



Lennie & Associates

Chartered Accountants

Level Five
110 Symonds Street
Grafton, Auckland 1010
PO Box 128-246
Remuera, Auckland 1541
New Zealand

Telephone: +64 9 368 1212
Facsimile: +64 9 368 1211
email: service@lennie.co.nz

18 October 2018

The Executive Committee
The Karangahape Road Business Association, Incorporated
PO Box 68 370
Newton
Auckland 1145

The Karangahape Road Business Association, Incorporated – Audit Management Letter

We have completed the audit of your Performance Report for the year ended 30 June 2018.

The primary aim of our audit is to form an opinion as to whether your Performance Report fairly reflects the results of your organisation's activities for the reporting period and its financial position at balance date. The audit report expresses this opinion.

In forming our audit opinion we conducted detailed tests of selected transactions and reviewed the key controls in place to ensure the effective operation of your accounting systems and internal controls.

Required Communications

As required by the Auditing Standards we affirm that:

- We have had no disagreements with management during our audit and we have found management helpful in assisting us with the audit.
- We have not identified any instances of fraud involving senior management or any other frauds that have caused a material misstatement in the Performance Report.
- We have not noted any significant risks or exposures that are required to be separately disclosed in the Performance Report.

We reaffirm we are independent of your organisation, and that we have no relationship with your organisation that impairs our independence.

Risk from limited segregation of duties

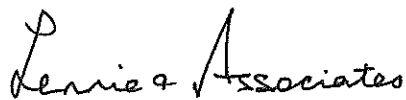
We note there is limited segregation of duties due to the small administration team. Whilst the team is small, the independent input by O'Leary and Associates, Chartered Accountants does mitigate the risk to some extent.

Conclusion

The report is prepared solely for the use of the Executive Committee and senior management of The Karangahape Road Business Association, Incorporated. It may not be provided to third parties without our prior written permission.

Thank you for the assistance afforded to us by Michael Richardson, Gill Plume, and staff during our audit.

Yours sincerely

A handwritten signature in cursive script that reads "Lennie & Associates". The signature is written in black ink and is positioned above the printed name of the firm.

Lennie & Associates