



رأي لجنة المراجعة  
لشركة  
تام التتموية

## محضر اجتماع لجنة المراجعة الثالث لعام 2024 تاريخ الاجتماع: الأربعاء 2024/04/17 م

إنه بناءً على طلب رئيس لجنة المراجعة صدر محضر اجتماع اللجنة بشركة تام التنموية في يوم الأربعاء الموافق 2024/04/17م بشأن: التوصية بتعيين مراجع حسابات للشركة من بين المرشحين وذلك لفحص ومراجعة وتدقيق القوائم المالية النصف سنوية والسنوية عن العام المالي 2024م، وتحديد أتعابه. حيث تسلمت اللجنة من الإدارة التنفيذية أربعة عروض من أربعة مكاتب مختلفة، وقامت بدراستها من الناحية الفنية والمالية، وكانت نتيجة الدراسة كالتالي:

مكتب المراجعة	تحليل العرض الخاص به
KPMG	- توفر العضوية الحالية فوائد كفاءة نظرًا لمعرفة الشركة بالعمليات والضوابط والسياسات. - العلامة التجارية والسمعة كإحدى الشركات الرائدة في المراجعة توفر الثقة في التقارير المالية. - خبرة كبيرة في الصناعة في مراجعة شركات مماثلة. - الأتعاب المقترحة وقدرها 525,000 ريال سعودي معقولة ولكن يمكن محاولة التفاوض للحصول على خصم أكبر.
EY	- الخصم الكبير بنسبة 17٪ يشير إلى الرغبة في العمل والاستعداد للتفاوض. - كشركة جديدة، توفر وجهة نظر جديدة ورؤى جديدة. - سمعة كإحدى الشركات الرائدة في المراجعة ولكن بدون فوائد العضوية الحالية. - الأتعاب المقترحة المخفضة وقدرها 500,000 ريال سعودي تنافسية ولكن ليست الأقل.
PKF	- أقل الأتعاب المقترحة بين الشركات بقيمة 390,000 ريال سعودي. - شركة مراجعة إقليمية متوسطة الحجم قادرة على القيام بالمراجعات. - بدون فوائد العضوية الحالية ومنحنى تعلم كشركة جديدة.
Baker Tilly	- الأتعاب المقترحة وقدرها 433,000 ريال سعودي ضمن النطاق المتوسط من العروض. - خبرة متوسطة الحجم مماثلة لـ PKF. - بدون فوائد العضوية الحالية.

### وبعد الهدايات والمناقشات صدرت التوصية التالية:

توصية (1): توصي لجنة المراجعة بالتعاقد مع مكتب (KPMG) لتعيين مراجع حسابات للشركة وذلك لفحص ومراجعة وتدقيق القوائم المالية النصف سنوية والسنوية عن العام المالي 2024م. بمقابل مالي نظير أتعابه قيمته: (525,000) خمسمائة وخمسة وعشرون ألف ريال سعودي) مع محاولة التفاوض مع الشركة لتخفيض المبلغ.

### مبررات التوصية:

يمكن اعتبار الاحتفاظ بـ KPMG كأفضل خيار بناءً على التحليل المنجز، للأسباب الرئيسية التالية:  
(1) فوائد العضوية الحالية: خبرة KPMG ومعرفتها كمراجع حسابات حالي توفر فوائد كفاءة وتجنب مخاطر الانتقال المرتبطة بتعيين مراجع حسابات جديد.

- (2) السمعة التجارية: باعتبارها إحدى الشركات الكبرى الأربع في المراجعة، تتمتع KPMG بسمعة قوية واعتراف عالمي بالعلامة التجارية مما يعزز الثقة في التقارير المالية.
- (3) الخبرة في الصناعة: من المرجح أن يكون لدى KPMG خبرة كبيرة في مراجعة شركات مماثلة في القطاع نظراً لحجمها. وهذا يؤدي إلى مراجعات أعلى جودة.
- (4) القدرات التقنية: كأحدى الشركات الكبرى الأربع في المراجعة، تمتلك KPMG المهارات التقنية والقوى العاملة اللازمة لإجراء المراجعات لمنظمة من هذا الحجم والتعقيد.
- (5) الرسوم المعقولة: على الرغم من عدم كونها الرسوم المطلقة الأقل، إلا أن رسوم KPMG تقع ضمن نطاق مقبول بالنظر إلى الفوائد المذكورة أعلاه. وهناك إمكانية للتفاوض على خصومات.

### يضاف إلى ما تقدم:

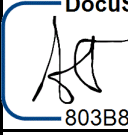
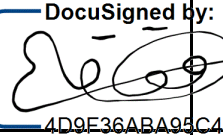
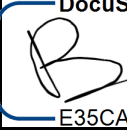
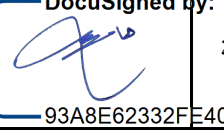
رغم أن الوضع الصحي لكفاءة وجودة بيانات الشركة المالية والتقرير المالي وتطبيق المعايير هو أن يتم التغيير للمحاسب القانوني ولكن يوجد افتراضات أخرى مؤثرة في المرحلة القادمة وهي التالي:

- (1) أن الشركة أدرجت في السوق الموازي (نمو) منتصف العام السابق، وتعمل على تجهيز وتطبيق أدوات الحوكمة حسب توصيات لجنة المراجعة؛ مثل نظام ERP، والسياسات والإجراءات، وتعيين موظف مراجع داخلي، وموظف لوظيفة الالتزام والمخاطر، وغيرها من التوصيات ذات العلاقة. وبالتالي وجود مراجع خارجي جديد قبل تطبيق وتفعيل أدوات الحوكمة سيؤدي إلى رفع المخاطر وزيادة أعمال المراجعة لديه؛ نظراً لعدم وجود خبرة في نشاط وعمليات الشركة والتي من الممكن أن تؤثر على الالتزام بالمواعيد المحددة لنشر النتائج المالية المرحلية والسنوية.

- (2) الخصم المقدم من شركة (EY) هو خصم مؤقت لسنة 2024 فقط، وبطبيعة الحال سترتفع الأتعاب السنة القادمة.

لذا في رأينا KPMG تمثل أفضل توازن بين السمعة والخبرة مقابل الرسوم المقترحة مقارنة بالخيارات الأخرى. كما تبرر العضوية الحالية والسمعة التجارية التكلفة الأعلى قليلاً. ولذلك، يبدو الاحتفاظ بـ KPMG هو التوصية الأكثر حكمة بناءً على التحليل السابق.

والله الموفق ،،،،

توقيعات اللجنة					
الاسم	المنصب	التوقيع	الاسم	المنصب	التوقيع
السيد / أحمد عبد الرحمن محمد جابر	رئيس اللجنة		السيد / معاذ خالد إبراهيم الهاجري	عضو من ذوي الخبرة	
السيد / بندر عبد الحليم طاشكندي	عضو من ذوي الخبرة		السيد/ هاني محمد محمد عثمان	أمين سر اللجنة	

**TAM**

العرض الأول

شركة

KPMG



"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".

**Fahad Aldossari**  
Head of Audit, Riyadh

## A team you can trust will deliver



**Hazem Abugharbieh**  
Engagement  
Leader Partner

Hazem has been with KPMG SLC for 9 years and has in total over 20 years of Audit and Assurance experience in Big Four firms providing Audit and Assurance services across a wide variety of public and private corporations with primary focus on banking, financial institutions, insurance and investment companies.

Representative clients: Umniah Telecom, Maersk Jordan, DHL, Brinks, Le Royal Hotel, Crown Plaza Hotel, Intercontinental Aqaba, Jordan Social Security, Movenpick Jeddah and Al Wafaq Transportations Solutions Company, Provimi, Mega, Elba house, Al Fayha Precast Group and Al Homrani precast company.



**Bader Ibremi**  
Engagement  
Associate Director

Bader has over 15 years of experience providing professional services across numerous geographical regions such as Jordan, Iraq, Dubai, KSA and Libya. Bader has worked with several clients across Banking, Insurance, brokerage, Retail and other sectors. Bader has versatile experience of managing audit, assurance and advisory engagements. He is well versed with the accounting processes and the related risks in various sectors.

Representative Clients: Bank Al Etihad – Jordan, International General Insurance – Jordan and UK. Oil Serv Company – Dubai and Iraq, Libyan Investments Authority – Libya, Gulf Monetary Council – KSA, Global Health Care Group – KSA, Jahez Company – KSA, Al Wafaq Transportations Solutions Company - KSA and NCLE – KSA.

KPMG in Saudi Arabia has a strong track record in auditing capital companies, mutual funds, private real estate funds, private equity funds and exchange traded funds. Our growing client base is testimony to our strategic and value-adding approach to providing audit and advisory services and we have detailed some of our recent clients below:

### Listed clients

Etihad Etisalat CO

Saudia Dairy and Foodstuff Co.

Alrajhi Bank

Saudi Public Transport Co.

BinDawood Holding

Arabian Centers Company Limited

### Private clients

NEOM

Saudi Tadawul Group Holding

Saudi Credit Bureau (SIMAH)

ACWA Power Company

Sadara Chemical CO (SADARA)

Saudi Arabian Airlines Corporation

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

[kpmg.com/app](https://kpmg.com/app)



*Please note that this proposal is subject to our customary client evaluation procedures which are in progress and signing of a formal engagement letter.*

# Tam Development Company and its subsidiary

## Proposal for the year and period ending 31 December 2024 and 30 June 2024

Date: 20 March 2024

**For queries and discussions:**

Hazem Abugharbieh

+966 50 945 1984

habugharbieh@Kpmg.Com

# Executive summary

This proposal is valid for a period of **45 days** from the date of proposal after which KPMG reserves the right to either revise this proposal or communicate its inability to accept the appointment at its discretion.

Our fee is a fair reflection of the scope of work and transparent calculations. The fee structure we are proposing is a competitive but realistic one, designed to ensure that there is no compromise in either the quality of our audit opinion or the services you receive from us.

## Audit Fee

We estimate our audit fee based on estimates of the level of skill and amount of effort required to be committed in order to successfully complete this assignment. We estimate the following fee (exclusive of applicable VAT, and outlays which are expected to be minimal) to act as external auditors of the Company for the year and period ending 31 December 2024 and 30 June 2024. We would be keen to discuss the fee quotation if you require any further clarifications relating to it.

Service	Description	SAR
Annual Audit	Annual audit Consolidate/separate of the financial statements of Tam Development Company for the year ending 31 December 2024	390,000
Review	Semi annual review of interim consolidated condensed financial statements for the period ending 30 June 2024.	50,000
subsidiary	Annual audit Statutory of the financial statements of Society Experts Company for the year ending 31 December 2024	85,000
<b>Total</b>		<b>525,000</b>

## Our fee is based on the following assumptions

- We will be able to place reasonable reliance on the Company's internal controls;
- The size and complexity of the business will not change significantly; and
- You will provide documents on the dates agreed and there will not be any significant delays beyond our control;



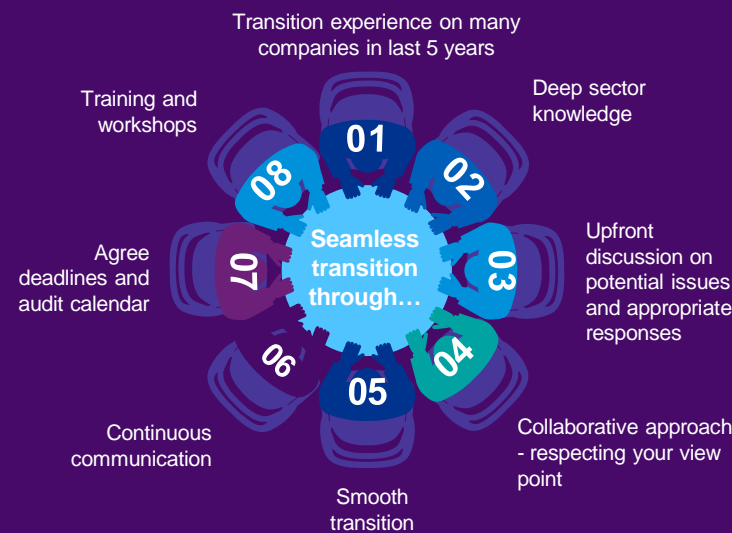
## Delivering a proactive, timely, robust and 'no surprises' audit

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.
- 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 audit of capital companies.
- 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.



## Our transition philosophy



We have witnessed a continuous increase in the quality of service being provided by KPMG for the past 3 years which led us to consider appointing them as auditors for the whole group. It should be appreciated that we already hold KPMG to a very high standard and they have exceeded that expectation every time.

- Group CFO (AI Faisaliah Group)



## KPMG Clara – data analytics

An automated, agile, intelligent and scalable technology, KPMG Clara allows you to interact with KPMG firms online, on a real-time basis as we conduct the audit, bringing you greater and more relevant insights.

- Analysis of complete populations**  
KPMG's teams apply powerful analysis to quickly screen, sort, and filter 100% of your journal entries based on high-risk attributes.
- Collaboration in the audit**  
Your KPMG Audit home page gives you real-time access to information, insights, and alerts from your engagement team.
- Data-driven risk assessment**  
Automated identification of transactions with unexpected or unusual account combinations — helping focus on higher risk transactions and outliers.
- Deep industry insights**  
At the very heart of our commitment to bringing intelligence to every aspect of interactions with clients, KPMG brings clarity to complex issues, regulation and standards wherever they appear across the globe.

**TAM**

العرض الثاني

شركة

EY



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## EY Profile

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**Mohammed Jamal Ayyat** <Mohammed.Ayyat@sa.ey.com>

Sun, Mar 31, 2024 at 11:05 PM

To: Ahmed Khairy <a.khairy@tam.sa>

Cc: Enas Motasim <e.motasim@tamhub.com>, Eyad Alramlawi <e.alramlawi@tamhub.com>, Hani Othman <h.othman@tamhub.com>, Ali Eltilib <Ali.Eltilib@sa.ey.com>, Wissam Merhej <wissam.merhej@sa.ey.com>

Dear Ahmad,

Thank you for giving us the opportunity to provide audit of the financial statements services to TAM Development Company for the year ending 31 December 2024.

I have attached herewith our profile which contains details about our credentials and audit approach. Please note that this is not a formal proposal as we are working to complete acceptance procedures (including independence procedures) that are required by EY policy to issue a formal proposal. Accordingly, this should not be considered as a formal proposal or contract.

We estimated our audit fees as follows:

Name	Fees (excluding VAT)
	SAR
Total for consolidated, unconsolidated, and the subsidiary(ies).	600,000
Discount – 17%	(100,000)
Net amount	500,000

Our fees is based on estimates of the level of skill and effort required to be committed in order to successfully complete the audit. We have assumed that no significant change in the operations will happen; we will have to revisit the assessment of our fees in case of any major change in the operations.

We would be grateful if we can meet at your convenient time to discuss and address any clarification you may need.

We look forward to develop a solid and mutually beneficial relationship with you, and we are confident in our ability to serve you.

Kind regards,





**Mohamad Ayyat** | Senior Manager | Assurance

Ernst & Young Professional Services

14th Floor, Al Faisaliah Office Tower, King Fahad Road, PO Box 2732, Riyadh 11461, Saudi Arabia


[mohammed.ayyat@sa.ey.com](mailto:mohammed.ayyat@sa.ey.com) | Mobile: +966 55 796 6036

Thank you for considering the environmental impact of printing this email.

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**TAM**

العرض الثالث

شركة

PFK



**PKF**

Ibrahim Ahmed Al-Bassam  
& Co. Certified Public Accountants

# Audit Financial Proposal

28 March 2024

**Tam Development Company**  
(A Saudi Joint Stock Company)  
Riyadh, Kingdom of Saudi Arabia

**Dear Sir,**

Thank you for providing us the opportunity for rendering the professional services relating to the audit and review of the financial statements of **Tam Development Company** (A Saudi Joint Stock Company) along with below listed subsidiary (the "Group").

- Society experts Limited

The following is the fee structure for the above services (SAR excluding VAT):

S. No	Description	Fees	Payment Terms	Required Time (working weeks)	Total Allocated Team Hours
1.	- Annual Audit of the <b>Consolidated</b> Financial Statements of <b>Tam Development</b> Company for the year ending 31 December 2024..	250,000	- 50% upon signing of Engagement letter - 50% upon issuance of draft deliverables	5	650
2.	- <b>Half yearly review</b> of the Condensed Consolidated financial statements of the <b>Tam Development</b> Company for the periods ending 30th June 2024,	80,000	- 100% upon issuance of draft deliverable	2.5	211
3.	- Annual Audit of the Financial Statements of <b>Society experts Limited</b> for the year ending 31 December 2024.	80,000	- 50% upon signing of Engagement letter - 50% upon issuance of draft deliverables	3	202
6.	- QAWAEM Upload	Nil	-	-	-

## TERMS AND CONDITIONS

- ✔ All Invoices are required to be cleared within 1 week of invoice date. Signed deliverables will be issued upon clearance of outstanding dues only. Without limiting its rights or remedies, Firm may halt or terminate immediately its services entirely, without any prior written notice if payment is not received within 30 days of the date of the invoice.
  - ✔ Our proposal is valid for the period of **30 working days**.
  - ✔ Acceptance of proposal is subject to clearance from risk and quality department.
  - ✔ Out of pocket expenses will be billed separately based on the overrun hours due to management delays, implication of new accounting treatment and adoption of new standards after mutual consent.
  - ✔ Pricing of the proposal is based on the minimum timeline required, If there is a need to reduce the timeline, additional resources can be deployed as per the required and the pricing will be increased in the same proportion.
  - ✔ Pricing is based on the assumptions that field work will start as per schedule.
  - ✔ Pricing is considered as a group package and will not be valid for individual selection.
  - ✔ For any travelling need (including inventory counts and field visits) logistics including accommodation, food and per diem other than Riyadh, Jeddah and Khobar has to be arranged by the management or PKF can arrange the same and will be billed to the client.
- **The fees quoted for the services are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:**

### ✔ Audit Facilitation

- Changes to the timing of the engagement at the Company's request usually require reassignment of personnel used by the firm in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, firm may incur significant unanticipated costs.
- Deterioration in the quality of the Company's accounting records during the current-year engagement in comparison with the prior-year engagement.
- A completed trial balance, referenced to the supporting analyses and schedules and the Financial Statements, is not provided timely by the Company.
- Draft of the Financial Statements with appropriate supporting documentation are not prepared accurately and timely by the Company's personnel.
- Electronic files in an appropriate format and containing the information requested are not provided by the Company on the date requested for our use in performing file interrogation. Firm will provide the Company with a separate listing of the required files and the dates the files are needed.

## Significant issues or changes

- Significant deficiencies or material weaknesses in the design or operating effectiveness of the Company's internal control over financial reporting are identified during our audit that result in either an expansion of the scope of our testing procedures related to internal control over financial reporting and/or an expansion of our audit procedures on the related financial-statement accounts.
- A significant level of proposed audit adjustments is identified during our audit.
- A significant number of drafts of the Financial Statements submitted for our review or we identify a significant level of deficiencies in the draft of the Financial Statements.
  - *Significant new issues or changes as follows:*
  - *New accounting issues.*
  - *Changes in accounting policies or practices from those used in prior year.*
  - *Events or transactions not contemplated in our budgets.*
  - *Changes in the Company's financial reporting process or IT systems.*
  - *Changes in the Company's accounting personnel, their responsibilities, or their availability.*
  - *Changes in auditing standards.*
- Change in the Company's use of specialists or their work product does not meet the qualifications required by generally accepted auditing standards for our reliance upon their work.
- The procedures necessary to adopt any new Financial Reporting Framework Standards have not been completed by the Company's personnel.
- Changes in audit scope caused by events that are beyond our control.

Upon your acceptance, we will provide you with the engagement letter, which will formalize the terms of the engagement for our professional services

We want to take this opportunity to assure you that, if appointed, our people will be responsive and contribute in every way to your future success.

**Sincerely,**

**For Al-Bassam & Co.**

**Ahmed A. Al Mohandis**  
**Partner**

**TAM**

العرض الرابع

شركة

Baker Tilly



Strictly Private And Confidential



# PROPOSAL TO PROVIDE PROFESSIONAL SERVICES

Submitted To:

**Tam Development Company**

Kingdom of Saudi Arabia

March 7, 2024

**Now,  
for tomorrow**

March 7, 2024

To the Board of Directors

**Tam Development Company**

Riyadh, Saudi Arabia

**Subject:** Proposal to provide statutory audit for the year ending December 31, 2024

With reference to your request to provide statutory audit service for **Tam Development Company** for the financial year ending December 31, 2024, we thank you for your request and are pleased to present our proposal to provide the group with the requested services. We are confident that this proposal will show that our Firm is the best placed to meet and exceed your expectations on this assignment.

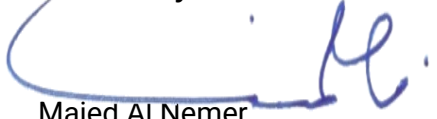
Our proposal will illustrate our experience and qualifications and introduce to you the members of the team that we have formed for this assignment. We will demonstrate the experience of our team in serving similar operations and the substantial experience of our team in similar industry.

We trust that with this proposal we have demonstrated a thorough understanding of your requirements and our professional approach to meet those requirements. We are delighted to have been given the opportunity to prepare this proposal and look forward to receiving your approval to begin this engagement.

If you have any questions or require further information in respect of our response to your Request for Proposal ("RFP"), please do not hesitate to contact the undersigned at +966 11 835 1600.

Yours faithfully,

**Baker Tilly MKM & Co.**



Majed Al Nemer  
Partner



# Executive Summary



## Your Objectives.

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- You require audit service of the separate and consolidated financial statement of Tam Development Company and audit the financial statement for Society Experts Limited Company for the year ending December 31, 2024
  - Review the interim condensed consolidated financial statements for period ending June 30, 2025
  - Provide independent, professional audit opinion on the Group's financial statements.
- 

## Team Combination

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- A highly experienced team that provides an optimal mix of expertise;
  - Access to regional and international network of management, financial, economic and market experts.
- 

## Methodology

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- A concise and focused approach based on the vast experience of our Assurance Team and Baker Tilly International Guidelines.
- 

## Proposed Compensation

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- Our fees are based on time occupied and expenses incurred, having regard to the degree of responsibility and skills involved, and we have given priority to strengthen relationship on a long-term basis.
-



## Your requirements

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As per your request, Baker Tilly will provide audit of the Group's financial statements for the year ending December 31, 2024.

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# Understanding of Assignment

## Our Understanding

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As per the requirements stated above, our scope of work would include the following:

- You require audit service of the separate and consolidated financial statements of Tam Development Company for the year ending December 31, 2024.
  - You require audit service of the financial statements of Society Experts Limited Company for the year ending December 31, 2024.
  - You require review service of the interim condensed consolidated financial statements of Tam Development Company for the period ending June 30, 2025.
  - Our reports shall be in Arabic and English language as required.
-

# Scope Of Work



## Statutory Audit of Annual Financial Statements

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The objective of our audits of the entity's financial statements is to express an opinion on the fair presentation of the entity's financial position, financial performance and cash flows, as a whole, for the financial year in accordance with the International Financial Reporting Standards as adopted in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

We will conduct our audit in accordance with the International Standards on Auditing (ISAs) as adopted in the Kingdom of Saudi Arabia . Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Our audit will include examinations, on a test basis, of the documents, vouchers and books of accounts. It will include examination of the proper recording of transactions and the compliance of the entity with the Saudi laws governing the preparation and filing of the statutory financial statements. Our audit will include the full set of financial documents and we preserve the right to review any document or record that can help us in the completion of our engagement. We also retain the right of direct contact with all employees when necessary. Our audit will include other tests and audit procedures that we determine to be necessary in the circumstances.

As part of our work, we will provide you with management letter of our findings and observations on the internal accounting control system and recommendations to enhance the efficiency and effectiveness.

We expect that your employees will provide the necessary help including the preparation of schedules and analyses necessary for the audit.

As per the regulations, we shall file the audited financial statements in the Qawaem system of the Ministry of Commerce and Investment.

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### **Group Audit Requirements , *if applicable***

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As per ISA 600 “Special Considerations - Audits of Group Financial Statements”, our acceptance of this assignment is subject to enabling us to participate in the audit of the components of the Group (including non-consolidated group components as defined by ISA 600). Accordingly, our audit plan shall include specific required audit procedures including, but not limited to, providing group instructions to the components’ auditors and the review of their work.

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# Scope Of Work

# Proposed Methodology

This section covers an overview of our detailed methodology devised for this engagement. Our methodology is based on our understanding of your nature of business, operations and information provided to us.

# Proposed Methodology



## Overview



## Objectives of the audit

The objectives for the audit engagement are as follows:

- To act as auditor of the Group and to express an opinion on the financial statements.
- To highlight key issues that have been of relevance in the forming of our audit opinion.

In addition to the above formal objectives, we aim to achieve the following:

- Provide advice and support on the resolution of key issues/interpretation of new accounting requirements;
- Provide a high quality audit and client service;
- Provide timely warning of issues requiring management's attention;



# Proposed Methodology



## Information Gathering

### Terms of Engagement, mobilization and information gathering

- Enter into our formal engagement contract.
- Mobilization of engagement team.
- Meetings to gain an understanding of the business objectives and related risks and controls, and your needs and expectations.
- Performing preliminary analytical review procedures.
- Assessing the control environment.
- Gathering information about the systems and IT environment.
- Understand the identification of reporting entity.
- Evaluate the assumptions and estimates used by the management for the preparation and presentation of financial statements.

# Proposed Methodology



## Risk Evaluation

### Risk evaluation, audit strategy and audit program

- Risk analysis and identification of audit risk.
- Analysis of business issues and identification of audit focus areas.
- Audit planning with management.
- Agreement of audit logistics.
- Assessment of controls/processes.
- Understanding business objectives and strategies
- Understand the processes and factors that drive business performance
- Identify business risks and evaluate the design and operating effectiveness of controls
- Preparation of task plan and budget.
- Communication with the BOD members regarding any potential accounting and auditing issues.
- Assessment of business processes and high level controls.
- Assessment of residual audit risk and planning of remaining audit procedures.

# Proposed Methodology



## Audit Execution

### Audit execution, issues meetings with client

- Undertake systems and procedures audit - report to management and consider impact on audit plan.
- Execute plan: Perform the detailed audit tests and gather evidence to support the audit report based on the planned audit program.
- Timely resolution of issues by discussion with management as and when they arise.
- Documenting audit procedures performed.
- Evaluate results of work.
- Meet management and the BOD members, whenever necessary, to discuss issues arising.
- Frequent and informal feedback on key issues, results and opportunities for improvement

# Proposed Methodology



## Reporting

### Reporting on the financial statements

- Ensure that the financial statements prepared by the management conform with the International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia.
- Discuss any disclosure issues arising.
- Discuss the audit conclusions at a clearance meeting with the senior/upper management.
- Obtain representations from management and issue our auditor's report.
- Clearance of financial statements disclosures.
- Issue audit opinion
- Attend the Board of Directors' meetings as required.

# Proposed Methodology



## Debriefing

### Debriefing, internal control reporting and other

- Review and assessment on how we met the Group's expectations;
- Achievement of milestones set by the Group;
- Assess efficiency of audit, use of technology;
- Evaluation of individual team member performance.

# Proposed Methodology



## Other Matters

### Group Audit & component auditors

- We shall obtain written representation from the component auditors with respect to their independence and compliance to the Code of Ethics.
- We shall provide written audit instructions to the component auditors
- We shall be granted unlimited access to component auditors' work papers and engagement staff.
- The Company shall arrange and facilitate access to the component auditors work papers and staff.
- We shall perform direct audit procedures on the subsidiaries' financial statements, if deemed necessary.



## Quality control

- At the engagement level, our Audit Quality Assurance Manual states that an Engagement Quality Control Review (EQCR) must be performed by an independent technical partner before issuing our audit report;
- At the Firm level, completed engagements are subject to annual internal quality control review as well as periodic “Audit Quality Control Reviews” by Baker Tilly International, the Capital Market Authority and SOCPA;

We have completed the pre-engagement procedures in accordance with International Standard on Quality Management No. 1 (ISQM1), including those relating to independence. In this regard,

- We confirm our independence from the Company as required the international standards on Auditing and the Code of ethics
- We have fulfilled the requirements of other ethical provisions as required by the code of ethics.

**ISQM (1)**  
**ISQM (2)**  
**International Standard on Quality Management**

**IAASB**

**SOCPA**  
الهيئة السعودية  
للمحاسبين القانونيين

# Project Schedule & Professional Fees



# Project Schedule & Fees



## PROJECT SCHEDULE

We are prepared to commence work on this assignment within two weeks time from your formal acceptance of our proposal, subject to executing a letter of engagement, which would form the basis of our contractual relationship. We have estimated the project schedule as follows:

Tasks / Proposed Dates	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8
Planning and interim audit								
Final Audit								
Reporting								

# Project Schedule & Fees

## Professional Fee

Our professional fees for the services are computed on the basis of scope of services, degree of responsibility and skill involved, the deliverables to be given under the assignment, and the level of experience required of the staff concerned and the time necessarily spent on the assignment by our Partners, Associates, Directors, Managers, Senior & Junior Consultants and their sub-ordinate staff on the level of skill and responsibility. Our fee for the assignment is proposed as follows depending on the scope of our work:

Scope	Audit Fees (Saudi Riyals)
Audit the Separate and Consolidated financial statements for the year ending December 31, 2024 – Tam Development Company	285,000
Audit the financial statements for the year ending December 31, 2024 - Society Experts Limited Company	85,000
Review the interim Consolidated financial statements for the period ending June 30, 2024	63,000
<b>Total</b>	<b>433,000</b>

Our fees above are net of any applicable taxes such as VAT. Our fees do not include the professional fees for professional experts such as appraisers, valuers and actuarial that will be billed directly to you, if any. Out of pocket expenses, if any, such as travel, hotel, courier and per diems, will be billed separately to you on an actual basis.

## Mode of Payment

50% of the proposed fee would be payable as advance fee on the confirmation of the assignment.

Remaining 50% of the fee would be payable on completion of each project.