APPENDIX 15D

Sample Representation Letter  
Cash Management Services [[1]](#endnote-1)a

[Client’s Letterhead]

:

In connection with your engagement to recommend improvements in the ’s cash management system, we make the following representations:

1. We have made available to you all information requested and all information that we believe is relevant to the engagement.
2. The information that we have provided to you is accurate and reliable.
3. We believe the assumptions used in the cash forecast are reasonable and appropriate.
4. To the best of our knowledge and belief, the documents and records supporting the assumptions are appropriate.
5. We understand that the attainment of any improvements in the cash management system will depend on the efforts of company personnel who participate in the implementation of the recommendations.
6. The cash forecast and practitioner’s report are intended solely for internal use and will not be distributed to outside users for any purpose.[[2]](#endnote-2)b

Sincerely,

Name and Title

1. a Ordinarily, a cash management engagement is for internal use only. This representation letter assumes an internal-use cash management engagement. However, if (1) a practitioner assembles and submits the forecasted statements or reports on them, and (2) they are reasonably expected to be used by third parties, a practitioner must compile, examine, or apply agreed-upon procedures to the forecast. AT 301 requires the practitioner to obtain written representations from the responsible party when performing a compilation () or examination () of forecasted financial information. In this case, see the sixth representation (financial forecast language is provided in the practical consideration to that representation) and also practical considerations b and c in the representation letter at Appendix . A representation letter is also required for historical financial statements that are reviewed or audited. [↑](#endnote-ref-1)
2. b The intended use of the report affects how the consultant presents and reports prospective financial information included as part of the service (if applicable). Cash management engagements are ordinarily done for internal use. Alternate wording for this representation might read:

   We intend to use your recommendations solely for the internal use of management and, accordingly, your report and cash forecast will not be distributed to outside parties to obtain credit or for any other purpose.

   We intend to use your report for . We understand that the cash forecast and practitioner’s report are intended solely for internal use and will not be distributed to outside users for any purpose. [↑](#endnote-ref-2)