

September 15, 2018

Russ Jones, FCPA, FCA  
Deputy Auditor General of British Columbia  
623 Fort Street  
Victoria, B.C. V8V 1G1

Dear Mr. Jones:

**Re: Management Representation Letter**

We are providing this letter in connection with your audit of the financial statements of School District No. 93 (Conseil Scolaire Francophone) for the year then ended June 30, 2018, for the purpose of expressing an opinion as to whether the financial statements present fairly in all material respects, the financial position, results of operations, changes in net financial assets (debt), and cash flows of School District No. 93 (Conseil Scolaire Francophone) in accordance with Canadian Public Sector Accounting Standards (PSAS).

We acknowledge that your audit is planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express a professional opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal controls, and related data to the extent you consider necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, errors, or other irregularities.

***Management's responsibilities***

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 23, 2018. In particular, we confirm to you the following:

- We are responsible for the preparation of the financial statements in accordance with Section 23.1 of the *Budget Transparency and Accountability Act*, which conforms to PSAS except as modified by Treasury Board regulations.
- We are responsible for designing, implementing, and maintaining an effective system of internal control over financial reporting, to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In this regard, we are responsible for establishing policies and procedures that pertain to the maintenance of accounting systems and records, the authorization of receipts and disbursements, and the safeguarding of assets, and for reporting financial information in accordance with Section 23.1 of the *Budget Transparency and Accountability Act*.



- We are responsible for complying with legislative and other authorities that govern District No. 93 (Conseil Scolaire Francophone).
- We have provided you with all relevant information and access, as agreed in the terms of the audit engagement.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.

We confirm the following representations:

***Preparation of financial statements***

Except where modifications by Treasury Board result in conflicts with PSAS, the financial statements include all disclosures necessary for fair presentation in accordance with PSAS. In addition, the financial statements have been prepared on a basis consistent with that of the preceding year.

We have appropriately reconciled our books and records (for example, general ledger accounts) underlying the financial statements to their related supporting information (for example, subledger or third party data). All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. There were no material unreconciled differences or material items in the general ledger suspense accounts that should have been adjusted or reclassified to another account balance. There were no material items in the general ledger suspense accounts written off to a statement of financial position account that should have been written off to an operations account, nor were there such items written off to an operations account that should have been written off to a statement of financial position account.

***Accounting policies***

We confirm that we have reviewed School District No. 93 (Conseil Scolaire Francophone)'s accounting policies and, with regard to the possible alternative policies, our selection and application of accounting policies and estimation techniques used for the preparation and presentation of the financial statements are appropriate in School District No. 93 (Conseil Scolaire Francophone)'s particular circumstances. Except where modifications by Treasury Board result in conflicts with PSAS, the accounting policies applied, present fairly in all material respects the School District No. 93 (Conseil Scolaire Francophone)'s financial position, operations and changes in net financial assets (debt) and cash flow in accordance with PSAS.

Any changes to accounting policies adopted by School District No. 93 (Conseil Scolaire Francophone) for the year ended June 30, 2018 provide reliable and more relevant information



about the effects of transactions, other events, or conditions on the School District No. 93 (Conseil Scolaire Francophone)'s financial position, results of operations, changes in net debt, or cash flows. The revised comparative information resulting from the retrospective application of the change in accounting policy is complete and accurate. This fact and the circumstances that led to the existence of that condition, and a description of how and from when the change in accounting policy has been applied, have been disclosed in the notes to the financial statements. All of the disclosures that are related to the change in accounting policy required by the accounting requirements of PSAS have been provided by School District No. 93 (Conseil Scolaire Francophone) and are complete and accurate.

### ***Internal controls over financial reporting***

We have designed disclosure controls and procedures to ensure that material information related to School District No. 93 (Conseil Scolaire Francophone) is made known to us by others.

We have designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with the accounting requirements of PSAS.

We have not identified any deficiency in the design and operation of internal control over financial reporting as at June 30, 2018.

### ***Disclosure of information***

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, including:

- contracts and related data;
- information regarding significant transactions and arrangements that are outside the normal course of business;
- minutes of the meetings of the Board of Education, committees of the Board, and management;
- 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.



### ***Completeness of transactions***

All contractual arrangements entered into by School District No. 93 (Conseil Scolaire Francophone) with third parties have been properly reflected in the accounting records and/or have been disclosed to you where material (or potentially material) to the financial statements. We have complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

### ***Fraud***

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;
- all information of which we are aware that is related to fraud, or suspected fraud, affecting School District No. 93 (Conseil Scolaire Francophone) and involving management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements; and
- all information related to any allegations of fraud, or suspected fraud, that could affect School District No. 93 (Conseil Scolaire Francophone)'s financial statements, and that was communicated by employees, former employees, analysts, regulators, or others.

### ***Compliance with laws and regulations***

We have disclosed to you all aspects of laws, regulations, and contractual agreements that may affect the financial statements, including actual or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

We are not aware of any illegal or possibly illegal acts committed by School District No. 93 (Conseil Scolaire Francophone)'s directors, officers, or employees acting on School District No. 93 (Conseil Scolaire Francophone)'s behalf.

All transactions of School District No. 93 (Conseil Scolaire Francophone) have been within its statutory powers and enabling legislation.

### ***Accounting estimates and fair value measurements***

We are responsible for all significant estimates and judgements affecting the financial statements. These include fair value measurements and disclosures. Significant estimates and judgements and their underlying assumptions, methods, procedures, and the source and reliability of supporting data are reasonable, based on applicable requirements of PSAS and



appropriately disclosed in the financial statements. The procedures and methods used in developing assumptions, estimates, and judgements are appropriate and have been consistently applied in the periods presented.

For recorded or disclosed amounts in the financial statements that incorporate fair value measurements, we confirm the following:

- The measurement methods are appropriate and consistently applied.
- The significant assumptions used in determining fair value measurements represent our best estimates, are reasonable, and have been consistently applied.
- No subsequent event requires adjustment to the accounting estimates and disclosures included in the financial statements.
- The significant assumptions used in determining fair value measurements are consistent with our planned courses of action.
- We have no plans or intentions that have not been disclosed to you that may materially affect the recorded or disclosed fair values of assets or liabilities.

Significant estimates and measurement uncertainties known to management that are required to be disclosed in accordance with the CPA Canada Public Sector Accounting Handbook, Section PS 2130, Measurement uncertainty, have been appropriately disclosed.

### ***Related parties***

We confirm that we have disclosed to you the identity of School District No. 93 (Conseil Scolaire Francophone)'s related parties as defined by Canada Public Sector Accounting Handbook, Section PS 2200, Related party disclosures.

We confirm that we have disclosed to you all transactions between School District No. 93 (Conseil Scolaire Francophone) and related parties, including:

- transactions in the normal course of operations;
- transactions outside the normal course of operations;
- non-monetary transactions;
- transactions for nil consideration; and
- guarantees in respect of related parties.



We are not aware of any conflicts of interest involving School District No. 93 (Conseil Scolaire Francophone) arising from any of the related party transactions as disclosed to you.

### ***Going concern***

We are not aware of any events or circumstances that may cast doubt on School District No. 93 (Conseil Scolaire Francophone)'s ability to continue as a going concern and we confirm that we consider the going concern assumption appropriate in the preparation of the financial statements. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in School District No. 93 (Conseil Scolaire Francophone)'s financial statements (for example, to dispose of the entity or to cease operations).

### ***Assets and liabilities***

Except where modifications by Treasury Board result in conflicts with PSAS, we have recorded or disclosed, as appropriate, all assets, in accordance with PSAS.

We confirm that School District No. 93 (Conseil Scolaire Francophone) has satisfactory title or control over all aforementioned assets. All liens or encumbrances on School District No. 93 (Conseil Scolaire Francophone)'s assets and assets pledged as collateral, to the extent material, have been disclosed in the financial statements.

Trade receivables recorded in the financial statements represent bona fide claims against debtors for sales or other charges arising on or before the statement of financial position date and are not subject to discount except for normal cash discounts. Receivables classified as current do not include any material amounts that are collectible after one year. All receivables have been appropriately reduced to their estimated net realizable value.

Except where modifications by Treasury Board result in conflicts with PSAS, we have recorded or disclosed, as appropriate, all liabilities, in accordance with PSAS. All liabilities and contingencies, including those associated with guarantees, whether written or oral, under which School District No. 93 (Conseil Scolaire Francophone) is contingently liable in accordance with the CPA Canadian Public Sector Accounting Handbook, Section PS 3300, Contingent liabilities, have been disclosed to you and are appropriately reflected in the financial statements.

### ***Environmental matters***

We confirm that we have disclosed to you all liabilities and contingencies arising from environmental matters.

Liabilities or contingencies related to environmental matters have been recognized, measured, and disclosed, as appropriate, in the financial statements.



We have considered the effect of environmental matters, and the carrying value of the relevant assets is recognized, measured, and disclosed, as appropriate, in the financial statements.

All commitments related to environmental matters have been measured and disclosed as appropriate, in the financial statements.

### ***Budgetary data***

We have included budgetary data in our financial statements, which is relevant to the users of financial statements and consistent with that originally planned and approved by the Board of Education on June 24, 2017 and the amended budget approved on February 24, 2018. Planned results and amounts were presented for the same scope of activities and on a basis consistent with that used for actual results.

### ***Taxes***

We are responsible to ensure School District No. 93 (Conseil Scolaire Francophone) is in compliance with laws and regulations associated with reporting and remittance of taxes in all jurisdictions in which it operates.

We confirm that we have disclosed to you all jurisdictions in which School District No. 93 (Conseil Scolaire Francophone) operates and the respective reporting requirements under any tax regime.

### ***Minutes***

All matters requiring disclosure to or approval of the Board of Education have been brought before them at appropriate meetings and are reflected in the minutes.

### ***General***

There are no proposals, arrangements, or actions completed, in process, or contemplated that would result in the suspension or termination of any material part of School District No. 93 (Conseil Scolaire Francophone)'s operations.

Information relative to any matters handled on behalf of School District No. 93 (Conseil Scolaire Francophone) by any legal counsel, including all correspondence and other files, has been made available to you.

### ***Litigation and claims***



All known actual or possible litigation and claims, which existed at the statement of financial position date or exist now, have been disclosed to you and have been accounted for and disclosed in accordance with PSAS, whether or not they have been discussed with legal counsel.

### ***Misstatements detected during the audit***

Certain representations in this letter are described as being limited to those matters that are material. Solely for the purpose of this letter, the term “material” means any items referred to in this letter, individually or in the aggregate that are more than \$2,000,000. Items are also considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, make it probable that the judgement of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.

We confirm that the financial statements are free of material misstatements, including omissions.

Except where modifications by Treasury Board result in conflicts with PSAS, the effects of the uncorrected misstatements in the financial statements, as summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### ***Events after the statement of financial position date***

We have identified all events that occurred between the date of the statement of financial position and the date of this letter that may require adjustment of, or disclosure in, the financial statements, and we have made such adjustment or disclosure.

### ***Use of experts***

We assume responsibility for the findings of experts in evaluating the employee future benefits and have adequately considered the qualifications of the experts in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to experts with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the experts.

### ***Restricted assets and revenues***

All assets and revenues subject to restrictions are disclosed in the financial statements.

All externally restricted inflows have been recognized as revenue in the year in which the resources were used for the purposes specified. All externally restricted inflows received for





which the criterion has not been met have been reported as liabilities and will not be recognized as revenue until such time as the resources are used for the purposes specified.

### ***Tangible capital assets***

All charges to tangible capital asset accounts represented the actual cost of additions to tangible capital assets or the fair value at the date of contribution.

All contributed tangible capital assets have been recorded at fair value at the date of the contribution.

No significant tangible capital asset additions were charged to repairs and maintenance or other expense accounts.

Book values of tangible capital assets sold, destroyed, abandoned, or otherwise disposed of have been eliminated from the accounts.

Tangible capital assets controlled by School District No. 93 (Conseil Scolaire Francophone) are being depreciated on a systemic basis over their estimated useful lives, and the provision for depreciation was calculated on a basis consistent with that of the previous financial statement period other than the change to commencing depreciation in the year of acquisition.

All lease agreements covering assets leased by or from School District No. 93 (Conseil Scolaire Francophone) have been disclosed to you and classified as leased tangible capital assets or operating leases.

Leased tangible capital assets are being amortized on a systemic basis over the period of expected use.

There have been no events, conditions, or changes in circumstances that indicated that a tangible capital asset no longer contributes to School District No. 93 (Conseil Scolaire Francophone)'s ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value. We believe that the carrying amount of School District No. 93 (Conseil Scolaire Francophone)'s long-lived tangible capital assets is fully recoverable in accordance with CPA Canada Public Sector Accounting Handbook, Section PS 3150, Tangible capital assets.

### ***Deferred revenue***

Except where modifications by Treasury Board result in conflicts with PSAS, all material amounts of deferred revenue meet the definition of a liability in accordance with PSAS and were appropriately recorded in the books and records.



***Retirement benefits, post-employment benefits, compensated absences, and termination benefits***

School District No. 93 (Conseil Scolaire Francophone)'s actuaries have been provided with all information required to complete their valuation as at March 31, 2016 and their extrapolation to March 31, 2018.

We confirm that the extrapolations are accurate and include the proper reflection of the effects of changes and events occurring subsequent to the most recent valuation that had a material effect on the extrapolations.

The employee future benefit costs, assets, and obligations have been determined, accounted for, and disclosed in accordance with CPA Canada Public Sector Accounting Handbook, Section PS 3250 Retirement benefits and Section PS 3255 Post-employment benefits, compensated absences and termination benefits. In particular:

The significant accounting policies that School District No. 93 (Conseil Scolaire Francophone) has adopted in applying CPA Canada Public Sector Accounting Handbook, Section PS 3250 and Section PS 3255 are accurately and completely disclosed in the notes to the financial statements.

The source data and plan provisions provided to the actuary for preparation of the actuarial valuation are accurate and complete.

All arrangements to provide retirement benefits, post-employment benefits, compensated absences and termination benefits have been identified to you and have been included in the actuarial valuation as required.

Yours truly,

**School District No. 93 (Conseil Scolaire Francophone)**

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Sylvain Allison  
Secrétaire-trésorier

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Simon Couture  
Directeur des finances

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