

Private and Confidential

## Technical Proposal to Provide External Audit Services for Future Care Trading Company

6 June 2024

To the shareholders  
Future Care Trading Company  
A Saudi Joint Stock Company  
Jeddah, KSA



**Subject : Technical Proposal for External Audit Services**

Thank you for inviting us to submit a proposal for carrying out an External audit Services for Future Care Trading Company

Crowe, ranked as the eight largest global accounting network, with operations in over 130 countries across more than 800 offices, we have a vast global footprint able to serve our clients' needs wherever they choose to do business.

This proposal sets out the scope of work, our methodology, timelines and our fee estimates for the assignment. It provides a statement of the experience and capabilities of the members of Crowe that will participate in this assignment. We are confident that our over 18 years history of providing professional services to our clients will result in valuable, cost effective services for your project under consideration.

Please review the terms of our engagement carefully, if these are not consistent with your understanding of our engagement or you would like any further information or clarification about any aspect of our proposal, please do not hesitate to contact the undersigned. We look forward to receiving your approval on our proposal.

I would like to thank you for this opportunity, and we are looking forward to continuing the strong relationship we have with your organization and being part of the exciting journey you have embarked on. Please feel free to reach out to us to discuss our proposal or any other matters.

Sincerely yours,

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# About Crowe



# Why Crowe?



## Digital Delivery

We leverage an online platform to track assessments. This allows us to provide client alerts, dashboards and reports.



## Commitment to Quality

Your assigned team will work to understand your specific needs, and ensure the best customer service experience.



## Impact-Driven Deliverables

We write our reports to clearly outline the issue and impact. We work to gather action plans that reduce risk over time.



## Valuable Insights

Because of our focus on these services, we can provide insight as to leading practices, common risks and controls.



## 'Always-On' Staffing

Our team is always available 52 weeks of the year and our staff offers a personalized approach.



## Experienced Global Team

Crowe operates in 130 countries. Our regulatory compliance team has vast experience in the Financial industry

# Crowe Solutions For Professional Consulting

**%15**

of the  
companies  
listed in  
Tadawul



Licenses from  
the Capital  
Market  
authority



3 Partners



More than 200  
Employees



# Who we are (Crowe)

Crowe Solutions For Professional Consulting

## Crowe Global



**27,543** Professionals

**5,093** Administrative Staff

**3,904** Partners

**805** Offices (including 3 in KSA)

**130** Countries



Member firm of Crowe Global - ranked among the **top 10 Globally**



The staff strength in KSA is **over 200 employees** across the three (3) offices.



Provide Services related to the following:

- ☐ External Audit
- ☐ Tax / Zakat / VAT
- ☐ Financial Advisory
- ☐ Risk Advisory
- ☐ IT and Cybersecurity



# Our Vision and Values

Our vision is to be recognised as essential to the future success of our clients by helping them to answer tomorrow's questions.

The talent of our people, our size, our structure and our values mean our clients can rely on a depth of specialist knowledge and personal delivery from the professionals they work with.

The needs and ambitions of our clients define the advice we apply to help them to make smarter decisions today that create lasting value in the future, which is why we see our clients stay with us year after year.

Our values are the core principles that guide us each and every day.



## Our Vision and Values



### We care

We care about building long-lasting relationships with our clients and people. Our honest, professional and personal approach promotes an on-going open dialogue that builds mutual respect and trust with the individuals, businesses and diverse communities we work with. Close working relationships are at the heart of our effective service delivery.



### We share

We share knowledge and experience in a way that is easily understood and can be practically applied. We understand our clients, their business and the markets they operate in by listening and not being afraid to ask challenging questions. We work together to realise our clients' goals and the aspirations of our people.



### We invest

We invest in continual quality and training of our people and have a passion for continued innovation and agility to help you reach the pinnacle of your success. As the pace of change gets faster and business decisions are made quicker and more frequently, our partners and professionals are readily available and committed to help clients and our people to prepare for the future.



### We grow

We believe in making smart decisions that have lasting value for our clients and our people. Our skills, services and resources – nationally and globally – have grown to make us one of the UK's leading firms and the UK member of a major global network. In a world that is rapidly changing, we help to answer tomorrow's questions, achieving growth and financial strength with the highest quality audit, tax, advisory and risk services.

The majority of our partners, senior managers and employees are from the four major offices and hold formal qualifications from recognized accounting bodies, including:



Saudi Organization for Auditors and Accountants



Certified Internal Auditor



Chartered Financial Analyst



The Institute of Chartered Accountants of Pakistan and India



Certified Public Accountant



Certified Management Accountant



Association of Chartered Certified Accountants



International Financial Reporting Standards



Jordanian Association of Certified Public Accountants

# Network Numbers

A grayscale world map serves as the background for the slide. The continents are outlined in a light gray against a dark gray background.

# Global Network

**\$4.9b**

Global Revenues

**150**

Countries

**798**

Offices

**40,309**

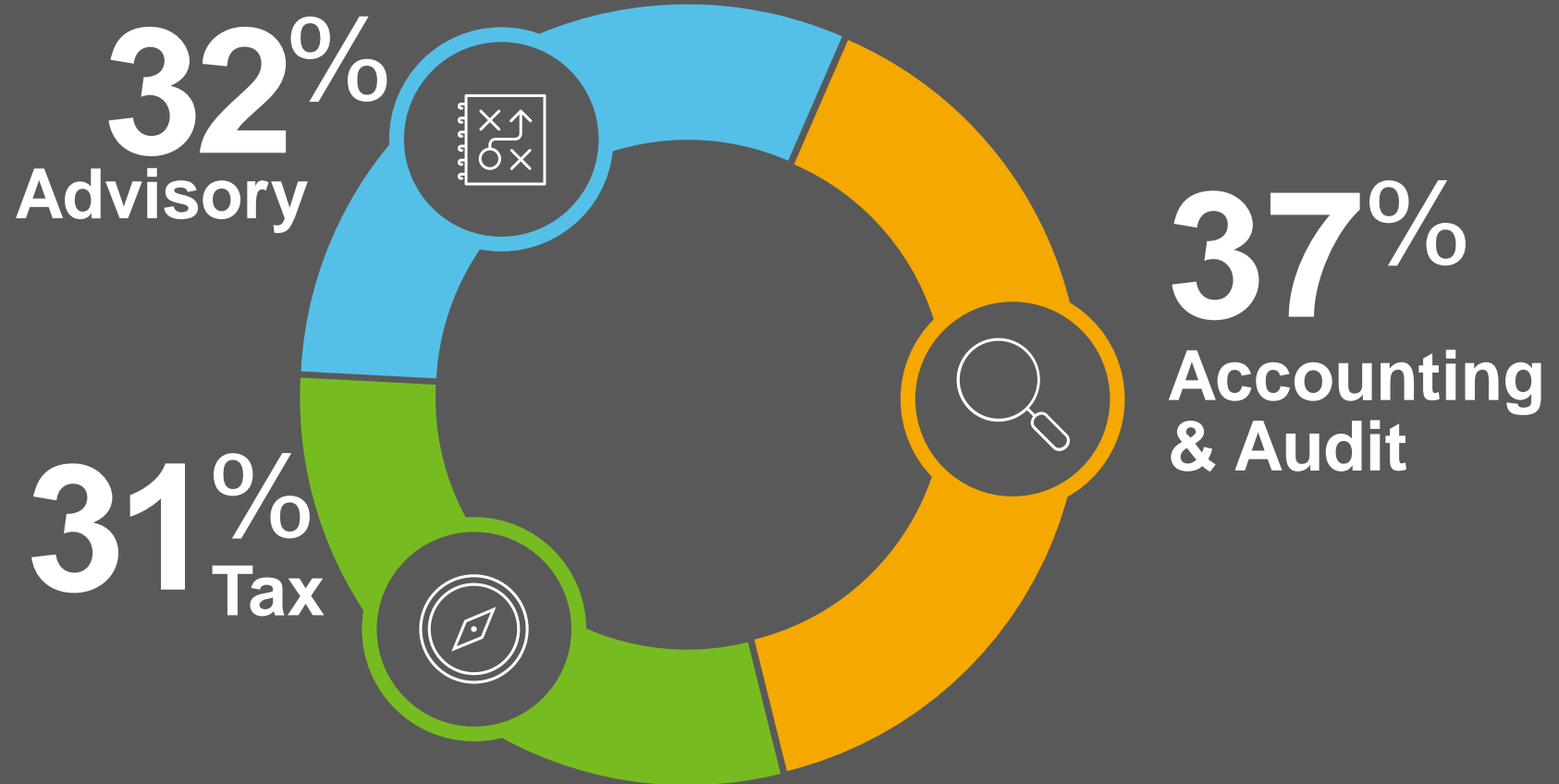
Total People



# 2023 Leading Global Networks

Deloitte / PwC / EY / KPMG / BDO / RSM  
Grant Thornton / **Crowe** / Baker Tilly / HLB

# Revenue by Core Service





# Asia Pacific

**11,940** Total People  
**9,458** Professionals  
**1,735** Support Staff  
**747** Partners  
**244** Offices  
**24** Countries



# EMEA

**11,215** Total People  
**8,444** Professionals  
**1,418** Support Staff  
**1,353** Partners  
**408** Offices  
**96** Countries



# Foreign Business Desks








# Foreign Business Desks

Multi-lingual professionals where you need them

## China Business Desks

- |   |   |
|---|---|
|  Australia   |  Italy             |
|  Brazil      |  Japan             |
|  Cambodia    |  Malaysia          |
|  Canada      |  Singapore         |
|  France      |  Spain             |
|  Germany     |  Taiwan            |
|  Hong Kong |  The Netherlands |
|  Indonesia |  United Kingdom  |
|  Ireland   |  United States   |




## Japan Desks:

-  Indonesia
-  Malaysia
-  Mexico
-  Myanmar
-  Singapore
-  United States
-  Vietnam

## French Desk:

-  Germany

## Korean Desks:

-  Australia
-  Mexico
-  Vietnam

## Spanish Desk:

-  Germany

## Singapore Desk:

-  Australia

# Scope of work



# Scope of Work



Our audit will be conducted in accordance with International Standards on Auditing endorsed in kingdom of Saudi Arabia. Those standards require that we plan and execute the audit to obtain reasonable satisfaction about whether the financial statements are free of material errors. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates applied by management, and presentation of the financial statements to satisfy prevailing legal requirements and IFRS adopted by SOCPA.

As a basis for the preparation of the financial statements. We will study and understand the Company's accounting and internal control system, in order to assess their adequacy for the purpose of determining the nature and procedures. Our audit should not be relied upon to discover all defalcations or other irregularities that may have occurred. However, their discovery, if any exist, may result from the audit tests undertaken and such cases will be reported immediately to management.

In addition we may filling of the IFRS checklist to avoid any questions from the Regulator related to the disclosures.



# Scope of Work



The nature and extent of our procedures will vary according to our assessment of the Company's accounting and internal control system. Our audit procedures may include any aspects related to the Company's operations that we deem appropriate.

Our study of the Company's accounting and internal control systems do not require a detailed valuation or assessment for us to provide an effective and efficient independent opinion of the internal control system. Audit work is not designed to identify all important and significant weaknesses in the Company's systems, in the case of any weaknesses observation, management will be informed.

In addition to that, an examination of the consideration of Fraud during the course of audit of financial statements, will be conducted & reported to the management.

# Scope of Work



We will make specific enquiries to management and others on the items included in the financial statements and the effectiveness of the accounting processes. The International Standards on Auditing endorsed in kingdom of Saudi Arabia require written confirmation from management on the information provided to us relating to the audit.

The results of the audit tests, management responses to our inquiries, and affirmations written provided by the department will serve as the evidence and clues that we rely on in the formation of our professional opinion about the financial statements.

# Methodology



# Summary of the project stages

## The first stage: planning

1. Audit initiation meeting
2. Determine the overall audit strategy
3. Planning the nature, timing and extent of the audit procedures

## The second phase: Field work and issuance of the report

1. Visit the company's locations and review the company's accounts.
2. File review by the review manager.
3. File review by partner
4. Issuing the final report

## Caseware

We use the secure technological platform to plan and perform the audit and document our findings. The electronic audit file allows us to manage the documentation efficiently, as the appropriate working paper templates are populated automatically with information from planning tool and mapping of the financial statements.



# Deliverables

# Deliverables



- Audit report on consolidated financial statements (English & Arabic) for the year ending December 31, 2024.
- Audit report on standalone financial statements (special purpose) (English & Arabic) for the year ending December 31, 2024.
- Review report on condensed interim consolidated financial statements (English & Arabic) for the six months ending June 30, 2024
- Submit Zakat declaration for the year ending December 31, 2024



# Audit Technology Tools

# Audit Technology Tools

## IDEA

IDEA is the preferred software tool of audit and financial professionals for data extraction, data analysis, fraud detection and continuous monitoring. IDEA is recognized as the global standard against which other data analysis tools are measured, offering a unique blend of ease-of-use and powerful functionality. IDEA expands the depth and breadth of your analysis, increases your personal productivity and gives you confidence in your findings. With IDEA, organizations can achieve fast payback, reduce risk, assure compliance, minimize loss and enhance profitability. With IDEA you can:

Import data from almost any source;

Analyze data more quickly and efficiently, independently from your IT department, with an intuitive graphical user interface, pull-down menus, toolbars, wizards – such as Import Assistant, and HTML Help commands;

Produce reports with ease using the Report Assistant — design, preview and customize other settings specific to reports, such as breaks, titles, and cover pages;

Perform complex calculations using IDEA's Equation Editor;

Compare, join, append and connect different files from different data sources;

Extract specific transactions, identify gaps (e.g., cheque number) or duplicates;

Profile data by summarizing, stratifying or aging the files;

Create useful file statistics automatically;

Create statistical samples using five proven sampling methods.



# Audit Technology Tools

## Caseware

We use the secure technological platform to plan and perform the audit and document our findings. The electronic audit file allows us to manage the documentation efficiently, as the appropriate working paper templates are populated automatically with information from planning tool and mapping of the financial statements.

### Our use of technology in the audit process benefits you in the following ways:

- **Efficiency.** Your audit files are designed with you in mind including planning forms, audit programs and procedures, and other unique aspects of the Bank. This promotes efficiency and allows for easy documentation, exchange and review of information.
- **Communication.** When you have a question, all client information is at our fingertips to access at any time no matter where we are located, even from prior year audits. Questions on working-papers or other issues can be accumulated and sent via e-mail in order to reduce the number of interruptions to your daily routine during audit fieldwork.



Our auditing philosophy, commitment, attitude and technology effectively distinguish us with our clients and in the marketplace.

# Fees

#	Scope of Work	Fees (SR)
1	Audit report on consolidated financial statements for the year ending December 31, 2024	35,000
2	Audit report on standalone financial statements (special purpose) for the year ending December 31, 2024	225,000
3	Review report on condensed interim consolidated financial statements for the six months ending June 30, 2024	50,000
4	Submit Zakat declaration for the year ending December 31, 2024	15,000

## Terms & Conditions

- Prices are in Saudi Riyals.
- The estimated fees are exclusive of VAT.
- Offer valid for 90 days.
- This fees do not include traveling and other expenses and if incurred will be billed to you.

## Terms of payment

- Our fees will be paid based on 3 installments (50%, 40%, & 10%) upon issuing the related invoices. A financial request/preform an invoice will be issued for the payment purposes and then our invoice will be issued.

# Our Team



## Abdullah M. Al-Azem profile

Managing Partner. **Abdullah M. Al-Azem** is ultimately responsible for all Crowe's clients service in the KSA.

### Relevant Experience

**Abdullah** obtained the license to practice the Assurance and Auditing Services in Saudi Arabia in 1997.

He is considered one of the premiere Saudi Nationals who were licensed to practice after the formation of the Saudi Organization of Certified Public Accountants (SOCPA).

Abdullah worked for more than 19 years for one of the largest professional firms in the field of assurance, business advisory and consulting services whereby he gradually occupied positions up till he reached the Audit Manager post.

During his career path, Abdullah acquired vast and diversified experience in the audit of commercial companies, Motor industry, manufacturing, oil and gas, financial institutions and banks, insurance, construction and contracting, hotels and tourism, hospitals, non for profit organizations, utilities and agricultural companies. Additionally, Abdullah handled several market and feasibility studies and companies' valuation and due diligence. Finally, Abdullah participated in consultancy works for companies' restructuring and the design and development of financial and accounting systems.

### Client & Industry Focus:

- |                                      |                      |                              |
|--------------------------------------|----------------------|------------------------------|
| • Construction and contracting       | • Hospitality        | • Non Profit Organizations   |
| • Banking and financial institutions | • Retail and Trading | • Manufacturing, oil and gas |
| • Insurance                          | • Motor Industry     | • Government                 |



**Abdullah M. Al-Azem**  
Managing Partner  
KSA

### Qualifications & Professional Affiliations

- Bachelor in Accounting
- Member of (AICPA)
- Holder of Saudi fellowship certificate
- Member of the Illinois Certified Accountants
- Previous member of the training and continuous education committee for (SOCPA)

## Musab AlSheikh profile

Partner. **Musab AlSheikh** is ultimately responsible for all Crowe's clients service in the KSA.

### Relevant Experience

**Musab** joined Crowe as the Head of the Business Assurance Department, he worked for more than 5 years for one of the largest professional firms in the field of assurance, business advisory, and consulting services. In addition, I have more than 14 years in the Capital Market Authority "CMA" since its establishment.

In CMA, Musab was the Head of Financial Statement Review responsible for the issuer's compliance with the IFRS and related corporate governance. Musab was the Senior advisor of CMA-listed companies and investment product deputy who contributed to developing the implementation regulation related to investment products. Also, listed companies include Zakat & Tax law, Bankruptcy law, insurance Company law, and other capital markets which implement regulations. During his career path, Musab acquired vast and diversified experience in audit and law's applicable to government, private sector entities, banking and financial institutions, insurance sector, manufacturing sector, trading sector, construction, contracting sector, motor industry. Also, hotels, tourism sector, not-for-profit organizations, utilities, and agricultural companies.

Musab handled several projects related to issuers' compliance with related regulations and represented CMA in several national and international meetings and committees related to IFRS conversion, IOSCO C1 committee, and attended attachment program with FINRA, SE Malaysia

### Client & Industry Focus:

- |                                      |                      |                              |
|--------------------------------------|----------------------|------------------------------|
| • Construction and contracting       | • Hospitality        | • Non Profit Organizations   |
| • Banking and financial institutions | • Retail and Trading | • Manufacturing, oil and gas |
| • Insurance                          | • Motor Industry     | • Government                 |



### Musab AlSheikh

Partner  
KSA

### Qualifications & Professional Affiliations

- Member of SOCPA, CFE
- Bachelor in Accounting
- Previous member of SOCPA Peer Review Committee, National IFRS conversion
- Committee, IOSCO Issuer Accounting, Audit and Disclosure (C1) committee

## Mohammad Mohandes profile

Partner. **Mohammad Mohandes** is ultimately responsible for all Crowe's clients service in the KSA.

### Relevant Experience

Mohammad has over 21 years' experience providing Assurance services to listed companies, leading Saudi family businesses and conglomerates, as executive management team member of one of the big 4 firms in the Middle East for more than 17 years or as founder and lead managing director of his professional services firm. His functional experience covers Litigation Support, Assurance, IFRS conversion, Administrations and Liquidations.

During his career, he led many Assurance engagements through sales and delivery phases; planning and monitoring work progress, inspiring teams to deliver high quality standards, and presenting findings and recommendations to Board members and executives.

### Experience

2001 – 2017, Audit Manager at Deloitte & Touch (KSA)

2017 – 2018, CEO at Mohammad Mohandes Certified Public Accountants

2018 – 2020, Executive Manager at Sadagah Certified Public Accountants and Consultants, KSA

March 2020 – October 2021, Executive Manager at El Sayed El Ayouty & Co (MOOR KSA)

November 2021 - present: Partner at CROWE.

### Client & Industry Focus:

- |                                      |                      |                              |
|--------------------------------------|----------------------|------------------------------|
| • Construction and contracting       | • Hospitality        | • Non Profit Organizations   |
| • Banking and financial institutions | • Retail and Trading | • Manufacturing, oil and gas |
| • Insurance                          | • Motor Industry     | • Government                 |



### Mohammad Mohandes

Partner  
KSA

### Qualifications & Professional Affiliations

- Fellow Member of the Saudi Organization of Certified Public Accountants (SOCPA)
- Bachelor's degree in Accounting

## Moath Abdelrahim profile

Director of External audit **Moath** is ultimately responsible for all client service in the KSA industry.

### Profile

Moath has over eleven years of extensive audit in KPMG - Jordan, Deloitte. ME and Crowe Global-KSA.

He has managed the audit of clients in different sectors such as investments, construction, manufacturing, trading, Hotels, retail, and not-for-profit organizations in Jordan, Iraq and Saudi Arabia.

### Client & Industry Focus:

- |                                      |                      |                              |
|--------------------------------------|----------------------|------------------------------|
| • Construction and contracting       | • Hospitality        | • Manufacturing, oil and gas |
| • Banking and financial institutions | • Retail and Trading | • Government                 |
|                                      | • Motor Industry     |                              |



### Moath Abdelrahim

Director Audit  
KSA

### Qualifications & Professional Affiliations

- Jordan Association of Certified Public Accountants. (Affiliate).
- CertIFR, CertIPSAS, CertIA

# Our Clients



# Some of Crowe's clients in the Kingdom of Saudi Arabia



# Some of Crowe's clients in the Kingdom of Saudi Arabia





# Some of Some of Crowe's clients in Insurance





## Our Credentials – Some of Risk Advisory Clients

### Governmental Sector



المركز الوطني للتخصيص  
NATIONAL CENTER FOR PRIVATIZATION & PPP



الاتحاد السعودي لكرة القدم  
SAUDI ARABIAN FOOTBALL FEDERATION



### Major Clients





# Our Credentials – Some of Risk Advisory Clients

## Commercial Sector





# Confidentiality

# Confidentiality

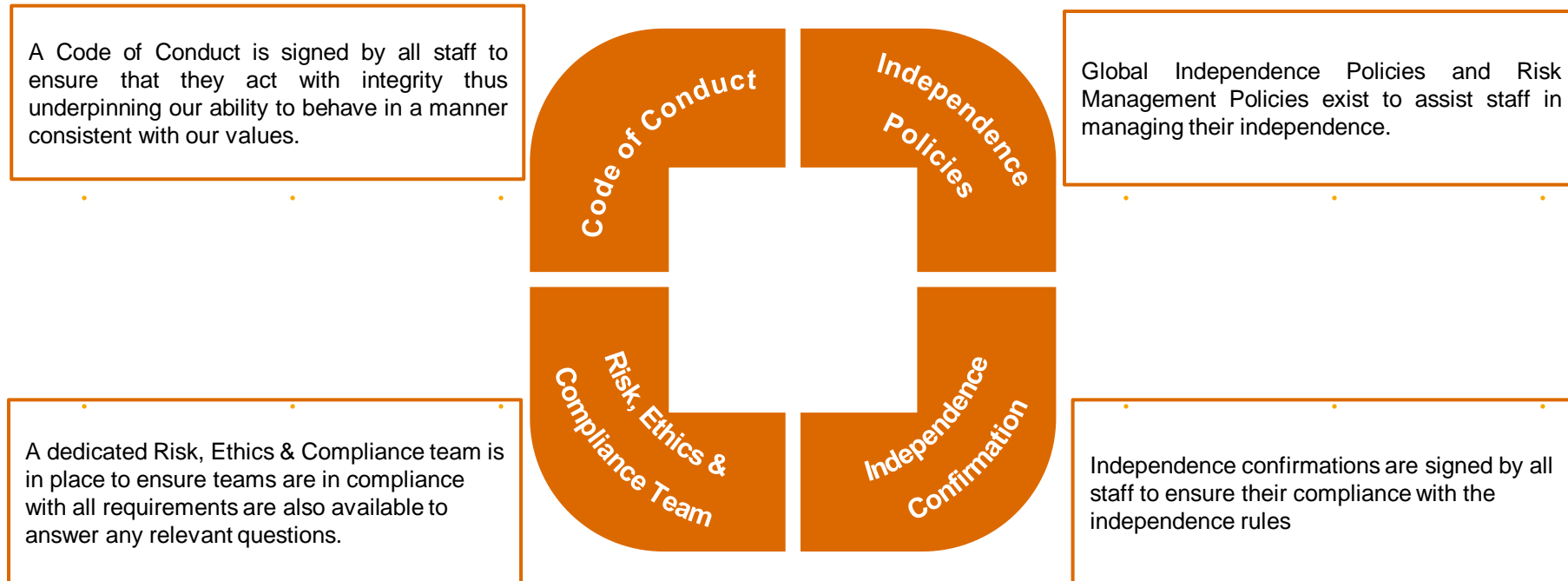
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We agree that we will treat as such all confidential proprietary information obtained from the Client, and will not disclose such information to others, except to those (“Crowe Solutions For Professional Consulting”) persons engaged in providing services to the Client, or use such information except in connection with the performance of the services agreed to in this proposal. This undertaking shall not apply to any of the information that we are required by law or by the requirements of any regulators or by specific professional standards to disclose or that is in or hereafter enters the public domain.

# Independence

# Independence

- We can confirm that we are not conflicted on this engagement and we will ensure independence during period of appointment.
- Our dedicated Independence, Ethics & Compliance team works to embed quality and risk management into Crowe's business operations and culture.
- Delivering distinctive quality is a central part of what Crowe stands for and a fundamental element of what clients, regulators and other stakeholders expect of a market leader in professional services. As a fast growing firm it is critical that quality and risk be proactively managed, by ensuring that we achieve Operational Excellence in all aspects of Quality, Risk Management, Compliance and Independence.
- We will ensure our independence is maintained and conflicts of interest are mitigated through the following:





# Our Offices in **KSA**



## Jeddah

Prince Sultan Bin Abdul  
Aziz Street  
(Al Khaledyyah)  
Office 109  
Jeddah 21499, Saudi  
Arabia



## Riyadh

Prince Mohammed Bin  
Abdul Aziz Street  
(Tahlia)  
Unit No. 11  
Riyadh 12241, Saudi  
Arabia



## Khobar

Al Khobar Gate Tower -  
King Fahad Road  
5th Floor  
Al khobar, Saudi Arabia







# Thank You

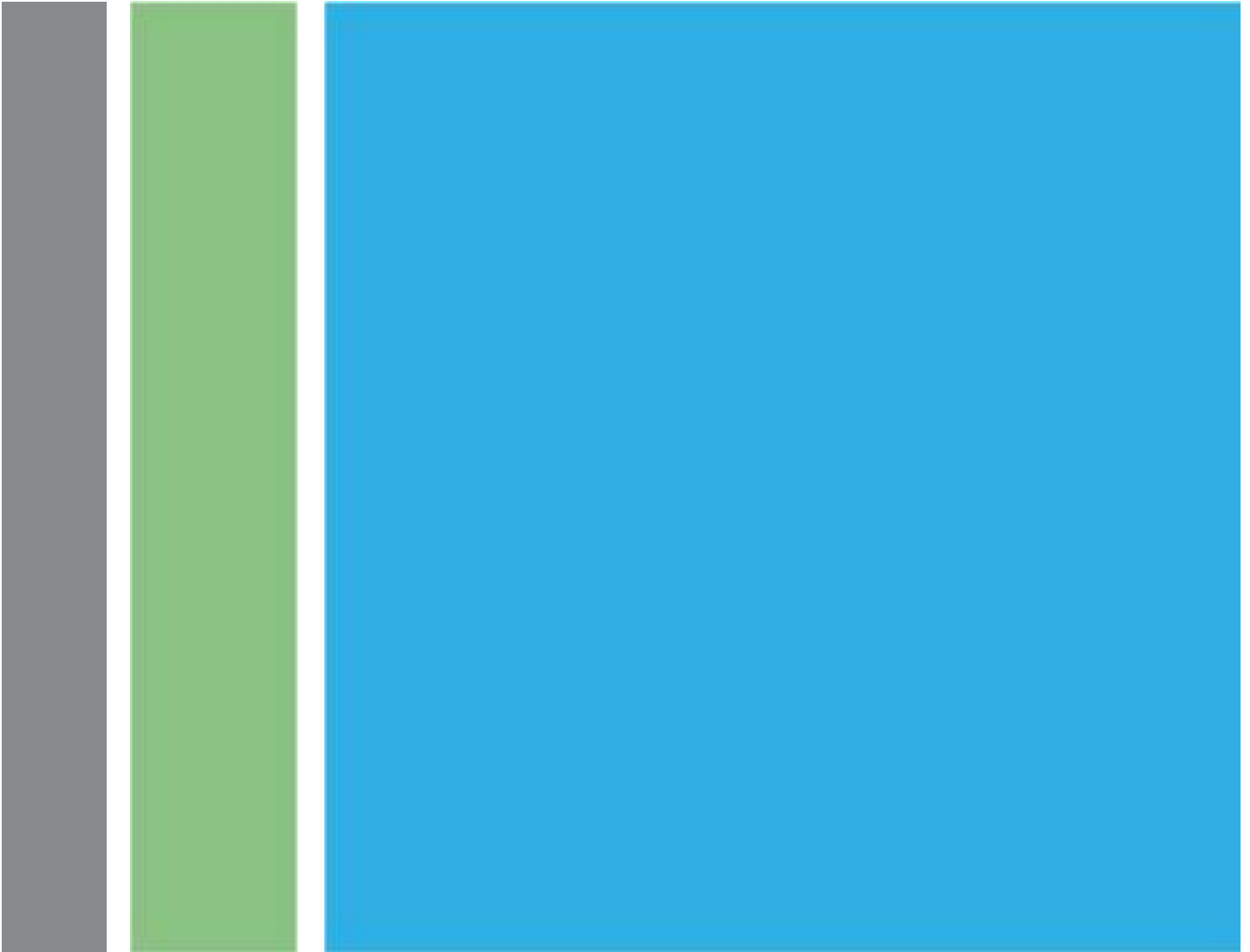
## To Contact Us

Abdullah Al-Azem  
The main partner  
Tel: +966 11 217 6000  
Email: a.alazem@crowe.sa

Mohammad Mohandes  
Partner  
Tel: +966 11 217 6000  
Email: m.mohandes@crowe.sa

Musab Al-Sheikh  
partner  
Tel: +966 11 217 6000  
Email: m.alshaikh@crowe.sa

[www.crowe.com/sa](http://www.crowe.com/sa)



## **FUTURE CARE TRADING COMPANY**

Proposal for semi-annual review and annual audit services.

December 31, 2024

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# Proposal Letter

We are delighted to have the opportunity to propose our external audit for the Future Care Trading Company for the year ending 31 December 2024.

RSM is among the major professional firms providing audit, zakat and consulting services in the Kingdom of Saudi Arabia. We have continued to invest in our people and processes in order to meet the demands of our clients who operate in almost all sectors of the economy domestically and abroad.

Our proposal, which is detailed over the following pages, mirrors the approach we will take for your audit – a true partnership which features robust communication, a joined-up team bringing you fresh ideas and innovative thinking, with the underlying support from across the firm to help you grow the business.

We are very excited to present there our ideas on how we envisage working together, but most importantly the benefits you will get from appointing RSM.

## Key features of our proposal

### Our team

We have picked a team for their powerful combination of credentials, skills, working style and enthusiasm. They have unprecedented experience of auditing several sectors and large conglomerates. They fully understand business risks and will be able to advise you on the matters of significant judgement. The team will be duly supported by specialists and subject matter advisors.

### Working with Company's Audit Committee

We will play our part in ensuring that Company has an effective risk management process and in supporting those charged with governance role by providing clear opinions and insights on topics that directly impact your ability to manage risk and uncertainty. We will work with others to provide coherent, understandable views that lead to practical recommendations.

### Advisory Panel

We have already set up a Company's Advisory Panel who will sit alongside the core Audit team, and meet with you on a regular basis to provide insight and facilitate audit team's responsiveness to the Company requests. The panel comprises some of our most experienced Partners/directors in their respective fields who would be there to help you.

### Value

#### A competitive fee

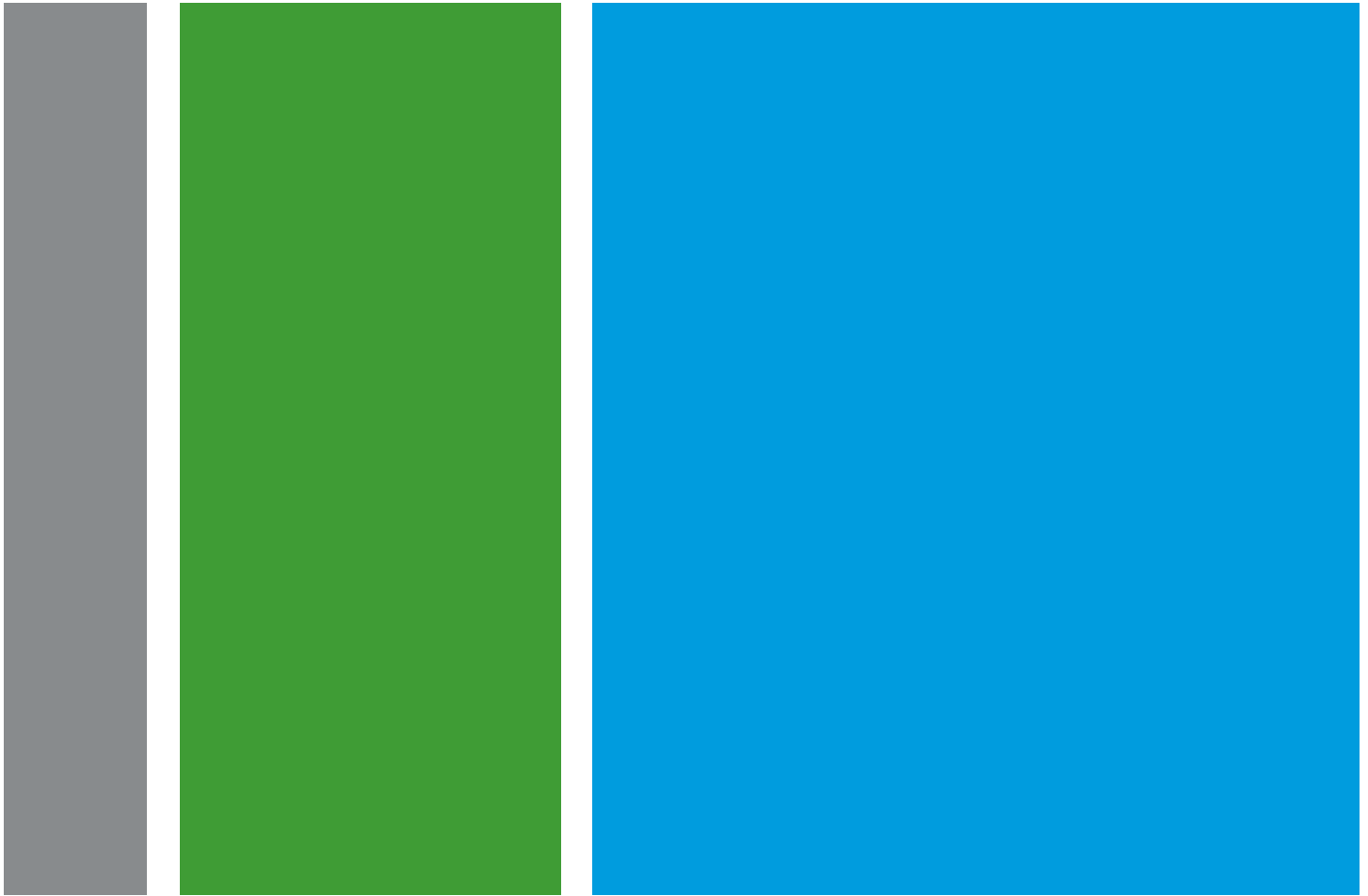
We will be the best value, not measured just on price but also on the level of quality and insight, knowledge and people we will bring to the table.

Our proposal aims to bring to life the solutions and benefits that working in partnership with us can bring to the Company.

We look forward to the opportunity to continue build a long-term relationship with you.

In the meantime, please feel free to contact us with any questions.

**Mohammed Al Nader**  
Managing Partner



## Scope of Work



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# Scope of work

We will perform reviews interim semi-annual financial statements for the period ending 30 June 2024 and audit financial statement for the company and its subsidiary as of 31 December 2024.

- Future Care Trading Company
- Awank Company

Our principal objective will be to express an opinion whether the financial statements for the funds taken as a whole present fairly the financial position and the statement of profit and loss and other comprehensive income, statement of changes in owner equity attributable to unitholders and statement of cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

## Audit

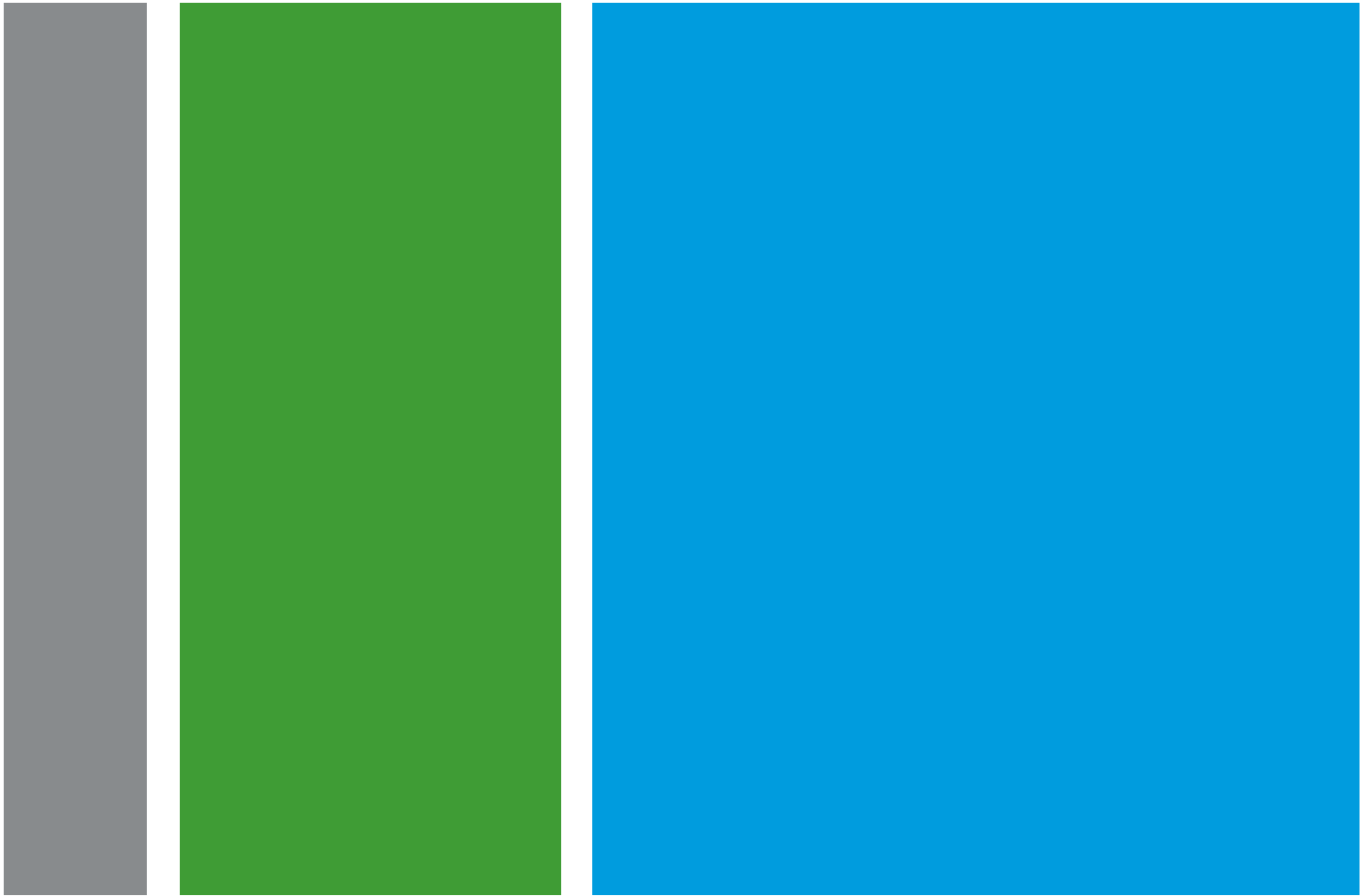
Our examination will be carried out in accordance with international standards of auditing and, accordingly, will include such test of the accounting records, selection of items on a test basis, evaluation of accounting policies adopted by management and accounting estimates and such other auditing procedures that we consider necessary in the circumstances.

It is our normal practice to write a management letter at the conclusion of our audit, setting out our comments on the systems and controls, together with suggestions for improvements and other matters relevant to the financial statements which merit management's attention and necessary action. Our aim is to offer constructive comments with the objective of assisting our clients to manage their business more effectively.

## Quarterly Reviews

We shall perform reviews of your interim financial statement in accordance with the ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", endorsed in the Kingdom of Saudi Arabia. Accordingly, our review will be limited primarily to analytical procedures applied to financial data and enquires of Company personnel on financial and accounting matters. Our reviews will be substantially less in scope than an audit in accordance with the ISA that are endorsed in the Kingdom of Saudi Arabia, the objective of which is the expression of an opinion regarding the financial statements taken as a whole; accordingly, we will not express such an opinion.

Based on our review, we will issue a review report as to whether we are aware of any material modifications that should be made to the quarterly interim financials for them to be in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia.



**RSM International**

# THE RSM INTERNATIONAL NETWORK

The **RSM** network connects member firms through common methods and processes, including commonly agreed and applied quality standards. This connection provides comfort to **RSM** member firm partners and their clients that the quality of service and advice to referred clients will be to a consistently high standard, everywhere in the world.

Many RSM member firms are among the top firms in their respective countries and possess some of the best professional resources and experience available. The member firms have a broad client base, from large listed and international companies to smaller, Owner-Managed Businesses in the public and private sectors. In addition to traditional assurance services, RSM possesses significant resources and experience in Zakat, transaction support, risk advisory, internal audit and corporate recovery and insolvency.

## LEGAL STRUCTURE AND OWNERSHIP

RSM International Limited is a company limited by guarantee and is incorporated in England and Wales (company number 4040598) and whose registered office is at 50, Cannon Street, London, EC4N 6JJ.

RSM International Limited does not itself provide professional services to clients but acts as a member services organisation. Client services are delivered by the independent member firms of RSM International, each of which is a separate and independent legal entity. Member firms are not members of an international partnership or legal partners with each other. No single member is responsible for the services or actions of another. Although many member firms take the RSM name, there is no common ownership between these firms or ownership of them by RSM International Limited.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

## REQUIREMENTS OF MEMBER FIRMS

RSM member firms agree to adopt and align with the following policies and procedures as a requirement of membership:

- ❑ RSM Quality Assurance and Risk Containment Policies and Procedures.
- ❑ RSM Audit Manual and its methodology
- ❑ RSM Ethics and Independence Policies.
- ❑ RSM Assurance Services Training and CPD Policies.
- ❑ RSM Member Firm Inspection Programme Policies and Guidelines.
- ❑ RSM Anti-bribery and Corruption Policies and Procedures

## FUNDING

The cost of coordinating the RSM International network is funded by member firms. Each year the International management of Directors approves the budget for the coming year. Substantially all budgeted income is derived from annual membership fees paid by member firms. The fees for member firms are calculated in accordance with an approved funding formula that takes into account a number of factors including the member firm revenues and their level of net referral fees.

## MANAGEMENT AND GOVERNANCE

The organisational structure of RSM International is aimed at executing the RSM global strategy – the Power of Focus – and providing member firms with the platforms to develop business together in a high-quality manner. The structure also reflects the network's geographic coverage, ensuring representation from all key regions.

# THE RSM INTERNATIONAL NETWORK

## INTERNATIONAL BOARD OF DIRECTORS

RSM International is an organisation with the infrastructure and resources needed to establish common standards and quality assurance programmes, as well as to facilitate effective management of transnational work by its member firms.

Governance of RSM International is comprised of representatives of member firms who form the International management of Directors. Members of the management, which comprises 12 Directors, are put forward by the Nomination Committee who apply the management Appointment Process relevant to the vacancy on the International management of Directors. The Directors elect a Chairman and appoint a Chief Executive Officer. The management sets the international strategy of RSM International and acts in the interest of the network as a whole.

The current Chair of the International management of Directors is Mike Kirley, who also acts as the International Strategy Officer of RSM US LLP in the USA. The full time CEO is Jean Stephens who leads the Global Executive Office in London and whose responsibilities include the implementation of short and long-term organisational strategies for the growth and development of the network.

## REGIONAL OPERATION

The member firms of RSM International are organized into geographic regions for purposes of administrative and quality control programmes, as well as for coordination of cross-border or multinational team assignments.

Currently, the key regions of RSM International are Africa, Asia Pacific, Europe, Latin America, North America and Middle East/North Africa (MENA).

The Africa, Asia Pacific, Europe, Latin America and MENA regions have a governance structure that takes the form of Regional Councils. Each council is comprised of the Managing Partners of each member firm within that region.

Regional Leaders are devoted to the development of the region and work with the member firms in that region on a daily basis.

The current Regional Leaders are:

Africa Clive Betty	Europe Gregor Schmidt	MENA Bassam Dahman
Asia Pacific Neil Hough	Latin America Brendan Quirk	North America RSM US LLP International Office

## RSM INTERNATIONAL'S COMMITMENT TO QUALITY

Quality is the absolute cornerstone for RSM International and as such every member firm is required to meet a number of obligations in relation to quality. To ensure consistent practices and standards among member firms, RSM International has developed a number of global methodologies, policies and practices which are compliant with International Standards (where applicable). These have been developed by specialists and leaders at member firms and the Global Executive Office, under the oversight of the RSM Transnational Assurance Services Executive Committee.

Every member firm is required to conduct an internal inspection over the quality of services delivered and compliance with network policies and procedures as well as their own incremental policies and procedures each year. RSM International organises global observations of these inspections on a cyclical basis, not to exceed every three years. If a firm's annual inspection or the cyclical global observations highlight significant non-compliance, a follow-up review is scheduled to check progress on issues raised. Significant non-compliance can result in a number of sanctions being imposed on the firm, including up to termination of the firm's membership in RSM International.

# THE RSM INTERNATIONAL NETWORK

RSM is a leading provider of audit, Zakat and consulting services to global leaders.

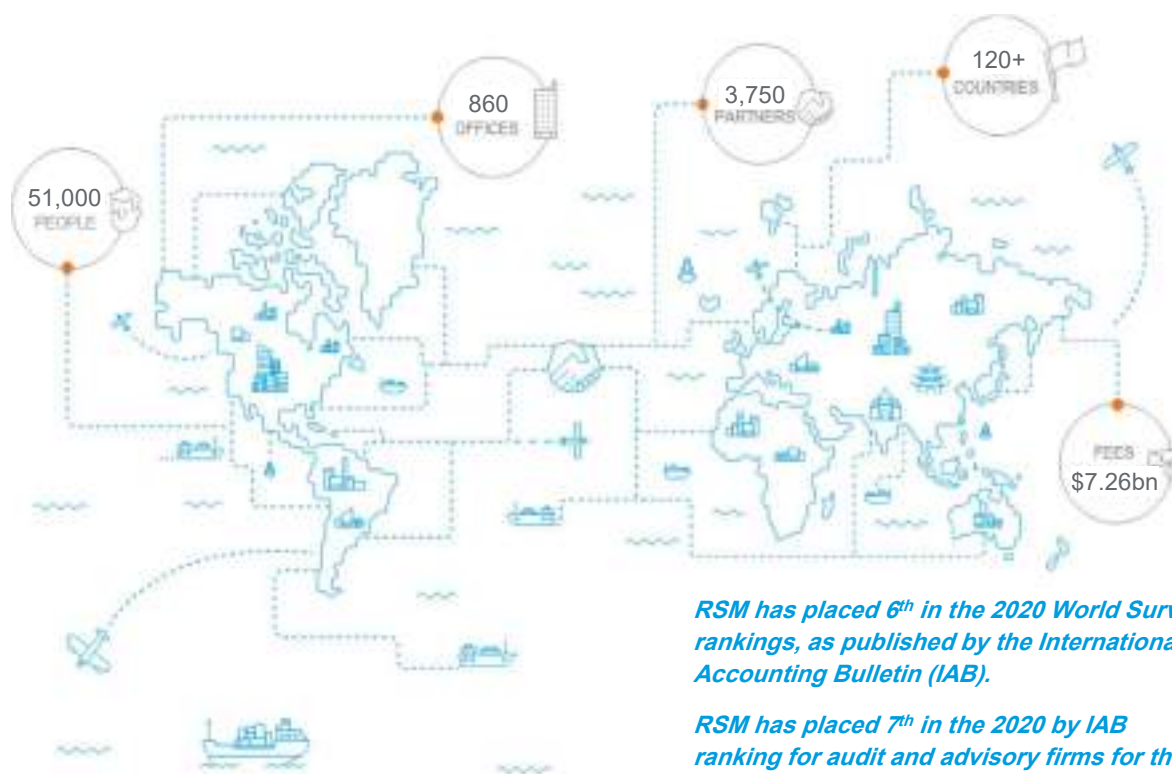
## Middle East and North Africa

The ongoing political and social changes in the Middle East and North Africa continue to present both challenges and opportunities. RSM draws on its deep experience of the financial landscape across the region to anticipate change, business trends and help clients to enable change.

We believe in providing all of our clients with a consistent service going above and beyond their expectations, wherever they are in the world. That means providing both full-service local support and coordinating with RSM network firms around the world to unlock the international knowledge and insights of our most experienced senior professionals.

As an integrated team, we share skills, insight and resources, as well as a client-centric approach that's based on a deep understanding of your business. This is how we empower our clients to move forward with confidence and enable them to achieve their full potential.

## THE FIVE C'S OF RSM



*RSM has placed 6<sup>th</sup> in the 2020 World Survey rankings, as published by the International Accounting Bulletin (IAB).*

*RSM has placed 7<sup>th</sup> in the 2020 by IAB ranking for audit and advisory firms for the Kingdom of Saudi Arabia.*

# RSM INTERNATIONAL

**120+**  
Countries

.....

**860**  
Offices

.....

**51,000**  
People

.....

**\$7.26bn**  
Revenue





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# Bringing “The Power of Being Understood”

The business world is evolving rapidly. Through advances in technology, communications and infrastructure, business barriers are disappearing and each day we become ever more global.

In this fast-paced environment, you need an adviser that thinks ahead and rapidly responds to your changing needs. At RSM, we build strong relationships based on deep understanding of what matters most to our clients.

It is our strong, collaborative approach that differentiates us. We will strive to truly understand you, your strategies and your aspirations and endeavour to be considered the adviser of choice to your business. By sharing the ideas and insights of our most senior professionals, we bring our expert local and global knowledge and resources to your environment, so you feel understood and empowered to move forwards with confidence.

**This is the power of being understood.**

**This is the RSM experience and our commitment to you.**

## Vision

To be the adviser of choice to middle market leaders globally.

## Purpose

To deliver The Power of Being Understood to our clients, Colleagues and commodities.

## Distinguishing Beliefs

A set of principles through which we can realize our vision and empower all our clients to make confident decisions, being accessible, responsive and adaptive.

## Collaboration

Building strong, collaborative and lasting relationships with all our stakeholders, being accessible, responsive and adaptive.

## Understanding

Gaining a deep understanding of clients' needs, strategy and aspirations and striving to be an essential part of their business environment.

## Ideas and Insight

Ensuring every client benefits from tailored thinking and the insight of our more senior experts, both locally and globally.

## Values

As a network, we underpin our brand with the following VALUES that are integral to the way we act with each other and with clients;

## Respect

We display respect in each interaction with:

- ✓ Clients
- ✓ Employees
- ✓ Partners

## Integrity

We stay true to our beliefs:

- ✓ In decisions
- ✓ In negotiations
- ✓ In communications

## Teamwork

We cultivate genuine collaboration:

- ✓ In our work groups
- ✓ Across member firms
- ✓ Across functions

## Excellence

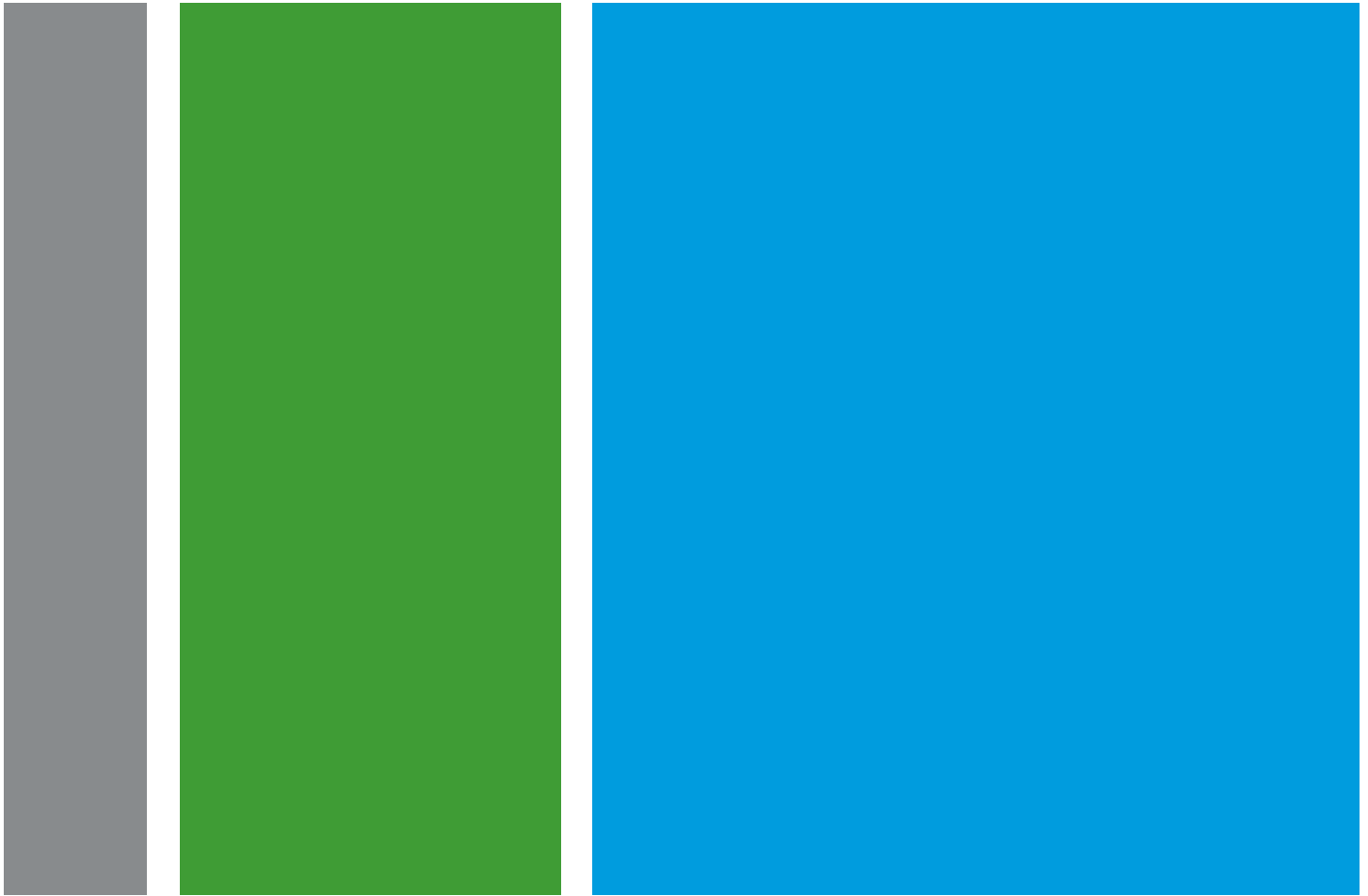
We achieve distinction through:

- ✓ Our standards
- ✓ Our operations
- ✓ The work we deliver

## Stewardship

We make RSM a better place by:

- ✓ Developing our people
- ✓ Building our brand
- ✓ Supporting our communities



## RSM In Saudi Arabia

# RSM Allied Accountants

## RSM ALLIED ACCOUNTANTS

RSM Allied Accountants is one of the quality firms in the field of audit, tax & zakat and consulting services. Allied Accountants is member of RSM since 2009.

Commercial Registration No. 4030228773

License No. 323/11/168

## OUR EXPERIENCE

RSM has experience across multiple sectors and throughout the global market. We focus that diverse experience into a complete knowledge package of international best practices and expertise to provide you with an internationally competitive service. Additionally, RSM has had the pleasure of working with other organizations in the MENA region, and has a developed knowledge by offering audit services to customer-focused organizations within this geographic area.

Our professional staff across the world offering a full range of audit and assurance services. RSM will talk to management about their observations and findings during the audit to help the business improve its compliance and performance. Our professionals specialize in particular sectors and industries, to give a deeper understanding of the challenges that may be faced. Prior to commencing an audit, our audit teams will visit you to understand how your business operates, the risks it faces and how to work with you to complete an effective and high-quality audit.

Our audit methodology has been developed by our leading firms with public interest as priority. Of course we need to complete an audit in accordance with relevant international and national standards but our audit process is flexible, which enables our audit teams to modify their audit approach to better match the client needs and circumstances.

We work closely with our clients to meet their service expectations and we pride ourselves on being a responsive, pragmatic and approachable team.

We believe we are ideally placed to provide professional services for the following reasons:

- ❑ A team of experienced professionals will be assigned to serve you. Our team has extensive experience in providing audit, zakat & tax and consulting Services
- ❑ Team members are committed to provide high quality service throughout the project and possess thorough industry knowledge and exposure
- ❑ Our proposed fee is reasonable compared to the quality of services which we are committed to provide to Client..



# RSM Allied Accountants

## Members of the Allied Accountant's Management as at 30 September 2020

❑ **Mohammed Bin Farhan Bin Nader**

❑ **Abdul Hamid Nazer**

All partners are Certified Public Accountants (CPAs) registered with Saudi Organization for Chartered and Professional Accountants (SOCPA)

The Management is responsible for all aspects of the management and governance of the Firm. Any of the Management's powers may be delegated to any individual member or members of the management and, in practice, the responsibility for the day-to-day operational management of the service line is entrusted to the Head of Audit who carries out such management with the Audit Management Team (AMT)

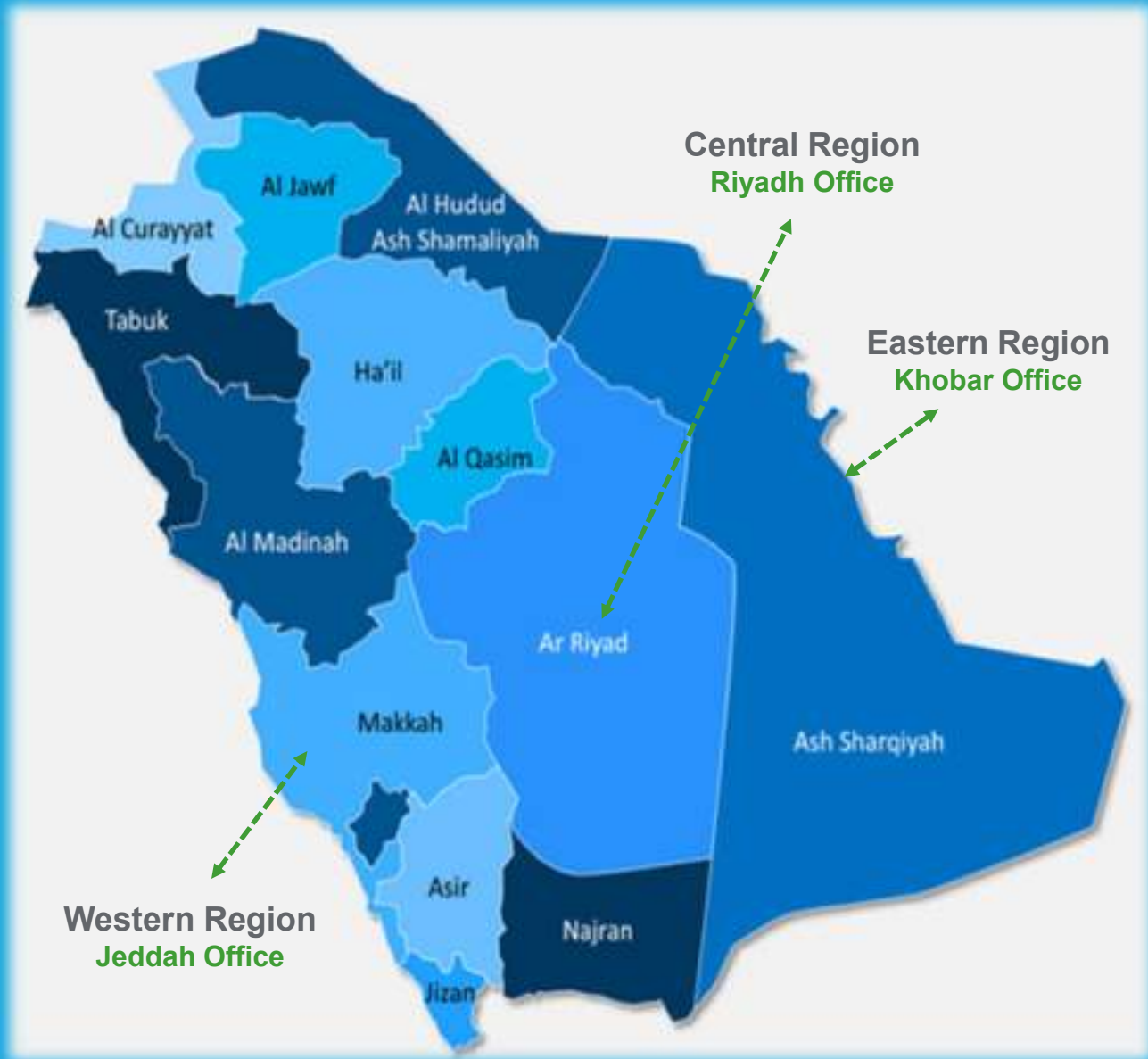
The Management meets at least three times a year and additionally as required. All management meetings in the year were attended by all management members at the relevant time. The agenda consistently covers a discussion on aspects of governance and a report by the Head of Audit on operational issues and financial performance.

Audit quality always features prominently at the meetings. The Head of the Quality Assurance Department (QAD) provides a written report and the management monitors closely actions taken to address QAD findings. Specifically, the management discusses and ratifies any proposed RI appointments and changes in authorizations and monitors whether training requirements are being addressed.

Reports from external regulators are discussed and the firm's action plans to address regulatory findings are critically assessed and monitored on an ongoing basis. Finally, any ethical issues are raised and discussed so that action plans can be put in place where appropriate.



## FIRM'S KEY STATISTICS



Over  
220+  
Partners  
and Staff

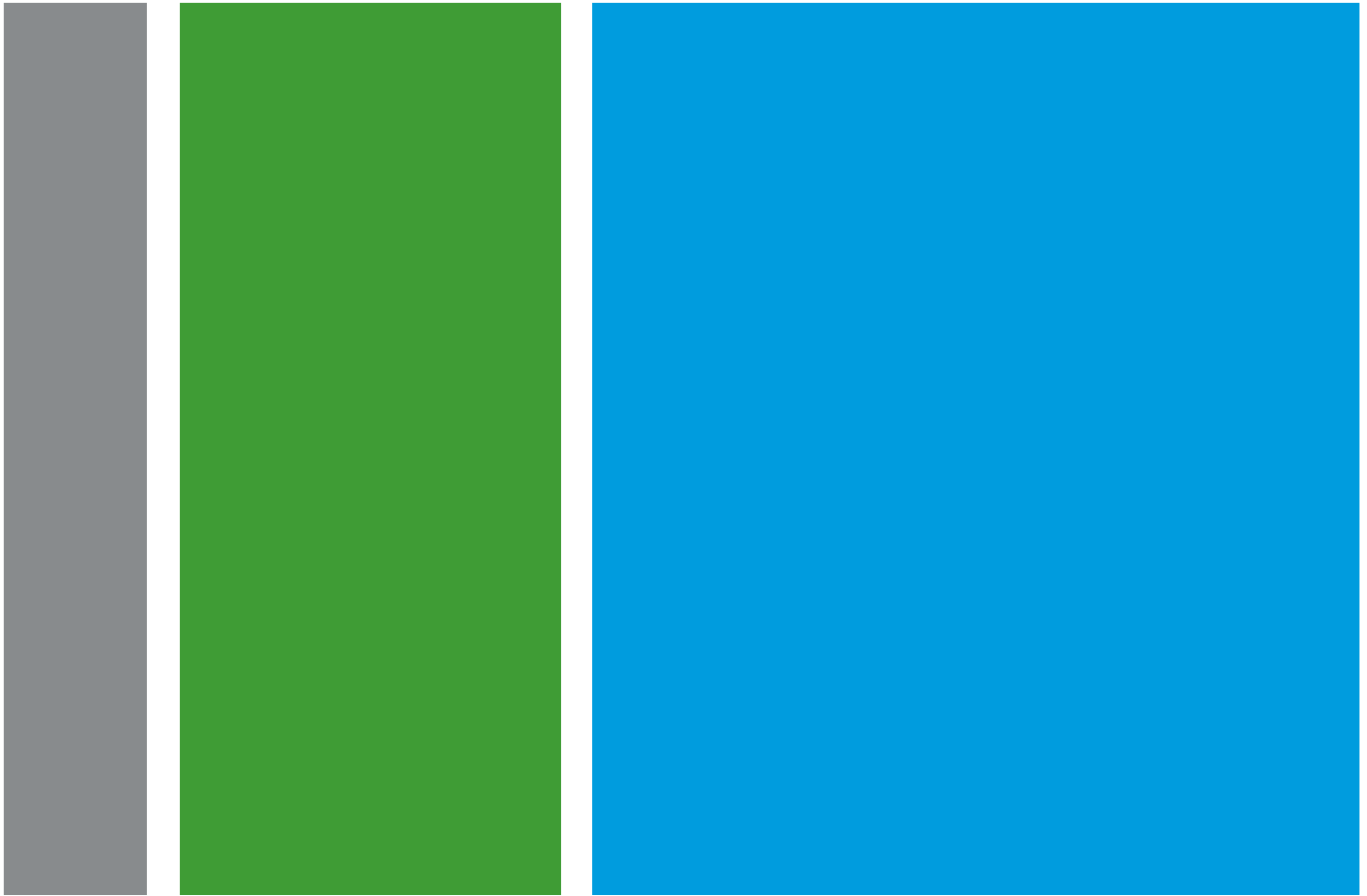


Operating  
from  
3  
Locations



Total  
revenue  
SAR 35.8m





## Audit Methodology and Commitment to Quality



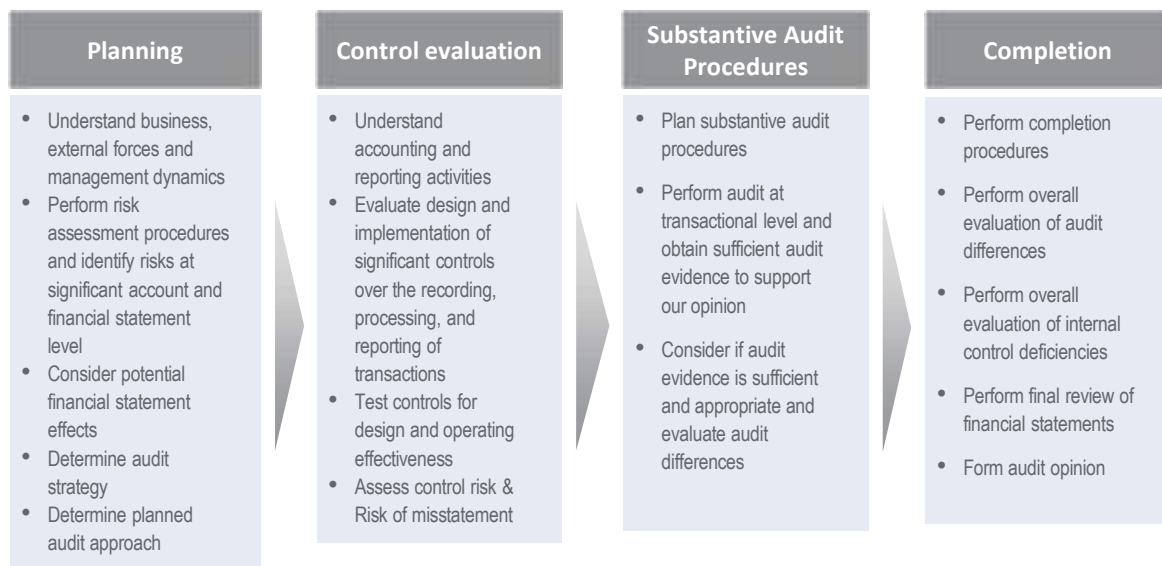
# OUR AUDIT METHODOLOGY

**Consistency** – All audit professionals involved in Company audit will use the same methodology. Applying a consistent approach globally promotes efficiency, regardless of the location where the audit is performed.

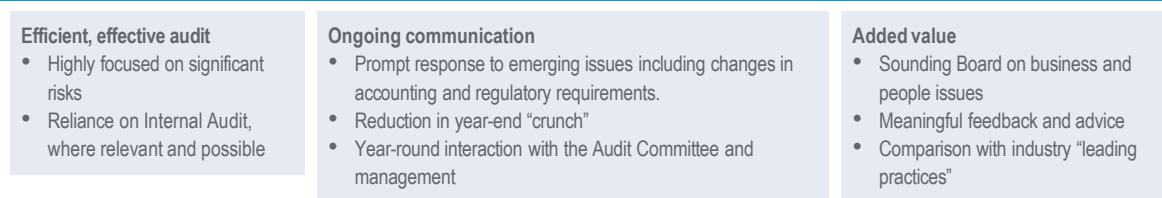
**Industry knowledge** – Access to industry knowledge facilitates our audit professionals' ability to focus on what's important to your business. Our global knowledge base allows us to provide you feedback on how your processes and controls compare with industry leaders.

## ONGOING COMMUNICATION

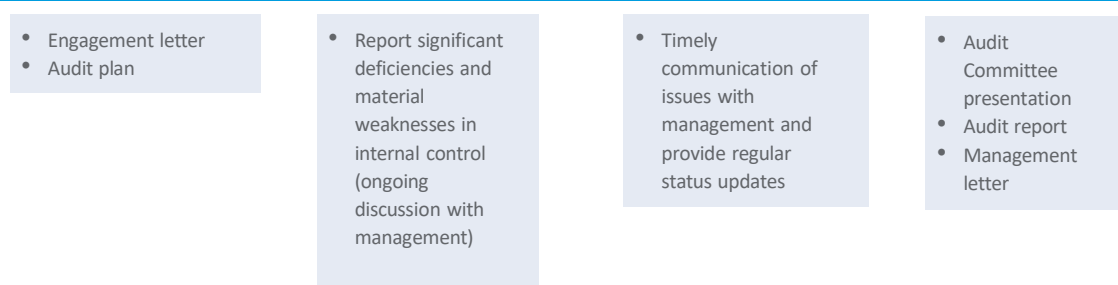
### CLOSE COORDINATION



### CLOSE COORDINATION



### Outputs for you



# COMMITMENT TO QUALITY

**RSM Allied Accountants primary objective is the maintenance and enhancement of quality which leads to a sustainable and profitable business.**

## COMMITMENT

Our commitment is underpinned by our emphasis on professional and decisive leadership, IT capability and investment, effective training and personal development, the operations of the Quality Assurance Department (QAD) and being responsive to the findings of the firm's regulators. We are continually striving to improve our internal monitoring procedures and our response to external monitoring.

The firm aims to attain the highest standard of professional conduct through the cumulative effect of the following:

- ☐ Internal quality control procedures (at the point of delivery)
- ☐ Internal quality assurance by reviews of engagements and of principals' and staff's competence;
- ☐ Continuous training, informing and assessment of all principals and staff;
- ☐ Feedback from staff and RIs; and
- ☐ The external quality monitoring by the firm's regulators.

## QUALITY AND CULTURE

It is vital that the firm is constantly assessing its messaging and the behavior of staff to ensure that quality culture permeates throughout the firm. The Management looks for signs that any aspects of culture need redressing and the Ethics team promotes and monitors adherence to independence and integrity.

All partners and staff are provided with access to the employee guide which sets out the firm's code of conduct the employee guide contains information covering all aspects of day to day working life and is available on the intranet as a reference tool, ensuring that both partners and staff always act in a professional manner.



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# QUALITY AND OUR METHODOLOGY

RSM policies and procedures are designed to ensure that our engagements comply with relevant regulatory requirements, professional standards and RSM Methodology.

## SOFTWARE

The methodology is supported by the firm's own computerized software which enables the planned project work to be tailored. Whilst its functionality, along with the inbuilt controls and structured work flows, promotes discipline and compliance with International Standards, it allows RSM teams to focus on the exercise of judgement and evidence their scepticism and challenge of management leading to well-documented, effective and robust quality.

## PLANNING

Our methodology requires a detailed understanding of the business, the industry in which it operates and the systems and controls which it has in place. Our regular contact with management throughout the project ensures that we are aware of key developments and provides an opportunity for management to be informed of and act upon relevant technical and regulatory changes. These exchanges inform the development of the strategy for the project and the production of a plan that is based on a detailed risk assessment enabling focused testing to be performed and an effective and efficient plan to be carried out. The plan is revisited and revised, where necessary, during the course of the project as the team reacts to their findings.

Principles have access to the staff resource planning tool, Retain. This enables them to view the availability of all staff, and their particular specialisms, and ensure that the selected engagement team have the appropriate skills and expertise for a particular engagement.

## FIELDWORK

We use a range of techniques in carrying out our engagement. Our computerized tools which provides guidance on how to use data software to perform specific tasks. Training and the sharing of good practice in this area is a continual process which is supported by champions at manager and user level.

The exercise of professional skepticism is an essential feature in a quality and our culture encourages teams to consult and to challenge their own, their colleagues' and the client's assumptions and conclusions during the performance of the engagement, and to document the resolution of matters arising. A broad spectrum of experts in auditing, accounting, IT, taxation, valuations and financial instruments are on hand to consult, assist or use where necessary.

## REVIEW

Each team member is responsible for considering the quality of his or her work before signing it off. In addition, with the exception of the principal, the work of every team member is reviewed and signed off by another, more senior, person.

Additional reviews by colleagues who are independent of the team are required in certain circumstances, for example where there is a public interest, where the client is deemed to represent potentially high reputational risk to the firm, where a long-standing relationship exists, or where the principal is being mentored.

Independent reviews are also conducted when an enhanced report is to be issued. Such reviews are always conducted by appropriately qualified and experienced personnel and our computerized software ensures that all these quality controls are applied and evidenced.

## QUALITY AND SPECIALIST AUDITS

RSM maintains responsible individual (RI) and manager authorization system such that only those individuals with the requisite skills, experience and training can undertake specialist projects, including entities with public interest are responsible for conducting reviews of the authorisation list on a bi-monthly basis to ensure that the system is up to date.

Prior to being involved in specialist assignments, our staff must have completed appropriate specialist training. To ensure that this policy is adhered to, RIs are required to confirm, at the initial planning stage of each engagement, that they are satisfied that the allocated staff have the appropriate skills and expertise.

## QUALITY AND MENTORING

There are mentoring arrangements for all new RIs, for RIs engaging in new specialist areas, for RIs that are about to relinquish their authorisation and for RIs where the Head of department considers that mentoring is necessary for quality or other reasons. Mentors are selected from an approved pool of appropriately experienced principals who submit regular reports to the partners.

## QUALITY AND TRAINING

Training is key to ensuring that we are delivering quality work and maintaining a quality culture:

- ❑ all qualified personnel attend a core programme of training;
- ❑ partners and staff are provided with training according to their specific roles and specialisms;
- ❑ partners and staff attend soft skills courses to ensure that technical knowledge is applied effectively;
- ❑ an RI induction course is mandatory for all new RIs;

## QUALITY ASSURANCE DEPARTMENT

Quality is the responsibility of all partners and staff. Internal quality assurance review systems must be adequate, appropriate, and make a contribution to quality. The function is delivered by the Quality Assurance Department (QAD). QAD is a separate, independent department and is responsible for checking compliance with the firm's procedures and giving feedback to promote continuing improvement in the quality of work.

The QAD team states on the firm's intranet that it aims to be:

- ❑ comprehensive in its coverage and scope of reviews;
- ❑ consistent in application of review procedures;
- ❑ critical in identification of areas for improvement;
- ❑ constructive in communication of review findings; and
- ❑ cooperative in arranging and performing reviews.

The monitoring procedures applied by QAD are in accordance with the International Standard on Quality Control. The QAD team carries out reviews of files, either in physical visits to offices or remotely, and also reviews 'whole firm' matters such as the manuals, training programme, CPD records, appraisals and ethical compliance, and internal controls, such as internal authorisation, audit access and financial management.

QAD has a programme of taking high performing staff on secondment, to give them experience of QA work and a deeper understanding of quality, which they then disseminate in their office after the secondment.

A small number of QA file reviews are carried out by independent RIs from the practice or Learning & Development, to assist in their understanding of the QA process and to give insight into typical findings. These reviews are performed under close supervision by a permanent member of the QAD team.

## PROCESS

The use of IT by QAD is extensive and the consistency of review procedures is ensured by the deployment of dedicated QAD team members, the use of review work programmes peer review by QAD colleagues and the pre-issue review by the Head of QAD of all reports.

Reviews findings are issued in writing to the principal and manager and then discussed in a meeting with them. This dialogue includes recognition of instances of good quality work as well as the identification of areas for improvement.

After the meeting, the principal and manager are asked to provide written responses and this should include examination of the underlying root causes for any non-compliances.

Where QAD considers that an inappropriate report may have been given, it refers the case to the Technical Committee, who decide whether the report is inappropriate and, if so, what action should be taken.

At the conclusion of the review(s) for each RI and manager, QAD uses a risk-based approach to determine the interval before their next QA review. If it is decided that an interval of six months is needed, to galvanise improvement, the individual is duly notified.

## MONITORING AND REPORTING

Our internal policy is that we do not grade our QA file reviews. Our view is that this can be counterproductive and that instead it is qualitative feedback that is more constructive and helps teams to achieve improvement. Grading systems can be biased or anomalous and can lead to excessive focus on the grade, rather than the more important messages about striving for improvement.

The Head of QAD provides an annual summary written report to the partners, setting out any current concerns and obtaining prompt responses and actions as necessary.

QAD provides feedback to Partners about each principal and manager reviewed and this information is then used within the appraisal process as necessary.

The quarterly RI regional meetings are attended by one of the QAD team members and each meeting includes a section devoted to quality.



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# ETHICS AND INDEPENDENCE

## THE FIRM DEVOTES A HIGH DEGREE OF RESOURCE TO ETHICS

Ethics materials and personal advice are readily available to staff at all levels, covering the external ethical obligations to which the firm is subject as well as its own ethical policies and access to advice from the Ethics Partner or a member of the Ethics Team on request and at any time of day.

Staff receive regular short messages on ethics via front page intranet news alerts eg around gifts and hospitality. This is supplemented by an ad hoc newsletter, which goes to all staff directly from the Ethics Partner.

## ETHICS PARTNER, ETHICS TEAM AND PANEL

The Ethics Partner keeps members of the Panel informed on operational and policy related issues and briefs its members on his expectations across all of the service lines. The Terms of Reference of the Panel acknowledge the Ethics Partner's entitlement to determine any matter related to the taking on, continuation of, and disengagement from an audit engagement for ethical reasons, an entitlement emphasised by the Ethics Partner's own Terms of Reference. The Ethics Partner prepares and distributes the agenda for Panel meetings.

The firm's ethical policies lies with the Ethics Partner, assisted by the Ethics Team. It is the Ethics Partner's function to act as the ultimate arbiter of the application of the ethical codes to any given set of circumstances and all partners and audit staff are apprised of the need to consult the Ethics Team on any issue, particularly of interpretation, that they are unclear about.

In addition to the above, there are internal reviews of independence practices Each year, a summary report in relation to the independence declarations that all principals and staff need to make is provided to the Ethics Partner.

## POLICIES AND PROCEDURES

The firm has well-established systems and procedures in place to help safeguard the objectivity of staff and avoid conflicts of interest, whilst complying with ethical and other applicable standards.

Partners and staff are required to declare financial interests held by themselves, members of their immediate or close family or in their capacity as trustee in any client or affiliate.

Similarly, policies are in place providing guidance on business relationships and the purchasing of goods and services in the normal course of business. The annual declarations

completed by staff, partners and consultants are monitored for any change in business relationships.

Compliance with the firm's audit rotation policy is monitored and is applied to all audit partners and senior members of staff involved in an audit.

There are clear guidelines for dealing with gifts, hospitality and sponsorship so that any self-interest threat is avoided and objectivity is not impaired. The firm has a clear and extensive

gifts and hospitality policy in place to determine whether or not a gift or hospitality should be accepted and it is kept refreshed.





# RISK MANAGEMENT

All staff and partners are expected to embody the values of the firm with regards to risk and follow correct procedures. The promotion of risk mitigation is a key theme at audit workshops and RI meetings.

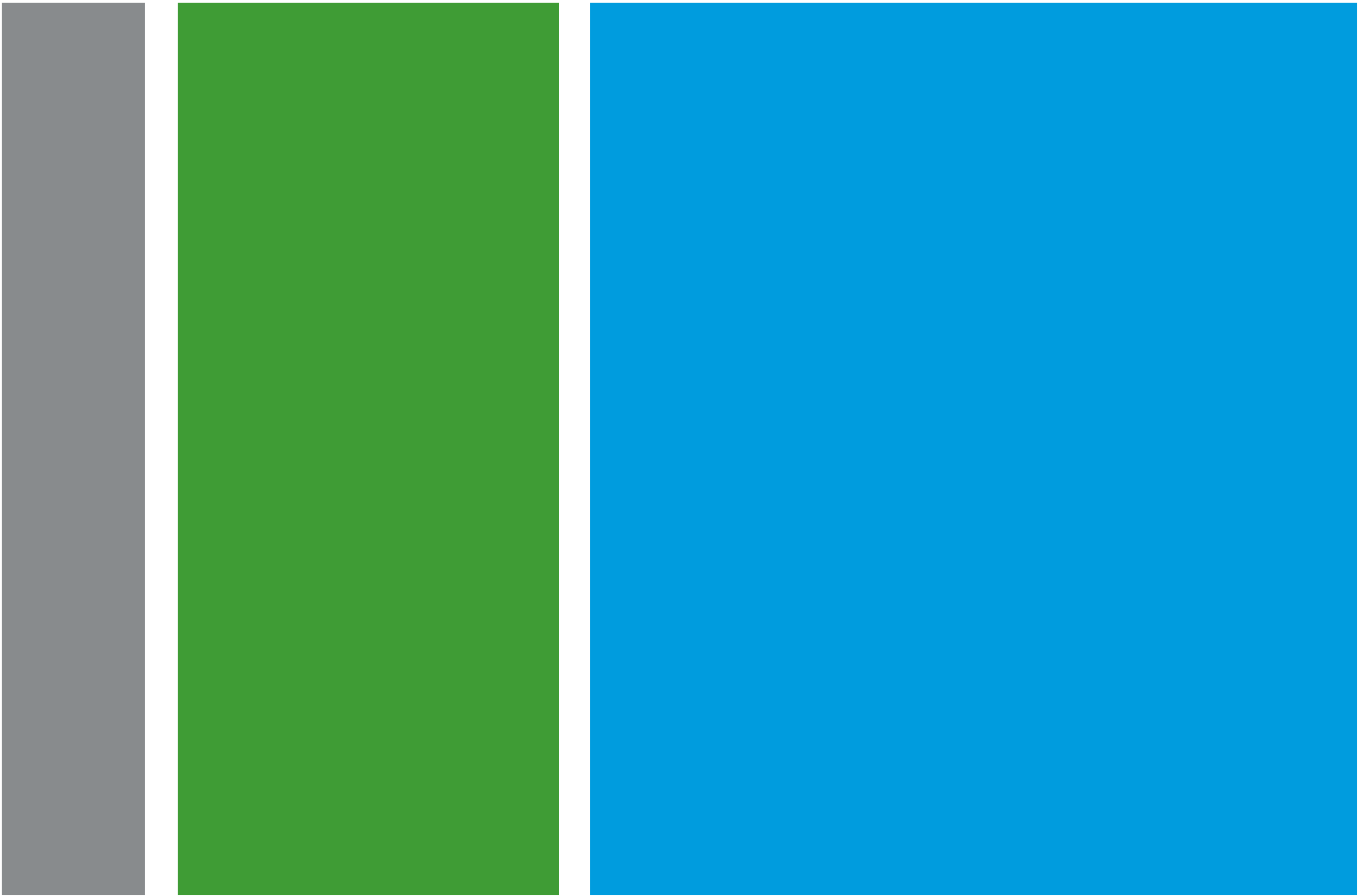
## RISK MANAGEMENT PROCEDURES

Across the firm, the management has primary responsibility for dealing with strategic and operational risk management including internal controls. The firm has also established an internal Risk Advisory Group which is led by the head of operations and comprises members from its Compliance, Legal and QA teams. Their work is to look at risk matters and internal controls within the firm and advise and support management to improve risk management strategy, operations and internal controls.

The firm requires the completion of the Client and Engagement Acceptance Programme (CEAP) for all new clients and additional and continuing engagements in relation to existing clients. The programme is designed to assist in identifying and managing risk, including the risk of breaching ethical standards, and incorporates an automated upward review and

authorisation process. It forms an important element of the firm's procedures to enable the firm to obtain reasonable assurance that it, and its personnel, comply with those standards before undertaking or retaining an engagement. Compliance and QAD undertake frequent checks to ensure procedures are being followed appropriately. System is continually enhanced and extensive intranet guidance and training is provided to users.

A wide Risk Register has been compiled and is used by QAD in the performance of an internal audit function. The compilation of the Risk Register and the review of effectiveness of controls have made use of the FRC Guidance on Risk Management and Internal Control.



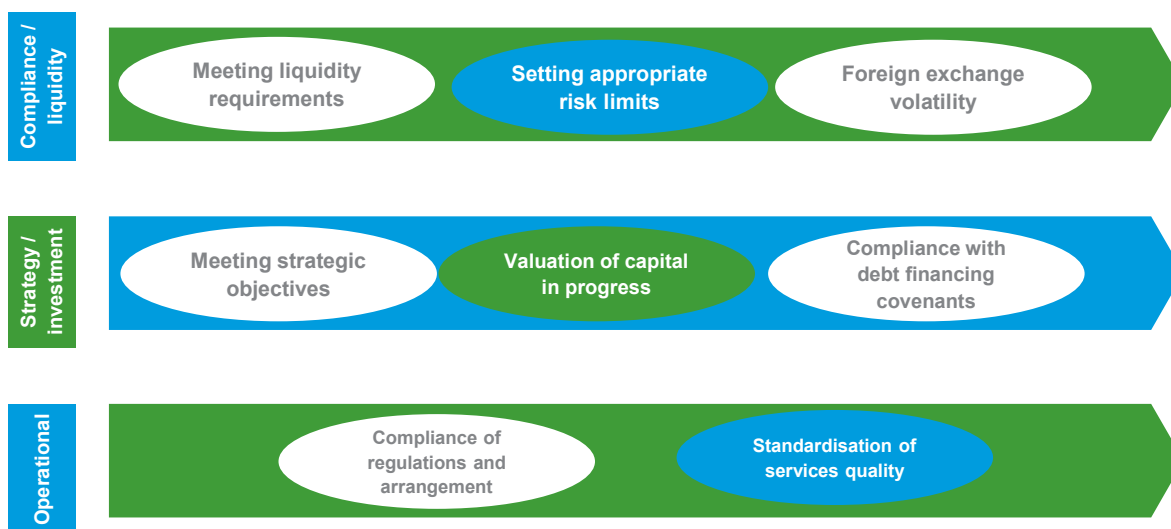
# Audit Approach

# YOUR AUDIT APPROACH

Our audit will be aligned to your business drivers and challenges. We will ensure quality and timely delivery with an emphasis on proactive and pre-emptive advice and above all a quality audit opinion.

## Risk assessment and impact on our audit approach:

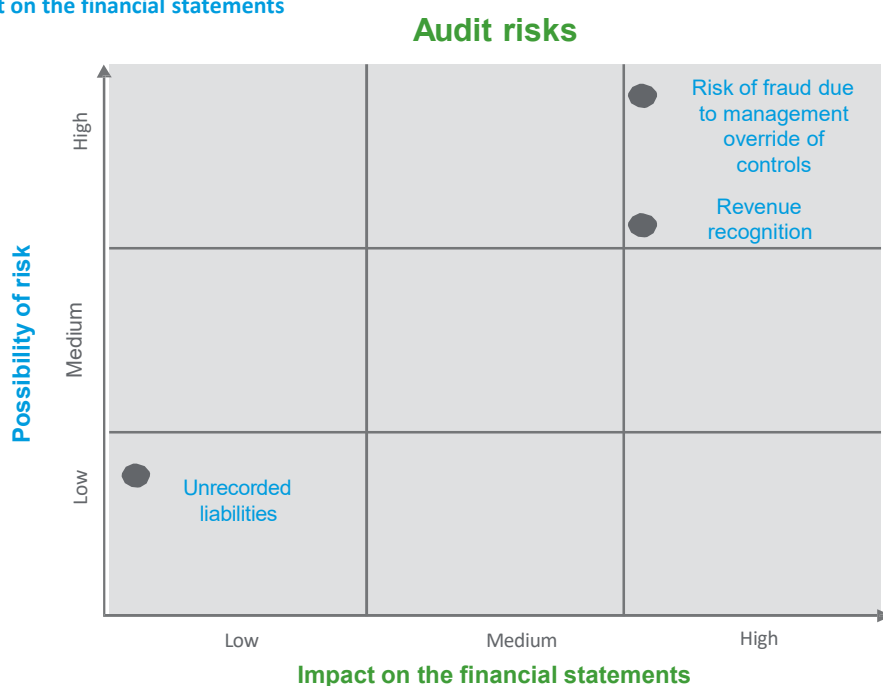
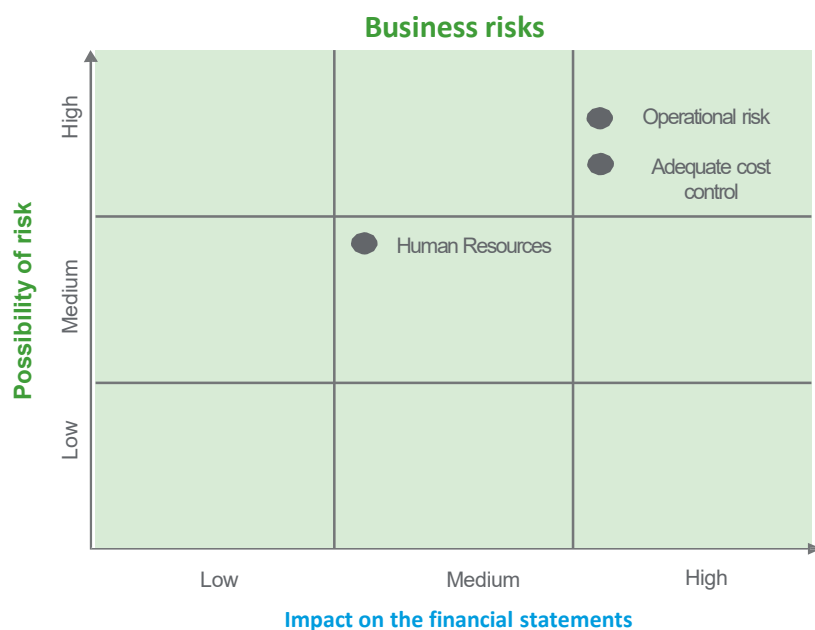
Our audit is risk based and therefore knowledge of your business risks is the most essential part of our approach. Based on our understanding through meetings with senior management, review of annual reports and using our understanding of companies operating in similar industries, we have developed the following risk map that will be in core focus for the audit (*but not limited to*). The risk map identifies key risks and how these are translated into audit risk. We would present and discuss this in more details during audit planning workshop.



# TAILORED AUDIT APPROACH

Our audit is risk based – knowledge of the industry is key when accessing the risks faced by Company. We use our unrivaled knowledge of the issues faced by similar companies to inform our risk assessment.

We plot out the various Business and Audit risks the Company may face, along with their magnitude of impact and likelihood of occurrence, in the table below:



# TAILORED AUDIT APPROACH (Cont.)

## Delivering a proactive, timely, robust and 'no surprises' audit

Our robust risk-based audit approach uses a globally consistent methodology and leverages technology platforms to identify key focus areas and engage with clients proactively to address them. Some of the key elements of our audit approach, which enable us to deliver a 'no surprises' audit consistently are set out below:



We are geared to meet audit completion deadlines - even the most stringent timelines



We engage with you closely to anticipate issues ahead of time



We are proactive and provide prompt feedback on reporting and compliance related



developments We have extensive experience in working in multiple locations



Our audit planning and approach is risk-based and focuses on what is relevant



Significant audit senior management presence throughout the engagement



Skills and proven experience in audit transition

*RSM delivered strong growth in 2019 but, for that to be sustainable, we must maintain a focus on quality and remain dedicated to ensuring that we also continue to meet and exceed the expectations of our rapidly growing, international client base."*

*"Our strategy for this year includes expansion into new markets, expanding our capabilities and footprint through aggressive M&A strategies, creating new products and services and identifying emerging new sectors - while delivering the service and expertise our clients expect."*

**Jean Stephen CEO of RSM international**

# TAILORED AUDIT APPROACH (Cont.)

## Delivering a proactive, timely, robust and 'no surprises' audit

Your expectations	Our response
<ul style="list-style-type: none"><li>• Coordination</li><li>• Sector insights</li><li>• No surprises</li><li>• Independent challenge; yet solution driven</li><li>• Timely delivery</li><li>• Continuity</li></ul>	<p>Strong project management across multiple locations through:</p> <ul style="list-style-type: none"><li>• A core team with significant experience that is hands on and leads from the front</li><li>• Upfront discussions with management</li><li>• Build strong relationships across all locations where Company operates</li><li>• Periodic meetings with management and site visits</li><li>• Use of issue tracker for early resolution</li><li>• Identifying and sharing good practices in business process and controls</li><li>• Ensuring quality audit at all levels</li><li>• Identifying and proactively communicating opportunities for performance improvement through management letters</li><li>• Subject matter experts support from IT, taxation, accounting advisory and forensic experts wherever required</li></ul>

### Service charter

- Understanding your business
  - Risk-based audit approach
  - Dedicated points of contact
  - Proactive and client centric approach
  - Robust project management
  - Early resolution of issues
  - Timely communication and delivery
- **Understanding your business** is central to our audit. Through upfront and ongoing interactions with your teams, we will seek to enhance our understanding of the key drivers of your business, and emerging issues and challenges that have an impact on Company's financial statements.
- Our audit approach is **risk-based**. Based on the risk assessment which will be agreed with you, we will focus on your key financial statement risks and the controls that mitigate those risks.
- Alaa** will be your **points of contact** and will be responsible for the overall scoping for the Company.
- Our **proactive and client centric approach** will ensure that the impact on your financial statements arising from regulatory changes, new accounting standards / guidance are discussed and evaluated upfront and compliance requirements are adhered to. We will leverage on our extensive experience in the industry and our access to our global network.
- Our approach is centered on **robust project management**. A centrally controlled and coordinated planning process will ensure co-ordination and synergies, and a 'no surprises' audit.
- Our approach, ensures deep ongoing involvement of the Engagement Leader. He and the team will engage closely with all relevant stakeholders contemporaneously as issues arise. We believe in resolution of issues through interpersonal and ongoing transparent communications.
- We have applied this approach on multiple global audit engagements across geographies. The core team will ensure a consistent application resulting in seamless delivery to you.**



# TAILORED AUDIT APPROACH (Cont.)

## Leveraging technology in audit

### Our dynamic audit takes a rigorous journey through the data

Our dynamic audit, powered by D&A innovations, digs deeper into the data, revealing more about the business and its risks. This, combined with a relentless commitment to quality, makes for a highly effective and very insightful audit. And we think that's of value.



#### FLOW

Amplifies our industry expertise and provides ongoing knowledge about the business



#### FIND

Enables us to filter, visualise, analyse, and extract information from the data



#### SHOW

Insights come to life through impactful and interactive visualisations accessed through an intelligent interface



#### VALUE

Results in a higher quality audit. Bring new insights into your business

### Using the right tools

The fundamental principle in our audit approach is to first define what we want to achieve and then select the right tool for the job. We will assess your processes, data structures and systems that will support our planned approach.

RSM is one of RSM's electronic audit tools that uses D&A to assist engagement teams in performing audit procedures over general ledger and transaction-level data extracted from Company's ERP and an accounting system. Benefits of this tools include:



#### Automation and consistency

Automating the performance of audit procedures and generating pre-populated audit documentation



#### Precision

Provides higher level of precision for audit procedures



#### Integration

Does not disrupt Company's normal operations



#### Environment

Secured with restricted access both in transit and within RSM's IT walls



#### Insights

Detailed analysis can uncover the business reasons behind and causes of outliers and anomalies



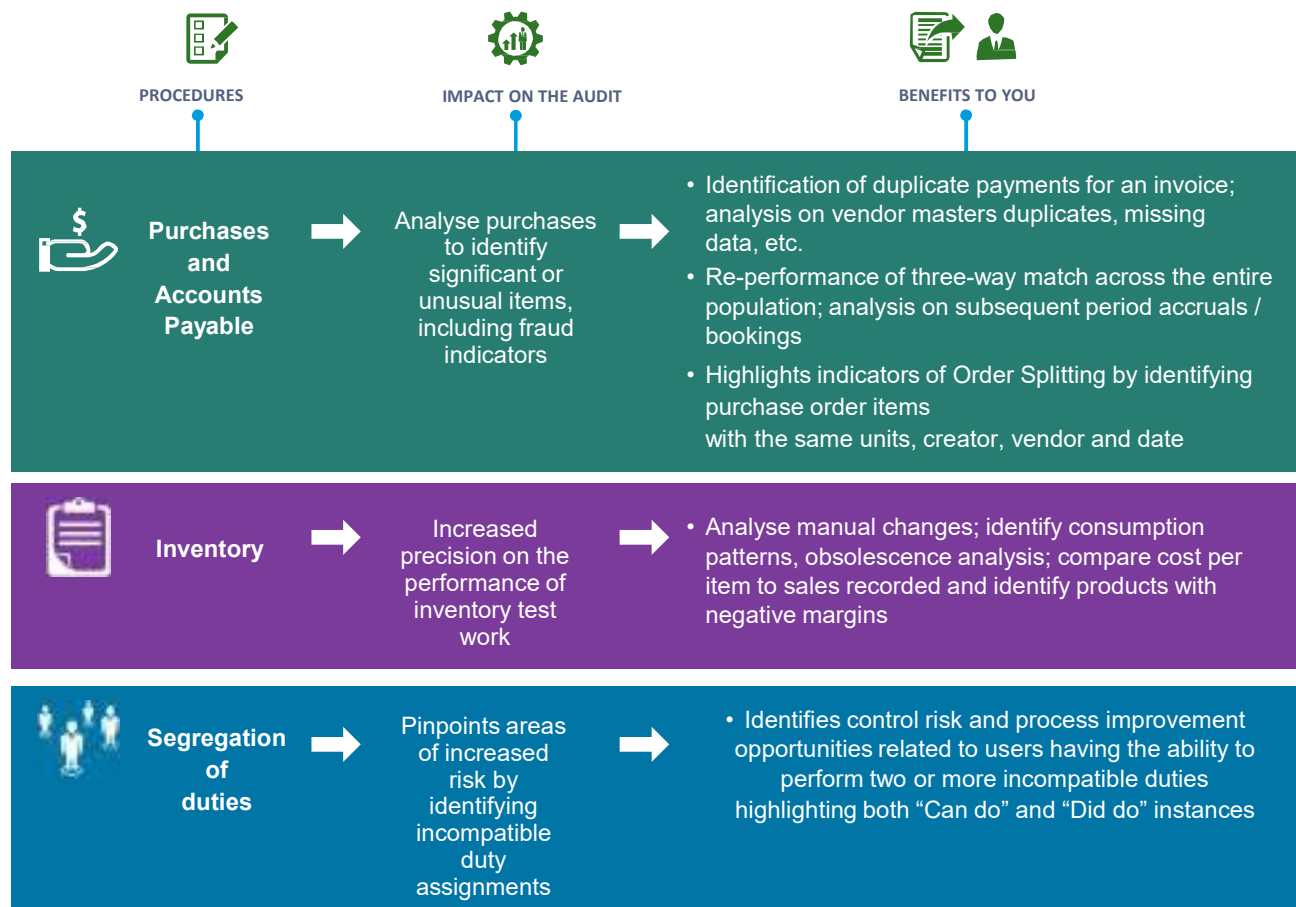
#### Trends

From a broader range of data, identify meaningful patterns and provide actionable intelligence to management

# TAILORED AUDIT APPROACH (Cont.)

## Leveraging technology in audit

KAAP is designed to run more than 60 unique routines and this number is increasing continuously through ongoing investments. An illustrative list of procedures using KAAP is given below

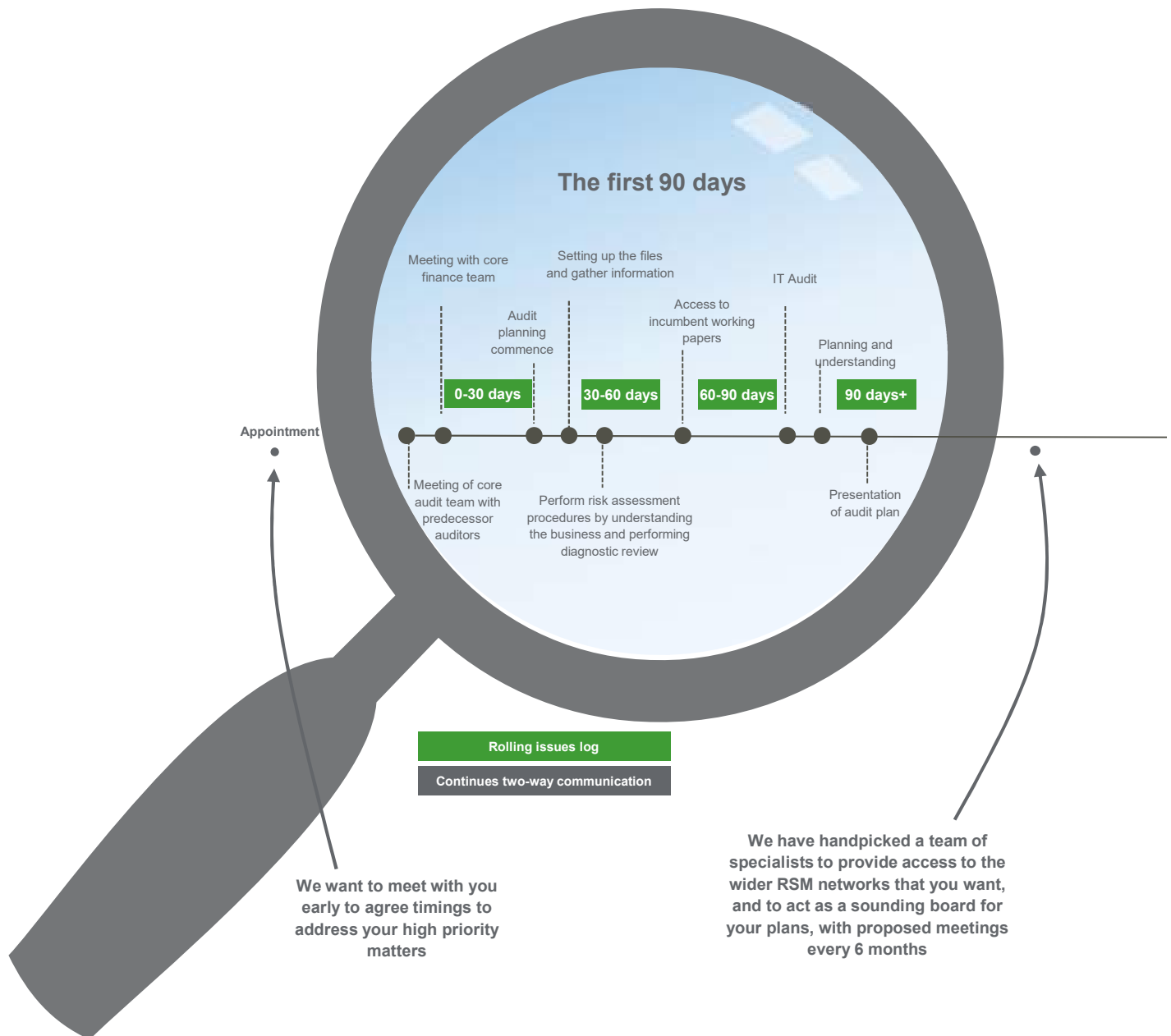


# OUR TRANSITION PHILOSOPHY

We realize that a change in the statutory audit relationship can be a significant undertaking for a Company of your size and complexity. The transition needs to be approached with great care and professionalism. Our team has significant experience in determining a smooth auditor transition, based on successful transition at many complex organisations.

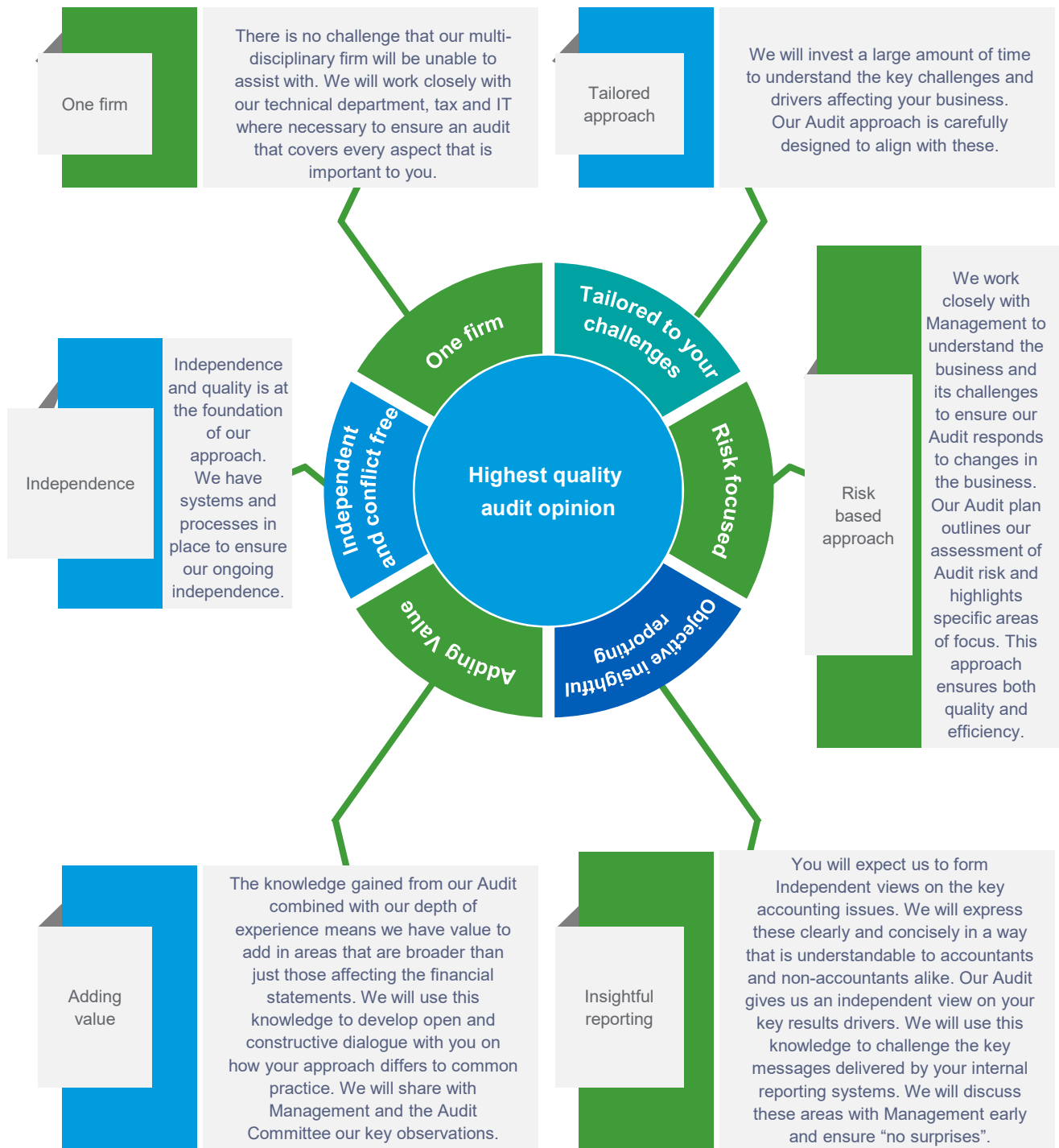


# No surprises approach.... always a step ahead



# AUDIT SUCCESS FACTORS

Our risk based audit approach is based on several elements which we believe contribute to a successful audit



# VALUE ADDED

## Advice beyond audit

We seek to provide our audit clients with advice beyond a statutory audit. Elements of this philosophy that would benefit the Company are listed below:

### Thought Leadership and Newsletters:



- Access to newsletters and knowledge updates:
  - Accounting and Auditing Update
  - Voices on Reporting
  - First Notes

### Working with regulators



- Close engagement with regulators
- Active participation in initiatives of the SOCPA, including membership of Committees and Working Groups
- Leadership on IFRS convergence initiatives

### Training / Benchmarking



- Training and awareness sessions on regulatory, compliance and financial reporting developments
- Benchmarking of accounting policies with Saudi and global peers in the sector through Accounting Advisory subject matter experts

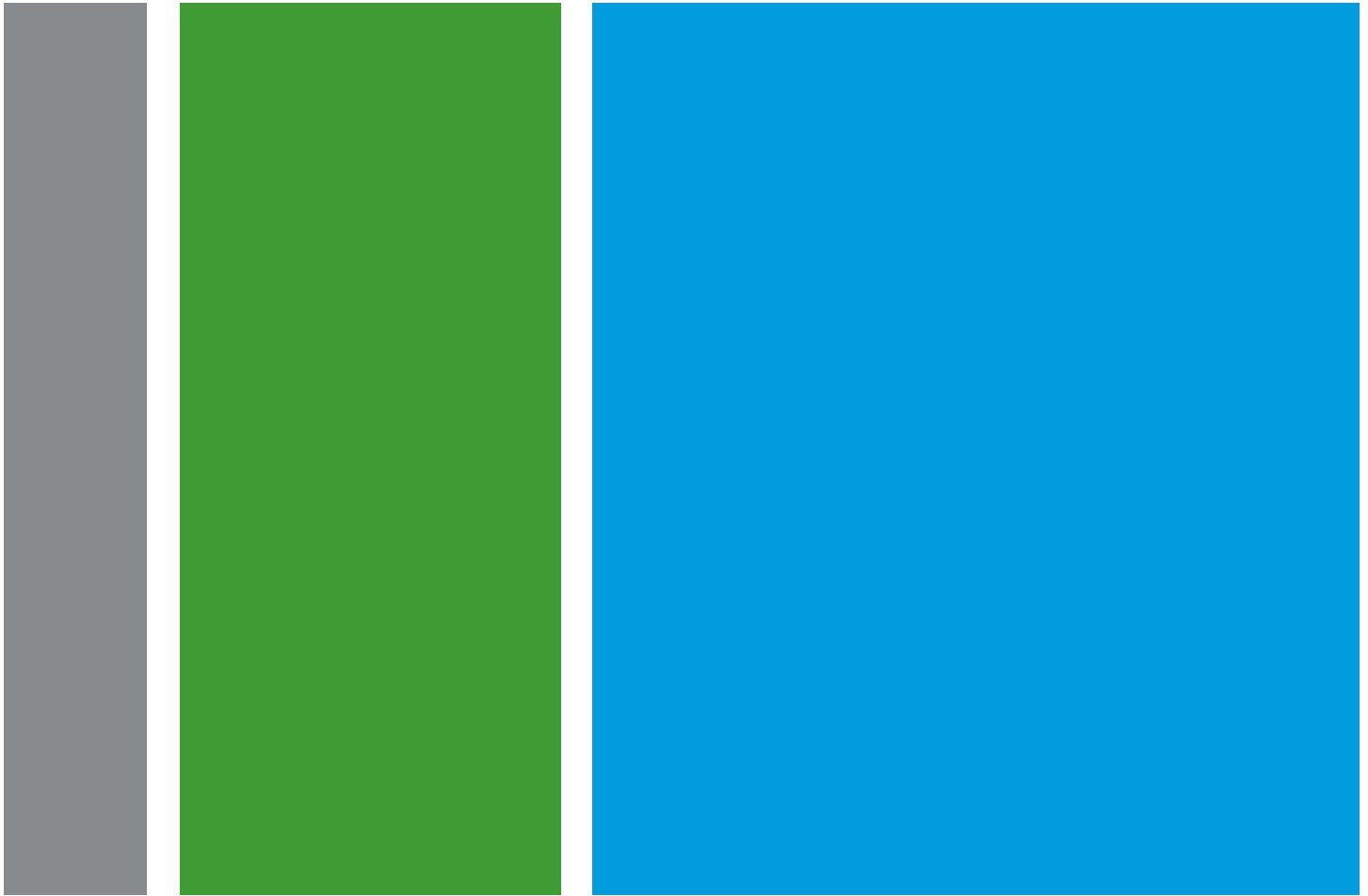
### Other initiatives



- Access to the International Standards Group – specialists based in London
- Working with independent directors

*Globally, RSM audit teams are coordinated or assisted by our Global Engagement Leaders, whose role it is to ensure the seamless delivery of high quality audit services to our global clients.*





## Our Credentials



## Our experience

### Audit & Assurance





## Our experience

IFRS, ADVISORY, VAT, IKTVA & OTHERS



## CLIENT FEEDBACK

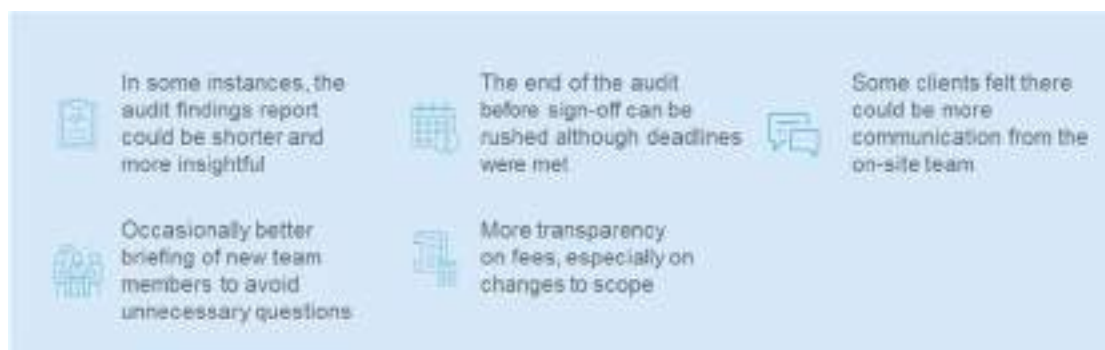
It is vital that audits are robust and independent but they also need to deliver a useful product to business managers and audit committees. We regularly carry out face to face interviews with our clients. These are conducted by personnel who have not been involved with any aspect of the service.

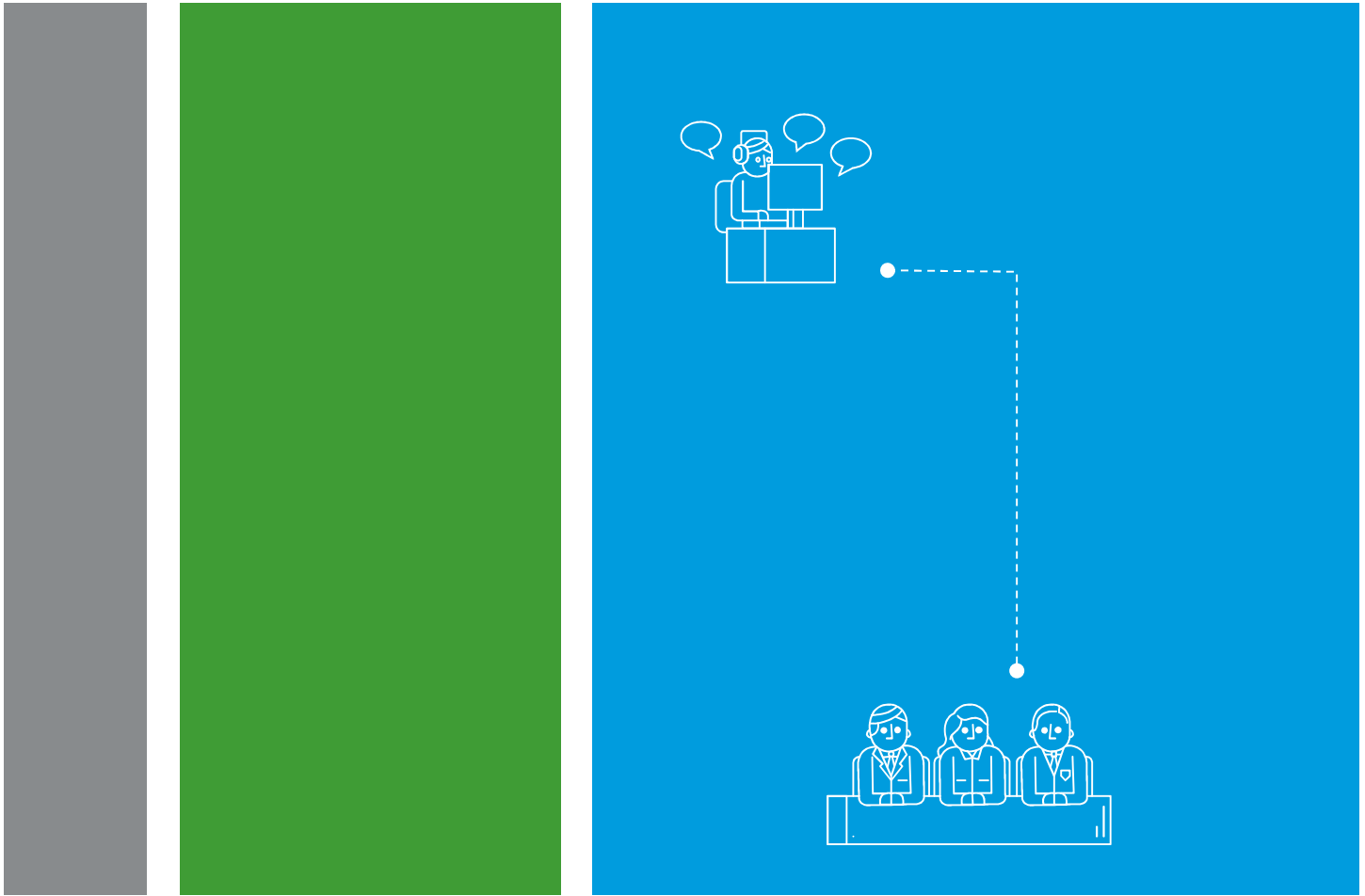
Each client interview is reviewed by the management and any issues on audit quality or service are addressed with the RI and the team. When particular themes emerge these are discussed and addressed the Management.

### Key themes



### Areas for improvement





## ANNEXURES

- **Team CVs**



**Mohammed Al Nader, SOCPA, CPA, Mcs**  
**Managing Partner**

**Kingdom of Saudi Arabia**  
[malnader@rsmsaudi.com](mailto:malnader@rsmsaudi.com)

Al Nader is Managing Partner of RSM in Saudi Arabia. He has experience in providing a range of consultancy services in GCC. He has extensive experience in IFRS, US, and Canada GAAP. He has worked with Big Four auditing firms provided audit and advisory services to major banks, investment companies, telecom industries and other industries.

The portfolio managed by managed by Mr. Al Nader includes some major and listed companies in the Kingdom of Saudi Arabia, such as Saudi Telecommunication Company (STC), Saudi Arabian Basic Industrial Company (SABIC), Al Bilad Bank, Riyad Bank, and major capital companies in Canada, such as Merle launch, State street, Permal Group, Alange Energy Corp (Oil and Gas, Public Company- Toronto Exchange Market) and Shell Chemicals.

He has led risk based compliance reviews / inspections of several regulated entities in Saudi Arabia mainly in the financial services sector. These projects were conducted on behalf of the respective regulators.

Al Nader is also member of Audit Committee and Board of Directors of various listed companies.

*"I have personally ensured that the right team is available to serve you. You will get nothing less than total dedication from your audit team. I am satisfied that all the resources that you require are made available to you, and that you will see a continuous and on-going effort towards service improvement and delivering added value".*

**Mohammad Al Nader**





**Alaa Jaber, CPA**  
**Director**

**Kingdom of Saudi Arabia**  
[ajaber@rmsaudi.com](mailto:ajaber@rmsaudi.com)

Alaa is an audit director of RSM Saudi Arabia in Jeddah office. He has an experience for more than 15 years in Audit & Assurance. He is a CPA qualified from the United States. He has previously worked with a Big4 professional firm and provided audit and assurance services to his clients across the Kingdom of Saudi Arabia.

Alaa's experience spans across multiple sectors including trading, construction, manufacturing, logistics, hospitality real estate and financial statements for large groups of companies.

Few of his key clients were Attieh Group, Arabian International Company for Steel Structure Group, Exaab Group, AIMS Group and certain companies of the Saudi Bin Ladin Group, Alesayi Group and Al Taher Group.

Alaa was involved in various other assurance projects in Saudi Arabia including IFRS conversions, IFRS advisory, and Agreed-Upon Procedures.

Before joined RSM, he worked with Deloitte in Saudi Arabia.



**Mustofa Ali, CPA**  
**Senior Manager**

**Kingdom of Saudi Arabia**  
[muali@rsmsaudi.com](mailto:muali@rsmsaudi.com)

Mustofa is a Senior Audit Manager with experience of more than 10 years. He is a CPA qualified from the United States. He earned his experience from one of the Big4 audit firms. Mustofa has experience in providing audit and assurance services across the Kingdom of Saudi Arabia.

During his time in audit and assurance services, Mustofa has significant experience in planning, executing and managing audit and other assurance services for multiple construction, servicing, retail, manufacturing and investments companies.

Before joined RSM, he worked with Deloitte in Saudi Arabia.

**RSM** – the global destination  
for your audit, tax and  
consulting needs.



# DIFFERENT TYPES OF ACTIVITIES THAT INSPIRE AND ENGAGE OUR PEOPLE

## Daily Activities & Customs

Small gestures that make a difference

- Celebrating national customs & world days (1<sup>st</sup> of March, International Women's Day etc)
- Internal mini games (Office Olympics, Guess Who picture game etc.)
- Company board sharing birthdays, name days, work anniversaries, quotes

## Annual Company Events

Larger activities that our colleagues anticipate

- RSM World Day (always includes team building activities)
- Themed company meetings
- Company celebratory events (Christmas Party, Wine Tasting, Cooking Classes e.t.c)

## Idea contribution and event planning across functions

Engaging colleagues and creating committees with team members from several departments to take on the general arrangements for each event.



<https://www.rsm.global/news>

<https://www.linkedin.com/company/rsm-saudi-arabia/>

<https://twitter.com/ArabiaRsm>

<https://www.instagram.com/rmsaudi Arabia/>

<https://www.youtube.com/channel/UCLMV1S6DYjUoU35u-26DUg/>

<https://www.facebook.com/RSMKSA/>

# RSM IN SAUDI ARABIA HAS ACHIEVED MANY RECOGNITIONS IN THE RECENT PAST

- The Saudi Accountants Forum awarded RSM with the Best Enterprise Award 2019.
- RSM Participate in IKTVA Workshop 2015

Mohammad Al Nader Honoring award from Saudi Accountants Forum ( SAF)



Participating in Saudi Accountants Forum ( SAF)



Participating in IKTVA Workshop



We are proud of our awards and will continue to do all that we can to ensure that our people have the best working environment and our clients have access to the best resources in the Kingdom of Saudi Arabia. Our Partners and RSM International are supportive of these initiatives as we build a culture of respect, satisfaction, transparency and fun.



Mohammed Al Nader  
Managing Partner

# DIFFERENT TYPE OF SERVICE

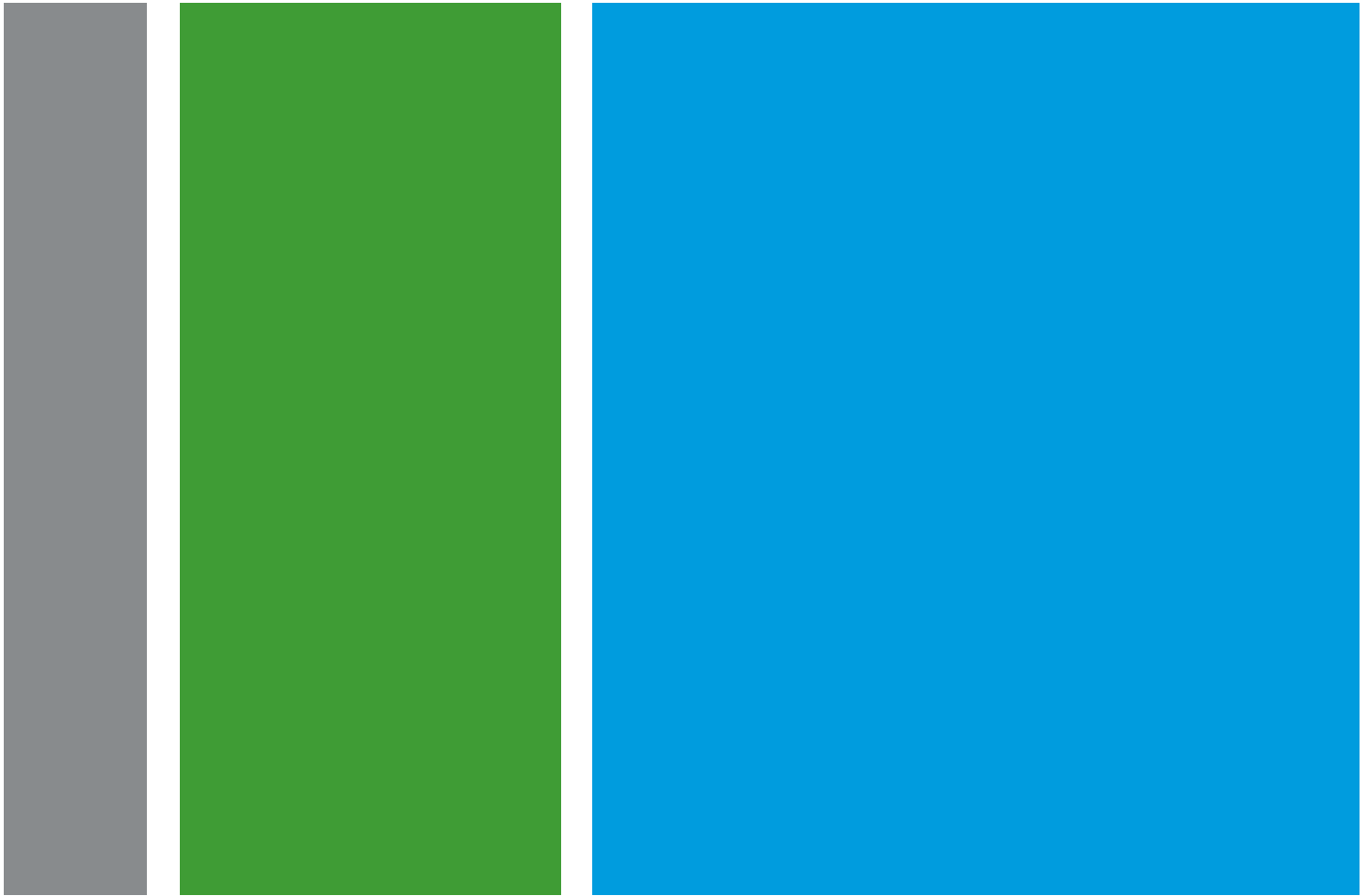


<https://iktva.sa/>

<https://www.se.com.sa/en-us/business/Pages/LEILocalContentDevelopmentStrategic.aspx>

<https://socpa.org.sa/Socpa/Media-Center/Magazine-Journal.aspx>





**Commercial**

# COMMERCIALS

Our overriding philosophy is to provide with a high quality, value for money service. Our fees are based on the degree of skills and experience required for the engagement through combination of Senior Director level resources accompanied by Subject Matter Experts and consultants to ensure that tasks are done right at the first time.

Generally, our fees are based upon hours of professional services at standard rates, according to the level of individuals assigned to the engagement, plus out-of-pocket expenses. However, based on the preliminary information made available to us, we estimate the fees as follows:

Descriptions	Semi-Annual	Annual	Total
Future Care for Trading Company	30,000	150,000	180,000
Awanak Company	NA	20,000	20,000
Total amount (Two Hundred Thousand Saudi Riyal only) (*)	30,000 SAR	170,000 SAR	200,000 SAR

Note: Above mention fee amount is excluded from VAT and out-of-pocket expense, VAT will be charged as per the law.

## Conclusion

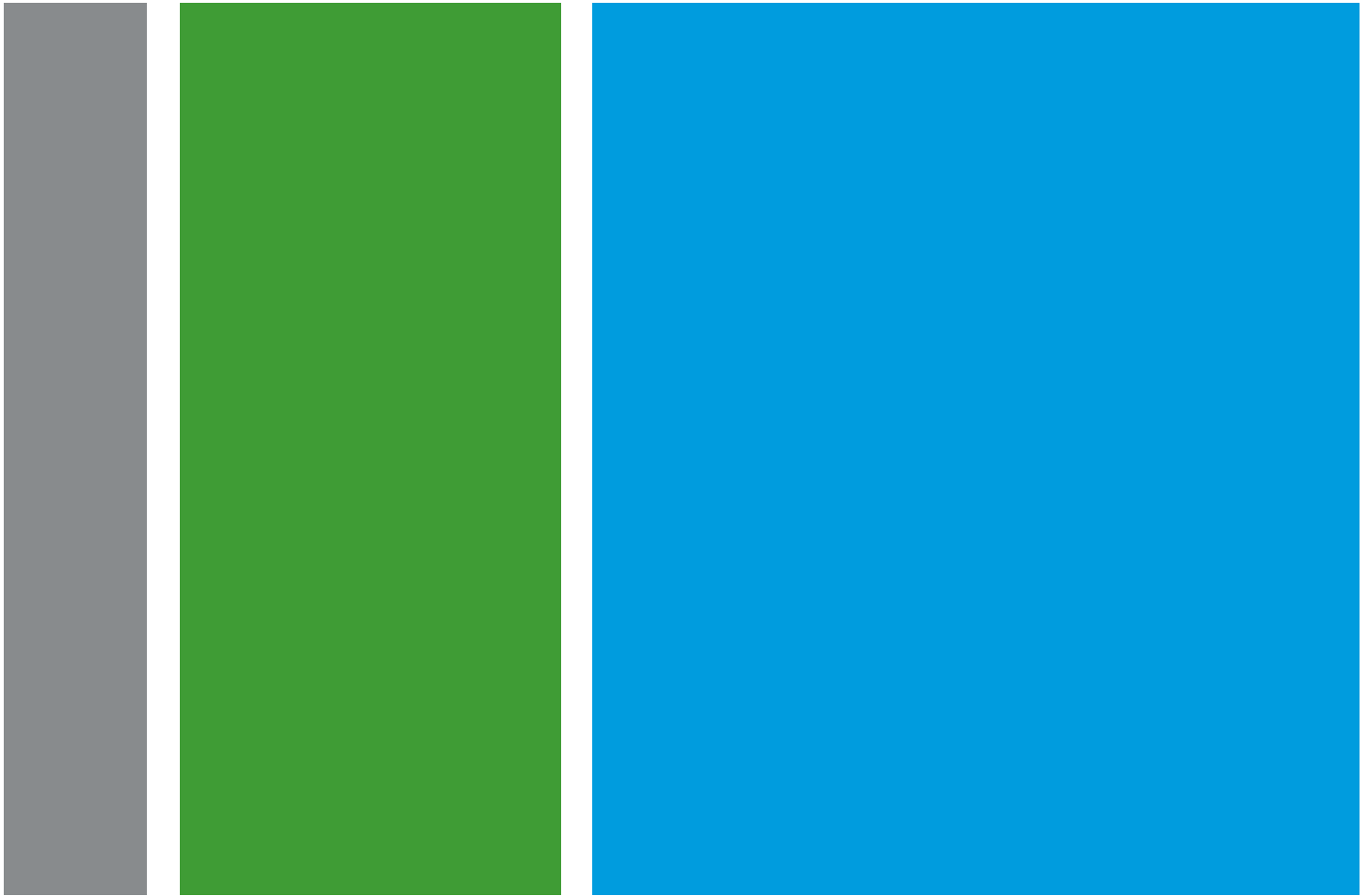
We are very keen to work with you on this assignment.

We have the skills and the experience required to assist you in annual audit services.

We have undertaken a previous similar assignment efficiently and cost effectively and our experience indicates that the key to the successful implementation of such an instruction is to properly plan the process and ensure that the division of duties are clearly understood and protocols are in place to effectively manage the communication flows amongst all the key stakeholders.

I hope this is sufficient for now, but of course we can expand on aspects of this email if required. I look forward to hearing from you.

Kind regards  
**Mohammad Al Nader**



## Our Presence in Saudi Arabia

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# KINGDOM OF SAUDI ARABIA

## RIYADH

1st Floor, Building No. 3193,  
Uroba road, Olaya District  
P. O. Box 2227  
Riyadh 7749-12253  
Mob: +966 55 228 4828  
Tel: +966 11 416 9361  
Fax: +966 11 416 4349  
Email: [info@rsmsaudi.com](mailto:info@rsmsaudi.com)

## JEDDAH

Office No. 41, 4th Floor, Building  
No. 2786, Al Badriah Towers,. Al  
Khalidiyah District,  
P.O. Box 756  
Jeddah 23422 – 7490  
Tel.: +966 12 6061405  
Email: [info@rsmsaudi.com](mailto:info@rsmsaudi.com)

## AL-KHOBAR

4th Floor Eastern Cement Tower,  
Al Rawabi District, Khobar Dammam  
Highway, Al-Khobar  
Mob: +966 54 833 3033  
Tel: +966 13 814 7098  
Email: [info@rsmsaudi.com](mailto:info@rsmsaudi.com)





**THANK YOU FOR  
CONSIDERING  
RSM FOR THIS  
OPPORTUNITY**

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