

David Borrie  
Ernst & Young  
PO Box 490  
Wellington  
6140

24 September 2020

Dear David,

This letter of representations is provided in connection with your audit of the financial statements of New Zealand Family Planning Association (Inc) (“the entity”) for the year ended 30 June 2020. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements present fairly, in all material respects, the financial position of New Zealand Family Planning Association (Inc) as of 30 June 2020 and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (New Zealand), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**A. Financial Statements and Financial Records**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 22 May 2018, for the preparation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
2. We acknowledge, as those charged with governance of the entity, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above present fairly, in all material respects, the financial position, financial performance and cash flows of the entity in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and are free of material misstatements, including omissions. We have approved the financial statements.
3. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As those charged with governance of the entity, we believe that the entity has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime that are free from material misstatement, whether due to fraud or error. We have disclosed to you any

significant changes in our processes, controls, policies and procedures that we have made to address the effects of the COVID-19 pandemic on our system of internal controls.

5. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

**B. Non-compliance with laws and regulations, including fraud**

1. We acknowledge that we are responsible to determine that the entity's business activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws or regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud, that may have affected the entity (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:
  - ▶ Involving financial improprieties
  - ▶ Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the entity's financial statements
  - ▶ Related to laws or regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the entity's business, its ability to continue in business, or to avoid material penalties
  - ▶ Involving management, or employees who have significant roles in internal control, or others
  - ▶ In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others

**C. Information Provided and Completeness of Information and Transactions**

1. We have provided you with:
  - ▶ Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
  - ▶ Additional information that you have requested from us for the purpose of the audit and

- ▶ Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 2. All material transactions have been recorded in the accounting records and are reflected in the financial statements, including those related to the COVID-19 pandemic.
- 3. We have made available to you all minutes of the Council (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting.
- 4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the entity's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the period end. These transactions have been appropriately accounted for and disclosed in the financial statements.
- 5. We believe that the significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6. We have disclosed to you, and the entity has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

#### **D. Ownership of Assets**

- 1. Except for assets capitalised under finance leases, the entity has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the entity's assets, nor has any asset been pledged as collateral. All assets to which the entity has satisfactory title appear in the balance sheet.
- 2. All agreements and options to buy back assets previously sold have been properly recorded and adequately disclosed in the financial statements.
- 3. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
- 4. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts.
- 5. We believe that the significant assumptions we used in making accounting estimates, including those measured at fair value, as reasonable.
- 6. We have disclosed to you, and the entity has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

## **E. Liabilities and Contingencies**

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent.

## **F. Independence**

1. We are not aware of any act or omission on the part of the entity that does or may impact on your ability to comply with your independence obligations as auditor of the entity. We have brought to your attention any items which we consider may affect your ability to remain independent of the entity and we will continue to work with you to maintain the independence of the audit relationship.

## **G. Subsequent Events**

1. Except as disclosed in the notes to the financial statements, there have been no events, including events related to the COVID-19 pandemic, subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

## **H. Electronic Presentation of the Financial Statements**

1. With respect to publication of the financial statements on our website, we acknowledge that:
  - a) we are responsible for the electronic presentation of the financial statements;
  - b) we will ensure that the electronic version of the audited financial statements and the auditor's report on the website will be identical to the final signed hard copy version;
  - c) we will clearly differentiate between audited and unaudited information in the construction of the entity's web site as we understand the potential risk of misrepresentation;
  - d) we have assessed the controls over the security and integrity of the data on the web site and that adequate procedures are in place to ensure the integrity of the information published; and
  - e) we will not present the auditor's report on the full financial statements with extracts only of the full financial statements.

## **I. Reduced Disclosure Regime**

1. In our opinion, the New Zealand Family Planning Association (Inc) qualifies for the Public Benefit Entity Reduced Disclosure Regime as defined in XRB A1 Accounting Standards Framework because it does not have public accountability (as defined) and annual

expenditure does not exceed \$30 million.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Andreas Prager", enclosed in a light blue rectangular box.

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Andreas Prager  
President

A handwritten signature in blue ink, appearing to read "Carol Bellette".

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Carol Bellette  
Chair of Finance Committee