to the GL

During the course of the audit, we noted that year end accounts receivable balance and accounts payable balances are challenging for TAF to tie to its General Ledger. As this is the first full year of TAF's Dynamics system implementation, we recognize some of their internal processes need to be improved. Being able to quickly access account details or breakdowns related to any financial statement balance will not only facilitate the year end audit, but enables regular reconciliation of accounts during the year to identify and resolve issues along the way.

Management Response: .

TAF recognizes the benefits of Accounts Receivable/Accounts Payable detailed account schedules matching the G/L account balances. As such TAF intends to use strict transaction posting rules to insure the detailed schedules relating to AR/AP reconcile to the G/L.

Strict posting discipline through the AR & AP posting journals will insure the G/L accounts reconcile to the related detailed schedules and quarterly reconciliations will be done going forward to ensure compliance. The detailed schedules will continue to be reviewed quarterly.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

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

Yours very truly,

Welch LLP



Umar Saeed, CPA, CA
Partner