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RSM Hayes Audit
PO Box 9588
Newmarket
Auckland 1149

Dear Sirs/Madam

Letter of representation for the year ended 31 March 2017

This representation letter is given in connection with your review of the consolidated financial statements of Imported Motor Vehicle Association Incorporated (IMVIA) for the year ended 31 March 2017 in connection with your responsibility to express an opinion as to whether the financial statements comply with NZICA Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs) and present fairly, in all material respects, the financial position of IMVIA as at 31 March 2017 and of the results of its operations for the year then ended in accordance with the NZICA Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs).

We have fulfilled our responsibilities for the preparation and presentation of the financial statements as set out in the terms of our review engagement letter which include:

- ensuring that the financial statements are in compliance with the NZICA Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs);
- the selection and consistent application of appropriate accounting policies in compliance with the requirements of NZICA Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs);
- preparing financial statements that present fairly, in all material respects, the financial position and performance of the Association; and
- the security and controls over information on our Association's website, including electronic presentation of the financial statements.

The Association and its National Executive members accept that they are responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The National Executive acknowledges its responsibility for the design and implementation of internal controls to safeguard assets and prevent and detect error, fraud and non-compliance with laws and regulations. We have maintained adequate accounting records in accordance with the requirements of the Incorporated Societies Act 1908 and Association's constitution.

We have made available to you all accounting records, including supporting documentation, and there have been no material transactions which have not been recorded in the accounting records.

We confirm, to the best of our knowledge and belief, the following representations:

- The financial statements are free of material misstatements, or omissions.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- No transactions or balances have been offset, except where a right of set-off is permitted by generally accepted accounting practice in New Zealand.
- The records maintained during the year were in accordance with the requirements of the Inland Revenue Department.

- All minutes of meetings of The National Executive, and any sub-committees held to date have been made available to you for inspection, including summaries of recent meetings for which minutes have not yet been prepared or approved.
- We have informed you of the existence of all agreements relating to other controlled entities or activities, joint ventures, trust funds or other contractual agreements.
- We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- Other than described in the financial statements, we are not aware of any events subsequent to year end which require adjustment of, or disclosure in, the financial statements or notes thereto.
- The information contained in the Association's financial statements is consistent with the information contained elsewhere in the annual report.

Internal Control Systems and Compliance with Laws, Regulations and Contractual Obligations

- There have been no changes to, or introduction of new, information systems during the year that could adversely impact the completeness and accuracy of the organisation's information systems and underlying data.
- The organisation accepts that it is responsible for ensuring, and has in place appropriate mechanisms to ensure that all applicable legislative, regulatory and contractual requirements which impact on the activities and functions of the organisation have been complied with. To the best of its knowledge the organisation has complied with all legislative, regulatory and contractual requirements during the year.
- The National Executive and management acted during the financial year according to and within their respective powers. In addition, we have disclosed to you all known actual or potential instances of non-compliance with any legislative, regulatory or contractual requirements which we have considered for inclusion in the performance report as a liability, contingency or commitment.
- No claims or notices of litigation have been or are expected to be received.
- The National Executive has not been directly represented by solicitors in any legal claims or disputes for the year ended 31 March 2017.
- Expenditure relating to restricted reserves, trusts and monies held on behalf of third parties has been incurred in accordance with the purposes of the restricted reserve, trust deed or any other agreement or understanding, and has been appropriately authorised.

Large or Unusual Transactions or Events

- Related party relationships and transactions have been appropriately accounted for and disclosed in the performance report in accordance with the requirements of the applicable financial reporting framework.
- No loan has been made to any member of the committee of governing body or staff member of the organisation. Nor have any guarantees been entered into or securities provided in connection with a loan made to a member of the committee of governing body or staff member during the year that have not been disclosed in the performance report. No member of staff has been paid for hours that they have not worked.
- All revenue earned during the financial year has been taken into account and, except as disclosed in the performance report, the results for the year were not materially affected by:
 - transactions of a sort not usually undertaken by the organisation;
 - circumstances of an exceptional or non-recurrent nature;
 - charges or credits relating to prior years;
 - any change in the basis of accounting or application of accounting policies;
 - losses arising from sale and purchase commitments; or

- transactions or agreements with related parties (such as members of the National Executive or management which were not in the ordinary course of business).
- We have disclosed to you:
 - the results of any assessment made by the National Executive that the performance report of the organisation may be materially misstated as a result of fraud;
 - any fraud or suspected fraud affecting the organisation involving members of the committee of governing body, management, employees of the National Executive or any of its subsidiaries, or any other parties; and
 - any allegations of fraud, or suspected fraud, affecting the organisation's performance report communicated by employees, former employees, analysts, regulators, or others.
- We have disclosed all obligations in respect of options (put and call), guarantees, on-selling and buy back agreements, and all other arrangements (contingent or otherwise) relating to the acquisition or disposal of assets, including investments.
- The organisation has no off-balance sheet assets or liabilities, including financial derivatives, except as disclosed in the performance report.

Assets

- The organisation has satisfactory title to all assets, and there are no liens or encumbrances on the assets, except for those that are disclosed in the notes to the performance report.
- All current assets are expected to realise, in the ordinary course of business, at least the value at which they are recorded in the performance report and are expected to be realised within twelve months. Adequate provision has been made for all uncollectible or doubtful amounts owing to the organisation.
- 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.
- The carrying amount of non-current assets measured at historical cost has been reviewed to determine whether it is in excess of the assets' recoverable amount. Where an asset's estimated recoverable amount is lower than its carrying amount, it has been written down to that lower value.
- Non-current assets of the organisation that are measured on a valuation basis are recorded at valuations that are not materially different from their fair value.
- All property, plant and equipment is included in the performance report. Capital expenditure charged during the year is stated at cost and represents actual additions to property, plant and equipment. Property, plant and equipment disposed of or abandoned has been removed from the performance report. No property, plant and equipment additions or improvements of a material amount were charged to expenses.
- The rate of depreciation applied to each asset is sufficient to amortise the cost or valuation of that asset over its estimated remaining useful life.
- Adequate insurance has been obtained in respect of all assets and insurable risks generally, and all policies are still current.
- All vested assets and/or donations have been accounted for in the performance report.

Liabilities

- All known or ascertainable material liabilities of the organisation at balance date have been reflected in the performance report.
- We have made adequate provision for all known and anticipated losses at the date of this letter.

Guarantees, Contingencies and Commitments

- The nature of any guarantee given by or on behalf of the organisation is fully disclosed in the performance report.
- There are no known material contingent liabilities or contingent assets at balance date other than those disclosed in the performance report.
- There are no known material commitments at balance date other than those disclosed in the performance report. The notes to the performance report also show lease commitments, where applicable. These are to meet existing needs and will be met out of future operating cash flows.
- Throughout the year the organisation has complied with the requirements of its banking arrangements, debenture trust deeds or negative pledge agreements, including those relating to its net tangible assets ratios.

Going concern

- That the organisation has adequate resources to continue operations for the foreseeable future. For this reason, the governing body continues to adopt the going concern assumption in preparing the performance report for the year ended 31 March 2017. We have reached this conclusion after making enquiries and having regard to circumstances which we consider likely to affect the organisation during the period of at least one year from date of signing this letter, and to circumstances which we know will occur after that date which could affect the validity of the going concern assumption.


Uncorrected misstatements

- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the performance report as a whole. A list of the uncorrected misstatements is attached to the representation letter. We have not made these adjustments as we believe that the cost of correction would exceed the benefits to the readers of the performance report.

These representations are made at your request, and to supplement information obtained by you from the records of the organisation and to confirm information given to you orally during the course of the review.

Yours faithfully


National Executive member


Secretary

22-5-17
Date

Appendix: Uncorrected misstatements

Account details	Income Statement		Balance Sheet	
	\$ DR	\$ (CR)	\$ DR	\$ (CR)
Interest accrual	-	-	3,796	-
To interest income	-	3,796	-	-
<i>To accrue interest receivable at year end.</i>				
Bad debts expense	1,380	-	-	-
To Debtors	-	-	-	1,380
<i>To write off autostrada bad debt</i>				
Accruals	-	-	3,000	-
To review fee	-	3,000	-	-
<i>to correct review fee accrual to accurately reflect fee</i>				
Credit card expenses	6,064	-	-	-
To trade creditors	-	-	-	6,064
<i>To recognize Credit card liability at year end</i>				
Rent- office	3,130	-	-	-
To other revenue	-	3,130	-	-
<i>Reclass of rental income from rental expense.</i>				
Total	648		(648)	