

1009 ASSURANCE REVIEW - COMPANIES

SCHEDULE OF SERVICES

This schedule should be read in conjunction with the engagement letter and the terms and conditions of business.

ASSURANCE REVIEW

1. RESPONSIBILITIES AND SCOPE FOR REVIEW SERVICES

1.1 Your responsibilities as directors

- 1.1.1 As directors of the company, you are responsible for preparing financial statements which give a true and fair view and which have been prepared in accordance with the Companies Act 2006 (the Act). As directors you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company.
- 1.1.2 In preparing the financial statements, you are required to:
- select suitable accounting policies and apply them consistently;
 - make judgements and estimates that are reasonable and prudent; and
 - prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company will continue in business.
- 1.1.3 You are responsible for keeping adequate accounting records that set out, with reasonable accuracy, at any time, the company's financial position and for ensuring that the financial statements comply with applicable accounting standards and with the Companies Act 2006 and give a true and fair view.
- 1.1.4 You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.
- 1.1.5 You are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.
- 1.1.6 You are responsible for ensuring that the company complies with the laws and regulations that apply to its activities, and for preventing non-compliance and detecting any that occurs. This is in addition to the general duties required by directors under s.170-177 of the Companies Act 2006.
- 1.1.7 You have undertaken to make available to us, as and when required, all the company's accounting records and related financial information, including minutes of management and shareholders' / directors meetings, that we need to do our work.

1.2 Our responsibilities as reviewers

1.2.1 Our review will be conducted with the objective of expressing our conclusion on the financial statements. Our conclusion, if unmodified, will be in the form:

'Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at the period end date, and of its profit or loss for the period then ended;
- in accordance with applicable accounting standards; and
- in accordance with the requirements of the Companies Act 2006.'

1.2.2 Our report is made solely to the company's directors as a body, in accordance with the terms of this engagement letter. Our review work will be undertaken so that we might state to the company's directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body, for our review work, for the review report, or for the conclusions we will form. The review of the financial statements does not relieve you of your responsibilities.

1.3 Scope of review

1.3.1 We will conduct our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) Engagements to Review Historical Financial Statements and ICAEW technical release TECH 09/13AAF (Revised) Assurance Review Engagements on Historical Financial Information. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the applicable financial reporting framework. ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics and the FRC's Ethical Standard, as applicable.

1.3.2 A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We will perform procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical procedures, and evaluating the evidence obtained. We will also perform additional procedures if we become aware of matters that cause us to believe the financial statements as a whole may be materially misstated. These procedures are performed to enable us to express our conclusion on the financial statements in accordance with ISRE 2400 (Revised). The procedures selected will depend on what we consider necessary applying our professional judgement, based on our understanding of the company and its environment, and our understanding of applicable financial reporting framework and its application in the context of your company.

1.3.3 A review is not an audit of the financial statements, therefore:

- There is a commensurate higher risk than there would be in an audit, that any material misstatements that exist in the financial statements reviewed may not be revealed by the review, even though the review is properly performed in accordance with ISRE 2400 (Revised).
- In expressing our conclusion from the review of the financial statements, our report on the financial statements will expressly disclaim any audit opinion on the financial statements.

1.3.4 As part of our normal review procedures, we may ask you to confirm in writing representations you have made to us during the review.

1.3.5 In respect of the expected form and content of our report, we refer you to appendix 4 of TECH 09/13AAF (Revised) Assurance Review Engagements on Historical Financial Information. The form and content of our report may need to be amended in the light of our findings.