

## Introduction

Statutory Instrument No.7 of 2010 (Broadcasting Act 2009 (Section 33) Levy Order 2010 provides that the Broadcasting Authority of Ireland ("BAI") may by way of notice in writing require that the broadcaster provide to the BAI "a statement showing its qualifying income within any such financial period" and that "such statement shall be accompanied by a certificate in support of such statement from the persons who has audited such accounts".

Accordingly, BAI has formulated a two step process to provide an acceptable level of comfort that each Broadcaster's statement of qualifying income has been properly prepared in accordance with the requirements of BAI and using the basis of calculation of qualifying income as set out in Schedule 2 of the Qualifying Income of Broadcasting Act 2009 (Section 33) Levy Order 201 (S.I. 7 of 2010).

This document includes details of the two step process as follows:

### 1. Agreed-Upon Procedures to be completed by an Independent Accountant

Section 1 of this document sets out the agreed-upon procedures to be completed and includes a sample statement of qualifying income to be provided by the directors of the Broadcaster, an example letter of engagement from the Independent Accountant to the Broadcaster and a sample form of report from the Independent Accountant to the Broadcaster.

The Independent Accountant may also be the Auditor of the Broadcaster.

This set of agreed-upon procedures is designed to ensure that in preparing the statement of qualifying income, the Broadcaster has fully complied with the requirements of BAI in this regard and has used the basis of calculation of qualifying income as set out in Schedule 2 of the Qualifying Income of Broadcasting Act 2009 (Section 33) Levy Order 201 (S.I. 7 of 2010).

### 2. Certification by the Auditor of the Broadcaster required under Regulation 18(2) of S.I. No. 7 of 2010

Section 2 of this document sets out the procedures to be completed and includes an example letter of engagement from the Auditor to the Broadcaster and a sample form of certificate from the Auditor to the Broadcaster.

This certification process is designed to satisfy the legal obligation of the Directors of the Broadcaster to provide a certificate which is in compliance with Regulation 18(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010) for submission with the Directors Statement of Qualifying Income prepared in accordance with Regulation 17(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010).

BAI requests each Broadcaster to arrange for both of the above steps to be performed. Once completed, both the agreed-upon procedures report and the certificate, together with the statement of qualifying income and a copy of the audited accounts for the period should be submitted to BAI.

Queries in relation to these requirements from Broadcasters or their Auditors/Independent Accountants should be directed to Caroline Brady on [caroline.m.brady@ie.pwc.com](mailto:caroline.m.brady@ie.pwc.com) or Mark O'Neill on [mark.x.oneill@ie.pwc.com](mailto:mark.x.oneill@ie.pwc.com)

## Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant

An example engagement letter is set out below for convenience. However, it is up to the Broadcaster and the Independent Accountant to agree the specific contract terms for this engagement between themselves and this example letter is not intended to either prescribe terms and conditions between the Broadcaster and the Independent Accountant or prevent the Broadcaster and the Independent Accountant agreeing different terms and conditions if they wish.

In this letter of engagement:

- "Broadcaster Name or the Company" refers to the organisation that is required to complete a Statement of Qualifying Income;
- "Independent Accountant Name" refers to the Accountant performing the procedures, who may or may not be the Broadcaster's auditor who has audited the financial statements referred to in Regulation 17(1) of S.I. No. 7 of 2010

**NOTE:**

The Independent Accountant may wish to include additional paragraphs relating to (a) other legislative responsibilities (e.g. reporting to the Director of Corporate Enforcement (if applicable), the Criminal Justice (Theft and Fraud Offences) Act, 2001 and the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010) and (b) their standard Terms of Business covering such matters as resolving disputes, liability limits and electronic communications.

**PRIVATE & CONFIDENTIAL**

The Directors  
[Broadcaster Name]  
[address]

[date]

Dear Sirs,

### **Introduction**

[Broadcaster Name] ("the Company") is required to submit to the Broadcasting Authority of Ireland ("the Contracting Authority") ("BAI") the Directors Statement of Qualifying Income and supporting documentation, the report prepared by the independent accountants [Independent Accountant Name] on the Directors' Statement of Qualifying Income, and the representation letter, if any, relating to that report.

This letter (including the Appendices [and the Terms of Business]<sup>1</sup>) sets out (i) our understanding of your instructions to [Independent Accountant Name] to provide the services set out below (the "Services") to BAI in providing a Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy> (the "Schedule"), (ii) the respective areas of responsibility of yourselves and [Independent Accountant Name], (iii) the terms on which we are to provide those Services and (iv) the inherent limitations in a limited scope engagement.

The directors of the Company are responsible for:

- (i) ensuring that the Company maintains accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company;

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<sup>1</sup> Delete if [Independent Accountant Name] does not usually include Terms of Business.

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

- (ii) making available to us, as and when required, all the Company's accounting records, all other relevant records, including minutes of all Directors', management and shareholders' meetings, and such information and explanations which we consider necessary for the performance of the Services;
- (iii) properly recording transactions in the accounting records and for establishing and maintaining internal control sufficient to permit the preparation of financial information;
- (iv) identifying and ensuring that the Company complies with the laws, and regulations applicable to its activities and any other contracts or agreements it has entered into on which we may be asked to report;
- (v) making available to us, on a timely basis, all information related to the Company or transaction(s) and Company personnel to whom we may direct inquiries, as applicable and as necessary in performance of the Services; and
- (vi) providing to us all the information that is relevant, and will, as necessary, update and correct such information. We will rely solely on you for the truth, accuracy and completeness of the information communicated to us and will perform no audit or other procedures to check, verify or otherwise test the information you provide except to the extent expressly stated in this letter.

### **Services to be provided**

We will complete the specified limited scope procedures set out in Appendix B on the Schedule attached in Appendix A. You are responsible for determining whether the scope of our work specified in that Appendix B is sufficient for your purposes. The Schedule has been prepared by, and remains the sole responsibility of the Company's directors. Upon completion of the procedures, and provided our findings support this, we will provide you with a report of our findings in the form of the draft report attached as Appendix C (the "Report"). Our Report is provided solely for your use and benefit and to assist you in connection with the Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy. Our Report is not to be used for any other purpose nor is it to be copied, distributed or otherwise made available or referred to without our prior written consent. We will not accept any liability or responsibility to any third party to whom our Report is shown or into whose hands it may come.

The Services do not constitute an audit or a review made in accordance with International Standards on Auditing (UK & Ireland) or International Standards on Review Engagements. We have agreed that we have not been engaged to, and will not, perform an audit or a review, the objective of which would be the expression of an opinion on the Schedule. Accordingly, we will not express such an opinion. If we were to perform additional procedures or if we were to perform an audit or review of the Schedule, other matters might come to our attention that would be reported to you. Our Report will relate only to the Schedule and will not extend to any financial statements of the Company taken as a whole. Our work will be performed in accordance with the guidance contained in International Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information".

[The audit work of [Independent Accountant Name] on the financial statements of the Company was and is carried out in accordance with statutory obligations and the audit reports were and are intended for the sole benefit of the Company and the Company's shareholders respectively as a body, to whom they are addressed. The audit of the Company's financial statements were not and will not be planned or conducted in contemplation of the requirements of anyone other than the members as a body, and consequently the audit work is not intended to address or reflect matters in which anyone other than the members as a body may be interested.

[Independent Accountant Name] will not, by virtue of preparing this Report or otherwise in connection with this engagement, assume any responsibility whether in contract, tort

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

(including without limitation negligence) or otherwise in relation to the audits of the Company's financial statements; [Independent Accountant Name] and its respective partners, employees, agents and contractors shall have no liability whether in contract, tort (including without limitation negligence) or otherwise to any third parties in relation to the audits of the Company's financial statements.]<sup>2</sup>

### **Scope of our work**

The scope of our work and the procedures we shall carry out in preparing our Report are outlined in Appendix B. If the scope and procedures do not meet your requirements, please tell us so that we can discuss a different scope or additional or alternative procedures. You should understand that there is no guarantee that these procedures will result in the identification of all matters which may be of interest to you.

Our work will be based primarily on internal management information and will be carried out on the assumption that information provided to us by the Company is reliable and, in all material respects, accurate and complete. We will not subject the information provided by you or contained in our reports and letters to checking or verification procedures except to the extent expressly stated. This is normal practice when carrying out such limited scope procedures, but contrasts significantly with, for example, an audit. Even audit work, with a significant level of detailed testing of transactions and balances, provides no guarantee that fraud will be detected. You will therefore understand that the Services are not designed to and are not likely to reveal fraud or misrepresentation by either the management or employees of the Company. Accordingly we cannot accept responsibility for detecting fraud (whether by management, employees or by external parties) or for misrepresentation by the management or employees of the Company.

Should you wish us to carry out work specifically designed to detect fraud (or other verification work in particular areas) we will be pleased to discuss this with you, but you should understand that such work normally requires a very different approach, a longer time scale and we would have to agree specific terms on which we would (or would not) undertake the work.

### **Timetable**

We expect be able to commence the Services on [date] and expect our Report to be completed by [date]. Our work will depend upon receiving without undue delay full co-operation from all relevant officials of the Company and their disclosure to us of all the accounting records of the Company and all other records and related information (including certain representations) we may need for the purpose of our work.

### **Fees**

Our fees together with VAT and out of pocket expenses, will be agreed with and billed to the Company.

In the event that we (i) identify any matter which we may be required by law to report to the authorities or (ii) we are required by regulation, statute, court order or other legal process to respond to the authorities' queries on our report or (iii) that we agree at our sole discretion following a request made by you, to produce our working papers or our personnel as witnesses with respect to our engagement for you, you will reimburse us for our professional time and expenses, as well as the fees and expenses of our legal and other advisers reasonably incurred in fulfilling our reporting obligations. This paragraph shall not apply in the event of legal proceedings brought against us by you in relation to this engagement, or to a regulatory inspection or investigation of [Independent Accountant Name].

### **[Terms of Business**

The attached Terms of Business set out the duties of all parties in respect of the Services. The Terms of Business amongst other things:

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<sup>2</sup> Insert only if [Independent Accountant Name] is also that Statutory Auditor of [Broadcaster Name]

**Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

- a. limit our liability to a maximum amount of [fixed amount or multiple of fees] and, subject to that overall financial limit, to the part of any loss suffered which is proportional to our responsibility. This limit applies to the Services set out in this letter; and
- b. limit the period within which a claim may be brought.

This letter, including its Appendices and the attached Terms of Business together comprise the entire contract (the “Contract”) for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations and shall supersede all previous contracts, letters of engagement, undertakings, agreements and correspondence regarding the Services.]<sup>3</sup>

**Quality of service**

[Independent Accountants Name] will investigate all complaints made known to him. The Company has the right to take any complaint to [Chartered Accountants Ireland [or insert name of other bodies] member body]. The company may obtain an explanation of the mechanisms that operate in respect of a complaint to Chartered Accountants Ireland from their website, www.cai.ie. for insert appropriate details for other bodies].

**Applicable law**

This agreement shall be governed by and interpreted and construed in accordance with Irish Law.

The company and [Independent Accountants Name] irrevocably agree that the Courts of Ireland shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

**Acknowledgement and acceptance**

Please acknowledge your acceptance of the terms of our engagement under the Contract by signing the confirmation below and returning a copy of this letter, including the Appendices, to us at the above address marked for the attention of [Relevant Person], whereupon the Contract will take effect from the date of the commencement by us of the Services.

If you have any questions regarding this Contract, please do not hesitate to contact us.

Yours faithfully,

[Independent Accountant Name]

Confirmation of the Contract

Having read the Contract comprising the letter of engagement, including its Appendices with [Independent Accountant Name] dated [date], I acknowledge acceptance of and agree to engage [Independent Accountant Name] upon the provisions of the same and confirm that I am authorised to sign for an on behalf of [Broadcaster Name].

Signed: .....

Name and position: .....

On behalf of [Broadcaster Name]

Date: .....

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<sup>3</sup> Delete if [Independent Accountant Name] does not usually include Terms of Business.

## Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued

### APPENDIX A

Deputy Chief Executive  
Broadcasting Authority of Ireland – Údarás Craolacháin na hÉireann  
2-5 Warrington Place,  
Dublin 2,  
Ireland

[Date]

Dear Sir/Madam,

Re: [Broadcaster Name]

In accordance with your request dated [date] we provide the Statement of Qualifying Income for the period covering [state period] in accordance with the Broadcasting Act 2009.

We confirm that the company maintains proper books of account which disclose with reasonable accuracy, at any time, the financial position of the company and the qualifying income as stated below is in compliance with the terms as requested by you and in accordance with the Broadcasting Act 2009.

<b>Total VAT – exclusive Income (including In – Kind) for period [Detail period covered] of which:</b>	
Government or Public Body	
Money Paid under Section 123 of Broadcasting Act 2009	
Money from the Broadcasting Funding Scheme	
Income from Commercial Communications including Agent's Commission	
In Kind Income from Commercial Communications including Agent's Commission	
Income from Interactive Services before Deduction of Qualifying Costs	
Income from Non Linear - Services	
Other Income Sources - Insert details	
<b>Total Allowable Deductions from VAT exclusive Income for period [Detail period covered] of which:</b>	
Money from the Broadcasting Funding Scheme	
Agent Commissions in Respect of Commercial Communications	
Bad Debt on Qualifying Incomes	
Discounts on Commercial Communications	

**Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

Value of Participate Prices in Interactive Competitions	
Income from Non – Linear Services	
Other deductions * - Insert Details	
<b>Total [Insert Company name] Qualifying Income for period [Insert period covered]</b>	

\*[Please provide details of other deductions]

We confirm that the qualifying income of €[state amount of qualifying income] has been calculated in accordance with the provisions of The Broadcasting Act 2009 (Section 33) Levy Order 2010 Statutory Instrument No 7 of 2010.

Supporting documentation in respect of the information above can be inspected at the Company's premises at [Company premises]

Yours faithfully,

Managing Director

## Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued

### APPENDIX B

#### Limited scope procedures performed on the Schedule in Appendix A

**The following procedures should only be conducted in respect of amounts shown on the Schedule in Appendix A in excess of €1,000.**

1. Understand the terms and conditions of the Broadcasting Act 2009 by reviewing the Act and its annexes and other relevant information.
2. Obtain from management the detailed calculation of the qualifying income in the format detailed on the Schedule in Appendix A.
3. Agree the total vat exclusive income for the period shown on the Schedule to the books and records of the company and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Ensure that all income is vat exclusive.
4. Check that any government and public body grants on the Schedule are in compliance with Article 2 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of government grants and public body grants;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of government grants and public body grants and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
5. Check that any monies paid under Section 123 of Broadcasting Act 2009 on the Schedule are in compliance with Article 3 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of money paid under Section 123 of Broadcasting Act 2009;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of monies paid under Section 123 of Broadcasting Act 2009 and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
6. Check that any monies from the Broadcasting Funding Scheme on the Schedule is in compliance with Article 4 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of money from the Broadcasting Funding Scheme;
  - In accordance with the sample size guidelines attached in Table B, select the required sample of money from the Broadcasting Funding Scheme and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.



## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

7. Check that income from Commercial Communications including Agent's Commissions on the Schedule is in compliance with Article 6 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance. For the avoidance of doubt, in calculating the amount included in the Schedule:
    - Payments received from customers for an off air promotion by the Broadcasters staff and/or promotional vehicles at specific locations should be included in accordance with Article 6. The only instance in which this income would not qualify as qualifying income is if no mention of the location being broadcast from is made on air. The onus is on the Broadcaster to prove this is the case as it is highly unlikely that payment would be made to a Broadcaster not to have the location of broadcast mentioned.
    - Commercial production revenue, such as revenue for the production of an advertisement by a voice over artist and/or revenue from the use of such an advertisement by another Broadcaster, should be included
    - Where a Broadcaster is deducting production costs for a sponsored slot such as the weather, such costs are only deductible to the extent that they have been separately charged to the customer on the face of the invoice and the amount shown can be agreed to the Broadcasters rate card.;
  - Obtain from management and check the mathematical accuracy of income from Commercial Communications including Agent's Commissions;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of income from Commercial Communications including Agent's Commissions and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
8. Check that any In Kind Income from Commercial Communications including Agent's Commissions shown on the Schedule is in compliance with Article 12 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of In Kind Income from Commercial Communications including Agent's Commission;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of In Kind Income from Commercial Communications including Agent's Commission and:
    - vouch each item in the sample to source documentation;
    - ensure that for each item in the sample the maximum deductible for Agent's Commission is 15%;
    - trace each item in the sample to bank statements.
9. Check that any Income from Interactive Services before deducting Qualifying costs shown on the Schedule is in compliance with Article 13 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of the income from interactive Services;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of Income from Interactive Services and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
10. Check that any income from Non Linear Services shown on the Schedule is in compliance with Article 16 of Schedule 2 of the Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;

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- Obtain from management and check the mathematical accuracy of a detailed listing of Income from Non Linear Services;
  - In accordance with the sample size guidelines attached in Table B, select the required sample of income from Non Linear Services and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
11. For all other income sources shown on the Schedule;
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Ensure sufficient details to enable a reader to properly understand the source are included on the Schedule;
  - Obtain from management and check the mathematical accuracy of a detailed listing of the other income sources;
  - In accordance with the sample size guidelines attached in Table A, select the required sample of other income and:
    - vouch each item in the sample to source documentation;
    - trace each item in the sample to bank statements.
12. Ensure that the total income as shown on the Schedule is properly reconciled to the total of all of the income amounts shown on the trial balance.
13. Check that any deduction of monies from the Broadcasting Funding Scheme shown on the Schedule are in compliance with Article 4 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of monies from the Broadcasting Funding Scheme allowable for deduction;
  - Ensure the amount deducted does not exceed the income amount tested in step 6 above.
14. Check that any deduction of Agents Commissions in respect of Commercial Communications shown on the Schedule are in compliance with Article 8 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of Agents Commissions;
  - Ensure that the deductible for Agent's Commission does not exceed 15% of the total relevant income included in 7 and/or 8 above as appropriate. For the avoidance of doubt:
    - individual agents' commission deductions in excess of 15% of the income subject to commission are allowable provided the total commission deduction is not more than 15% of the income subject to commission.
    - If the Broadcaster is a member of the Urban Access Scheme, the commission deducted for onward payment to other members of the Scheme is allowable provided the gross income from the Scheme is included in 7 and/or 8 above.
    - The basic salary costs of sales employees are not an allowable deduction in any circumstances.
  - In accordance with the sample guidelines attached in Table B, select the required sample of Agents Commissions and vouch each item in the sample to source documentation.
15. Check that any deduction of bad debts on qualifying incomes shown on the Schedule are in compliance with Articles 9 and 10 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010, which are understood to mean that a deduction from qualifying income can be made for that element of the year end bad debt provision relating to commercial communication debt, in so far as that debt has been provided for in the current year & not

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

previously provided for. In summary, a deduction can only be made from qualifying income for that element of the year end bad debt provision which relates to commercial communications debt provided for in the current year. A deduction cannot be made for the element of the provision not relating to commercial communications debt or to commercial communications debt previously provided. Test the amount deducted as follows:

- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Ensure that any bad debts included in the Schedule:
    - have been included in commercial communications income either in step 7 above or in previous statements of qualifying income; and
    - have not been deducted as bad debts in previous statements of qualifying income;
  - Obtain from management and check the mathematical accuracy of a detailed listing of bad debts;
  - In accordance with the sample guidelines attached in Table B, select the required sample of bad debts and vouch each item in the sample to source documentation.
16. Check that any deduction of discounts on Commercial Communications shown on the Schedule are in compliance with Article 7 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of discounts on Commercial Communications allowable for deduction;
  - In accordance with the sample guidelines attached in Table B, select the required sample of discounts on Commercial Communications allowable for deduction and vouch each item in the sample to source documentation.
17. Check that the value of Participant Prizes in Interactive Competitions which have been deducted in arriving at qualifying income are in compliance with Article 14 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of Participant Prizes in Interactive Competitions which have been deducted;
  - In accordance with the sample guidelines attached in Table B, select the required sample of Participant Prizes in Interactive Competitions which have been deducted and vouch each item in the sample to source documentation.
18. Check that any deduction of income from Non – Linear Services shown on the Schedule is in compliance with Article 16 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of Non Linear Services income that has been deducted;
  - Ensure the amount deducted does not exceed the income amount tested in step 10 above.
19. For all other deductions shown in the Schedule:
- Ensure sufficient details are provided to enable a reader to understand the nature and reason for the deduction;
  - Ensure the amount included in the Schedule properly reconciles to the trial balance;
  - Obtain from management and check the mathematical accuracy of a detailed listing of all other deductions that have been deducted;

**Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

- In accordance with the sample guidelines attached in Table B, select the required sample of all other deductions that have been deducted and vouch each item in the sample to source documentation.
20. Re-calculate the qualifying income amount shown on the Schedule to ensure that it is mathematically correct.

## Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued

### Sample size Guidance

**Table A**

For populations with less than 200 items, see table below for sample guidelines:

Number of items in population	Sample size
>175, <=200	15
>100, <175	13
>60, <100	11
<60	8

For populations with more than 200 items, select the 6 items of the highest value along with a further 15 items, to give a total sample size of 21.

Your sample should be selected from the population using haphazard selection.

If the population is less than the minimum sample size shown in the table, the sample size selected should ensure that at least 90% of the value of the population is covered.

**Table B**

For populations with less than 200 items, see table below for sample guidelines:

Number of items in population	Sample size
>175, <=200	25
>100, <175	22
>60, <100	18
<60	14

For populations with more than 200 items, select the 8 items of the highest value along with a further 25 items, to give a total sample size of 33.

Your sample should be selected from the population using haphazard selection.

If the population is less than the minimum sample size shown in the table, the sample size selected should ensure that at least 95% of the value of the population is covered.

## Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued

### APPENDIX C - Draft Report

The Directors  
[Broadcaster Name]  
[address]

[Report Date]

Dear Sirs,

In accordance with the terms of reference dated <dd Month yyyy> that you agreed with us, we provide our Report of Factual Findings ("the Report"), with respect to the accompanying Statement of Qualifying Income for the period covering <dd Month yyyy -dd Month yyyy> (Annex 1 of this Report). You requested certain procedures to be carried out in connection with your Statement of Qualifying Income in order to enable you to submit it to the Broadcasting Authority of Ireland ("the Contracting Authority") in accordance with the request received from the Contracting Authority ("the Obligation").

#### Objective

Our engagement was to perform certain agreed-upon procedures with regard to the Statement of Qualifying Income for the Obligation between you and the Contracting Authority. The objective of this engagement is for us to carry out certain procedures to which we have agreed and to submit to you a report of factual findings with regard to the procedures performed.

#### Standards and Ethics

Our engagement was undertaken in accordance with:

- International Standard on Related Services ('ISRS') 4400 '*Engagements to perform agreed-upon procedures regarding financial information*' as promulgated by the International Federation of Accountants ('IFAC');
- the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*;

#### Procedures performed

As requested, we have only performed the procedures listed in Appendix B of the terms of reference for this engagement (see Annex 2 of this Report) in respect of amounts in excess of €1,000 shown on the accompanying Statement of Qualifying Income.

These procedures have been determined solely by the Contracting Authority and the procedures were performed solely to assist the Contracting Authority in evaluating whether the income declared by you in the accompanying Statement of Qualifying Income is eligible in accordance with the terms and conditions of the Legal Obligation.

Because the procedures performed by us did 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 accompanying Statement of Qualifying Income.

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

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

### **Sources of Information**

The Report sets out information provided to us by you in response to specific questions or as obtained and extracted from your accounts and records

### **Factual Findings**

The total Qualifying Income which is the subject of this engagement amounts to €<xxxxxx>.

[Details of our factual findings which result from the procedures that we performed to be set out here, for example:

1. Understood the terms and conditions of the Broadcasting Act 2009 having reviewed the Act and its annexes and other relevant information.
2. Obtained from management the detailed calculation of the qualifying income in the format detailed on the Schedule in Appendix A of our terms of reference.
3. Agreed the total vat exclusive income for the period shown on the Schedule to the books and records of the company and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Ensured that all income is vat exclusive.
4. Checked that any government and public body grants on the Schedule are in compliance with Article 2 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of government grants and public body grants;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of government grants and public body grants and:
    - vouched each item in the sample to source documentation;
    - traced each item in the sample to bank statements.
5. Checked that any monies paid under Section 123 of Broadcasting Act 2009 on the Schedule are in compliance with Article 3 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of money paid under Section 123 of Broadcasting Act 2009;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of monies paid under Section 123 of Broadcasting Act 2009 and:
    - vouched each item in the sample to source documentation;
    - traced each item in the sample to bank statements.
6. Checked that any monies from the Broadcasting Funding Scheme on the Schedule are in compliance with Article 4 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of money from the Broadcasting Funding Scheme;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of money from the Broadcasting Funding Scheme and:
    - vouched each item in the sample to source documentation;

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

- traced each item in the sample to bank statements.
7. Checked that income from Commercial Communications including Agent's Commissions on the Schedule are in compliance with Article 6 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of the detailed listing of income from Commercial Communications including Agent's Commissions;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of income from Commercial Communications including Agent's Commissions and:
  - vouched each item in the sample to source documentation;
  - traced each item in the sample to bank statements.
8. Checked that any In Kind Income from Commercial Communications including Agent's Commissions shown on the Schedule are in compliance with Article 12 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of the detailed listing of In Kind Income from Commercial Communications including Agent's Commission;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of In Kind Income from Commercial Communications including Agent's Commission and:
  - vouched each item in the sample to source documentation;
  - ensured that for each item in the sample the maximum deductible for Agent's Commission is 15%;
  - traced each item in the sample to bank statements.
9. Checked that any Income from Interactive Services before deducting Qualifying costs shown on the Schedule are in compliance with Article 13 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of the income from interactive Services;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of Income from Interactive Services and:
  - vouched each item in the sample to source documentation;
  - traced each item in the sample to bank statements.
10. Checked that any income from Non Linear Services shown on the Schedule are in compliance with Article 16 of Schedule 2 of the Broadcasting Act (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of Income from Non Linear Services;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of income from Non Linear Services and:
    - vouched each item in the sample to source documentation;
    - traced each item in the sample to bank statements.



## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

11. For all other income sources shown on the Schedule:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Ensured sufficient details to enable a reader to properly understand the source are included on the Schedule;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of the other income sources;
  - In accordance with the sample size guidelines set out in Table A in Appendix B of our terms of reference, selected the required sample of other income and:
    - vouched each item in the sample to source documentation;
    - traced each item in the sample to bank statements.
12. Ensured that the total income as shown on the Schedule is properly reconciled to the total of all of the income amounts shown on the trial balance.
13. Checked that any deduction of monies from the Broadcasting Funding Scheme shown on the Schedule are in compliance with Article 4 of Schedule 2 of Broadcasting Act (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of monies from the Broadcasting Funding Scheme allowable for deduction;
  - Ensured the amount deducted does not exceed the income amount tested in step 6 above.
14. Checked that any deduction of Agents Commissions in respect of Commercial Communications shown on the Schedule are in compliance with Article 8 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of Agents Commissions;
  - Ensured that the total deductible for Agent's Commission does not exceed 15% of the total relevant income included in 7 and/or 8 above as appropriate.
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of Agents Commissions and vouched each item in the sample to source documentation.
15. Checked that any deduction of bad debts on qualifying incomes shown on the Schedule are in compliance with Articles 9 and 10 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Ensured that any bad debts included in the Schedule:
    - had been included in commercial communications income either in step 7 above or in previous statements of qualifying income; and
    - had not been deducted as bad debts in previous statements of qualifying income;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of bad debts;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of bad debts and vouched each item in the sample to source documentation.
16. Checked that any deduction of discounts on Commercial Communications shown on the Schedule are in compliance with Article 7 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:

## **Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of discounts on Commercial Communications allowable for deduction;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of discounts on Commercial Communications allowable for deduction and vouched each item in the sample to source documentation.
17. Checked that the value of Participant Prizes in Interactive Competitions which have been deducted in arriving at qualifying income are in compliance with Article 14 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of Participant Prizes in Interactive Competitions which have been deducted;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of Participant Prizes in Interactive Competitions which have been deducted and vouched each item in the sample to source documentation.
18. Checked that any deduction of income from Non – Linear Services shown on the Schedule is in compliance with Article 16 of Schedule 2 of Broadcasting Act 2009 (Section 33) Levy Order 2010 and:
- Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of Non Linear Services income that has been deducted;
  - Ensured the amount deducted does not exceed the income amount tested in step 10 above.
19. For all other deductions shown in the Schedule:
- Ensured sufficient details are provided to enable a reader to understand the nature and reason for the deduction;
  - Ensured the amount included in the Schedule properly reconciles to the trial balance;
  - Obtained from management and checked the mathematical accuracy of a detailed listing of all other deductions that have been deducted;
  - In accordance with the sample size guidelines set out in Table B in Appendix B of our terms of reference, selected the required sample of all other deductions that have been deducted and vouched each item in the sample to source documentation.
20. Re-calculated the qualifying income amount shown on the Schedule to ensure that it is mathematically correct.]

### **Use of this Report**

This Report is solely for the purpose set forth in the above objective.

This report is prepared solely for your own confidential use and solely for the purpose of submission by you to the Contracting Authority in connection with the requirements as set out in the request received by you from the Contracting Authority. This report may not be relied upon by you for any other purpose, nor may it be distributed to any other parties.

The Contracting Authority is not a party to the agreement (the terms of reference) between you and us and therefore we do not owe or assume a duty of care to the Contracting Authority who may rely upon this Report of Factual Findings at its own risk and discretion. The

**Section 1 – Agreed-Upon Procedures to be performed by Independent Accountant - continued**

Contracting Authority can assess for itself the procedures and findings reported by us and draw its own conclusions from the factual findings reported by us.

This Report relates only to the Statement of Qualifying Income specified above and does not extend to any of your financial statements.

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance which may be required.

Yours faithfully,

[Independent Accountant Name]

## Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010

An example engagement letter is set out below for convenience. However, it is up to the Broadcaster and their Auditor to agree the specific contract terms for this engagement between themselves and this example letter is not intended to either prescribe terms and conditions between the Broadcaster and their Auditor or prevent the Broadcaster and their Auditor agreeing different terms and conditions if they wish.

In this letter of engagement:

- "Broadcaster Name or the Company" refers to the organisation that is required to complete a Statement of Qualifying Income;
- "the Auditor's Name" refers to the Broadcaster's auditor who has audited the financial statements referred to in Regulation 17(1) of S.I. No. 7 of 2010

### NOTE:

The Auditor may wish to include additional paragraphs relating to (a) other legislative responsibilities (e.g. reporting to the Director of Corporate Enforcement (if applicable), the Criminal Justice (Theft and Fraud Offences) Act, 2001 and the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010) and (b) their standard Terms of Business covering such matters as resolving disputes, liability limits and electronic communications.

PRIVATE & CONFIDENTIAL

The Directors  
[Broadcaster Name]  
[address]

[date]

Dear Sirs,

### Introduction

[Broadcaster Name] ("the Company") is required to submit to the Broadcasting Authority of Ireland ("the BAI") the Directors' Statement of Qualifying Income together with a Certificate in relation to the Directors' Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy> in accordance with the Broadcasting Act 2009 and Regulation 17(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010) ("the Legal Obligation")

This letter (including the Appendices [and the Terms of Business]^) sets out (i) our understanding of your instructions to [Auditor's Name] to provide a certificate as set out below (the "Services") to the directors in respect of the Directors' Statement of Qualifying Income for the period (the "Schedule"), (ii) the respective areas of responsibility of yourselves and [Auditor's Name] and (iii) the terms on which we are to provide those Services.

### Respective Responsibilities of Directors and the Auditors

The directors of the Company are responsible for:

- i. ensuring that the Company maintains accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company and, in

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^ Delete if Auditors does not usually include Terms of Business

## **Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010 - continued**

particular the turnover details required for the purpose of determining the Directors' Statement of Qualifying Income referred to above;

- ii. making available to us, as and when required, all the Company's accounting records, all other relevant records, including minutes of all Directors', management and shareholders' meetings, and such information and explanations which we consider necessary for the performance of the Services;
- iii. properly recording transactions in the accounting records and for establishing and maintaining internal control sufficient to permit the preparation of financial information;
- iv. identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and any other contracts or agreements it has entered into on which we may be asked to report;
- v. making available to us, on a timely basis, all information related to the Company or transaction(s) and Company personnel to whom we may direct inquiries, as applicable and as necessary in performance of the Services; and
- vi. providing to us all the information that is relevant, and will, as necessary, update and correct such information. We will rely solely on you for the truth, accuracy and completeness of the information communicated to us and will perform no audit or other procedures to check, verify or otherwise test the information you provide except to the extent expressly stated in this letter.

For the purposes of our certificate we will be provided by the directors with a Schedule in the format of the draft as set out in Appendix A. We will certify whether the amounts in the Directors' Statement of Qualifying Income agree to the accounting records of the Company.

You are responsible for determining whether the scope of our work specified above is sufficient for your purposes. The Schedule has been prepared by, and remains the sole responsibility of the Company's directors. Upon completion of the above procedures, and provided our findings support this, we will provide you with a certificate in the form of the draft certificate attached as Appendix B (the "Certificate"). Our Certificate is addressed to the directors solely for their use in fulfilling their responsibilities for determining the Statement of Qualifying Income for the relevant period. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors and the BAI as a body, for our work, for this report, or for the matters set out therein. Our Certificate is not to be used for any other purpose nor is it to be copied, distributed or otherwise made available or referred to without our prior written consent.

### **Scope of our work**

The scope of our work and the procedures we shall carry out in preparing our Certificate are as set out above, if the scope and procedures do not meet your requirements, please tell us so that we can discuss a different scope or additional or alternative procedures. You should understand that there is no guarantee that these procedures will result in the identification of all matters which may be of interest to you.

Our work will be based primarily on internal management information and will be carried out on the assumption that information provided to us by the Company is reliable and, in all material respects, accurate and complete. We will not subject the information provided by you or contained in our Certificate to checking or verification procedures except to the extent expressly stated.

The Services do not constitute an audit or a review made in accordance with International Standards on Auditing (UK & Ireland) or International Standards on Review Engagements. We have agreed that we have not been engaged to, and will not, perform an audit or a review, the objective of which would be the expression of an opinion on the Schedule. Accordingly, we will not express such an opinion. If we were to perform additional procedures or if we were to perform an audit or review of the Schedule, other matters might come to our

## **Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010 - continued**

attention that would be reported to you. Our Certificate will relate only to the Schedule and will not extend to any financial statements of the Company taken as a whole.

The audit work of [Auditor's Name] on the financial statements of the Company was and is carried out in accordance with statutory obligations and the audit reports were and are intended for the sole benefit of the Company and the Company's shareholders respectively as a body, to whom they are addressed. The audit of the Company's financial statements were not and will not be planned or conducted in contemplation of the requirements of anyone other than the members as a body, and consequently the audit work is not intended to address or reflect matters in which anyone other than the members as a body may be interested.

[Auditor's Name] will not, by virtue of preparing this Report or otherwise in connection with this engagement, assume any responsibility whether in contract, tort (including without limitation negligence) or otherwise in relation to the audits of the Company's financial statements; [Auditor's Name] [and its respective partners, employees, agents and contractors] shall have no liability whether in contract, tort (including without limitation negligence) or otherwise to any third parties in relation to the audits of the Company's financial statements.

### **Timetable**

We expect be able to commence the Services on [date] and expect our Certificate to be completed by [date]. Our work will depend upon receiving without undue delay full cooperation from all relevant officials of the Company and their disclosure to us of all the accounting records of the Company and all other records and related information (including certain representations) we may need for the purpose of our work.

### **Fees**

The Auditor's fees together with VAT and out of pocket expenses, will be agreed with and billed to the Company.

In the event that we (i) identify any matter which we may be required by law to report to the authorities or (ii) we are required by regulation, statute, court order or other legal process to respond to the authorities' queries on our report or (iii) that we agree at our sole discretion following a request made by you, to produce our working papers or our personnel as witnesses with respect to our engagement for you, you will reimburse us for our professional time and expenses, as well as the fees and expenses of our legal and other advisers reasonably incurred in fulfilling our reporting obligations. This paragraph shall not apply in the event of legal proceedings brought against us by you in relation to this engagement, or to a regulatory inspection or investigation of [Auditor's Name].

### **[Terms of Business**

The attached Terms of Business set out the duties of all parties in respect of the Services. The Terms of Business amongst other things:

- a) limit our liability to a maximum amount of [€XXX] and, subject to that overall financial limit, to the part of any loss suffered which is proportional to our responsibility. This limit applies to the Services set out in this letter; and
- b) limit the period within which a claim may be brought.

This letter, including its Appendices and the attached Terms of Business together comprise the entire contract (the "Contract") for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations and shall supersede all previous contracts, letters of engagement, undertakings, agreements and correspondence regarding the Services.]^

### **Quality of service**

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^ Delete if Auditor does not usually include Terms of Business

**Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010 - continued**

The auditor will investigate all complaints made known to him. The Company has the right to take any complaint to [Chartered Accountants Ireland [or insert name of other bodies] member body]. The company may obtain an explanation of the mechanisms that operate in respect of a complaint to Chartered Accountants Ireland from their website, www.cai.ie. for insert appropriate details for other bodies].

**Applicable law**

This agreement shall be governed by and interpreted and construed in accordance with Irish Law.

The company and the [Auditor's Name] irrevocably agree that the Courts of Ireland shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

**Acknowledgement and acceptance**

Please acknowledge your acceptance of the terms of our engagement under the Contract by signing the confirmation below and returning a copy of this letter, including the Appendices, to us at the above address marked for the attention of [Relevant Person], whereupon the Contract will take effect from the date of the commencement by us of the Services.

if you have any questions regarding this Contract, please do not hesitate to contact us.

Yours faithfully,

[Auditor's Name]

Confirmation of the Contract

Having read the Contract comprising the letter of engagement, including its Appendices with [Auditor's Name] dated [date], I acknowledge acceptance of and agree to engage [Auditor's Name] upon the provisions of the same and confirm that I am authorised to sign for an on behalf of [Broadcaster Name].

Signed:

Name and position:

On behalf of [Broadcaster Name]

Date:

**Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010 - continued**

**APPENDIX A – Directors’ Statement of Qualifying Income**

As per Appendix A in Section 1 of this Document.



## **Section 2 – Certification by Broadcaster’s Auditor required under Regulation 18(2) of S.I. No. 7 of 2010 - continued**

### **APPENDIX B - Draft Certificate**

The Directors  
[Broadcaster Name]  
[address]

[Certificate Date]

Dear Sirs,

We hold office as auditors of [Broadcaster Name] ("the Company"). We have been requested to provide a Certificate in relation to the Directors' Statement of Qualifying Income for the period covering <dd Month yyyy- dd Month yyyy> to be submitted to the Broadcasting Authority of Ireland ("the BAI") in accordance with the Broadcasting Act 2009 and Regulation 17(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010) ("the Legal Obligation"). A copy of the Directors' Statement of Qualifying Income is attached at Appendix 1.

#### **Respective responsibilities of directors and the auditor**

The directors of the company are solely responsible for providing to the BAI a Statement of Qualifying Income for the period in accordance with the Legal Obligation. Our responsibility as auditors is to provide a certificate to the directors, which is in compliance with Regulation 18(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010) for submission with the Directors' Statement of Qualifying Income prepared in accordance with Regulation 17(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 (SI No: 7 of 2010).

#### **Basis of our Certificate**

Our procedures involve agreeing the amounts included in the Directors' Statement of Qualifying Income with the accounting records of the Company.

As our procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (UK & Ireland) or International Standards on Review Engagements, we do not express any assurance on the accompanying Statement of Qualifying Income. Had we performed additional procedures or had we performed an audit or review in accordance with International Standards on Auditing (UK & Ireland), other matters might have come to our attention that would have been reported to you. In addition, the procedures were restricted to the matters specified in the Statement of Qualifying Income and did not extend to the Company's financial statements taken as a whole. Therefore this report does not express any assurance in relation to the financial statements of the Company.

This report is made solely to the Company's directors, as a body. Our work has been undertaken so that we might issue a certificate to the directors, which is in compliance with Regulation 18(2) of the Broadcasting Act 2009 (Section 33) Levy Order 2010 and for no other purpose. Our report is addressed to the directors solely for their use in fulfilling their responsibilities to the BAI for determining the Statement of Qualifying Income for the relevant period. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's directors as a body, for our work, for this report, or for the matters set out therein.

#### **Certificate**

We certify that we have agreed the amounts in the Directors' Statement of Qualifying Income identified above which shows the total Qualifying Income amounting to €<xxxxxx> to the books of account of the Company.

[Auditor's Name]