

# Appendix 6

## *Illustrative Auditor's Report of Factual Findings*

### **AUDITOR'S LETTERHEAD TO BE USED**

#### **Report of Factual Findings to (Name of Licence Applicant)**

We have performed the procedures agreed with you and enumerated below in respect of the payables towards football clubs arising from transfer activities of Club XYZ as at 31 December 2019, as set forth in the Transfer Payables Table [see Appendix 1]. Our engagement was undertaken in accordance with the International Standard on Related Services 4400 applicable to agreed-upon procedures engagements. The procedures were performed solely for Club XYZ in connection with its licence application and are summarised as follows:

##### **Scope of work**

Our work consisted of the following procedures:

1. Agreeing the total in the transfer payables table with the 'Accounts payable relating to player transfers' amount in the annual [or interim] financial statements as at 31 December 2019.
2. Checking the arithmetical accuracy of the transfer payables table.
3. Selecting a sample of [number] player transfers/loans, comparing the corresponding agreements with the information contained in the transfer payables table and highlighting the selected transfers/loans.
4. Selecting a sample of [number] transfer payments, comparing them with the information contained in the transfer payables table and highlighting the selected payments.
5. If according to the transfer payable table there is an amount due as at 31 December 2019, examining before 31 March 2019 at the latest that:
  - (i) the balance in respect of each payable due as at 31 December 2016 has been fully paid as of [date]; [or\*]
  - (ii) an agreement has been reached for payment on deferred terms in respect of [identify player(s)]; [or\*]
  - (iii) a dispute has arisen in respect of [identify player(s)] and is subject to resolution by [name of competent national or international body].\*
6. If applicable: Obtaining and examining bank statements, in support of 5(i) above.
7. If applicable: Obtaining and examining documents, including agreements with the relevant football club(s) and/or correspondence with the competent body, in support of 5(ii) [and/or\*] 5(iii) above.

\* delete as appropriate

**We report our findings below:**

- a) With respect to item 1, we found the addition to be correct and the total amount to be in agreement with the figure disclosed in the financial statements.
- b) With respect to item 2, we found the amounts arithmetically correct.
- c) With respect to item 3, we selected [number] transfer agreements, which are highlighted on the transfer payables table. This represents [number]% of the total costs and [number]% of the total number of transfers/loans. We found that the transfer payables table correctly represents the financial conditions defined in the underlying player transfer documents.
- d) With respect to item 4, we selected [number] transfer payments which are highlighted on the transfer payables table. We found that the paid amounts are correctly represented in the transfer payables table.
- e) With respect to item 5 and 6, we received from the Club XYZ written evidence in the form of debit notes from its bank that the payables disclosed as overdue as per 31 December 2019 were effectively paid on 31 January and 15 February 2019 respectively.
- f) Item 7: not applicable.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the accounts payable as of 31 December 2019.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the accounts and items specified above and do not extend to any financial statements of Club XYZ taken as a whole.

*Date, name and signature of auditor*