The management representation letter

Australia edition

[Client letterhead]

[Date: as near as practicable to, but not after, the date of the auditor's report]

[Audit firm name]
[Audit firm address]

PURPOSE OF THIS LETTER

This representation letter is provided in connection with your audit of the financial report of [Company name] Pty Ltd for the year ended 30 June [year], for the purpose of expressing an opinion as to whether the financial report gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001.

[Only if agreed with you: for the purpose of these representations, we have not treated as exceptions misstatements below $[amount], the threshold you communicated to us. This amount is not the materiality used for the financial report.]

We confirm, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

THE FINANCIAL REPORT

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated [date], for the preparation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001; in particular, the financial report gives a true and fair view in accordance with them.

2. The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of Australian Accounting Standards.

3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with Australian Accounting Standards.

4. All events after the date of the financial report for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

5. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. A list of the uncorrected misstatements is attached.

INFORMATION PROVIDED

6. We have provided you with access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters; additional

information you have requested for the purpose of the audit; and unrestricted access to persons within the company from whom you determined it necessary to obtain audit evidence.

7. All transactions have been recorded in the accounting records and are reflected in the financial report.

8. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud, and we have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

9. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the company and involves management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial report.

10. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial report communicated by employees, former employees, analysts, regulators or others.

11. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

12. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report, and they have been accounted for and disclosed in accordance with Australian Accounting Standards.

13. We have disclosed to you the identity of the company's related parties and all the related party relationships and transactions of which we are aware.

OTHER INFORMATION AND THE CORPORATIONS ACT

14. We have informed you of all the documents we expect to issue that may comprise other information. [Either: The financial report and the other information you obtained before the date of your report are consistent with one another, and the other information contains no material misstatement.] [Or: We will issue the remaining other information by [date] and provide it to you so that you can complete your procedures.]

15. We have provided you with all requested information, explanations and assistance for the purposes of the audit.

16. [Where applicable:] We have provided you with all information required by the Corporations Act 2001.

MATTERS SPECIFIC TO THIS AUDIT

[Add any further representations the auditor has requested, such as those on going concern or on comparative information. Delete this section if there are none.]

SIGNED

[Name], [Managing Director / Chief Executive Officer]

Signature _____

[Name], [Chief Financial Officer]

Signature _____

Attachment: list of uncorrected misstatements

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