

ASSURANCE REPORT

To:

Scope

We have been engaged to report on XYZ Organisation's description at pages ... of its system for compliance with **Payched registration criteria** throughout the period (datum) to (datum) (the description), and on the design and operation of controls related to the control objectives stated in the description.

XYZ Organisation's Responsibilities

XYZ Organisation is responsible for: preparing the description and accompanying assertion at page including the completeness, accuracy and method of presentation of the description and assertion; providing the services covered by the description; stating the control objectives; and designing, implementing and effectively operating controls to achieve the stated control objectives.

Auditor's Responsibilities

Our responsibility is to express an opinion on XYZ Organisation's description and on the design and operation of controls related to the control objectives stated in that description, based on our procedures. We conducted our engagement in accordance with International law, including the Standard ISAE 3402, "assurance reports on controls at a service organisation". This requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls are suitably designed and operating effectively.

An assurance engagement to report on the description and design and operating effectiveness of controls at a service organisation involves performing procedures to obtain evidence about the disclosures in the service organisation's description of its system, and the design and operating effectiveness of controls. The procedures selected depend on the service auditor's judgement, including the assessment that the description is not fairly presented, and that controls are not suitably designed or operating effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the control objectives stated in the description were achieved. An assurance engagement of this type also includes evaluating the overall presentation of the description, the suitability of the control objectives stated therein, and the suitability of the criteria specified by the service organisation and described at page

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limitations of Controls at a Service Organisation

XYZ Organisation's description is prepared to meet the common needs of a broad range of customers and their auditors and may not, therefore, include every aspect of the system that each individual customer may consider important in its own particular environment. Also, Due to their nature, controls at a service organisation may not prevent or detect all errors or omissions in processing or reporting transactions. Also, the projection of any evaluation of effectiveness to future periods is subject to the risk that controls at a service organisation may become inadequate or fail.

Opinion

Our opinion has been formed on the basis of the matters outlined in this report. The criteria we used in forming our opinion are those described at page In our opinion, in all material respects:

- a The description fairly presents the system that ensures compliance to the Paychecked registration criteria as designed and implemented as at (date);
- b The controls related to the control objectives stated in the description were suitably designed as at (date); and
- c The controls tested, which were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period from (date) to (date).

Description of Tests of Controls

The specific controls tested and the nature, timing and results of those tests are listed on pages.....

Intended Users and Purpose

This report and the description of tests of controls on pages are intended only for Paychecked, and their auditors, who have a sufficient understanding to consider it, along with other information including information about controls operated by customers themselves, when assessing the risks of material misstatements of customers' financial statements.

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