

Illustrative engagement letter to provide assurance services on selected key performance indicators disclosed in a sustainability report prepared in accordance with an entity's reporting criteria

The adaptations in the illustrative engagement letter are referenced to the appropriate notes

Circumstances include:

- Subject matter: Selected key performance indicators (KPIs) ^[N1]
- Criteria: ABC Limited's reporting criteria ^[N2]
- Reasonable and limited assurance engagement conducted in terms of ISAE 3000 (Revised) on the subject matter
- The engagement has been assessed as having all preconditions for an assurance engagement ^[N3]
- **Note:** The links to websites (referencing legislation and requirements) included in the footnotes to the illustrative engagement letter are those applicable at the time of the issue of this illustrative engagement letter

The Directors ^[N4]

ABC Limited

(Address)

(Date)

Dear [XX]

ASSURANCE ENGAGEMENT ON SELECTED KEY PERFORMANCE INDICATORS – ENGAGEMENT LETTER

You have requested that we undertake an assurance engagement on selected key performance indicators (KPIs), as described below, presented in the 20xx Sustainability Report ^[N5] of ABC Limited (ABC) for the year ended (insert date) (the Report). We are pleased to confirm our acceptance and our understanding of this assurance engagement by means of this letter. Our engagement will be conducted by a multidisciplinary team of [*health, safety, social, environmental and assurance*] specialists with relevant experience in sustainability reporting. ^[N6]

The [*registered auditor / director*] with responsibility for the supervision and direction of the engagement is [*partner / director name*]. We will inform you if this responsibility is changed.

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1. Subject matter ^[N7]

You have requested that we provide a reasonable assurance opinion on the KPIs listed in table (a) and a limited assurance conclusion on the KPIs listed in table (b) below. The selected KPIs to be published in the Report and to be prepared in accordance with ABC's reporting criteria are in the table below. ^[N2]

(a) Scope of reasonable assurance engagement			
Category	Selected KPIs¹	Coverage	Reporting criteria
Environmental	<ul style="list-style-type: none"> • Carbon footprint • Total energy usage 	ABC operations at sites 1,2 and 3	GHG Protocol for Carbon Footprint GRI Standards supported by internal guidelines for all other environmental parameters
Health and Safety	<ul style="list-style-type: none"> • Lost time injury frequency rate • Number of noise induced hearing loss cases (NIHL) of more than 10% 	ABC Group	Internal guidelines and OHSAS 18001 ²

¹ Page numbers used to make reference to the selected KPIs within the Report may be replaced with other appropriate specific references

² Occupational Health and Safety Management System Specification (for more information: <http://www.ohsas-18001-occupational-health-and-safety.com/>)

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(b) Scope of limited assurance engagement			
Category	Selected KPIs ³	Coverage	Reporting criteria
Environmental	<ul style="list-style-type: none"> • Total water usage • Waste generated 	ABC operations at site 1,2 and 3	GRI Standards supported by internal guidelines for all other environmental parameters
Social	<ul style="list-style-type: none"> • Total training spend • Women in mining as a percentage of total employees • Percentage HDSA⁴ in management 	ABC Group	Mining charter ⁵ supported by internal guidelines

2. Responsibilities of the Directors ^[N4]

You are responsible for the selection, preparation and presentation of the selected KPIs in accordance with ABC's reporting criteria as noted in the table above, and for ensuring that the reporting criteria ^[N2] in support of the selected KPIs subject to assurance are made available to the users of the Report. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. You are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.

³ Page numbers used to make reference to the selected KPIs within the Report may be replaced with other appropriate specific references

⁴ Historically Disadvantaged South Africans

⁵ Scorecard for the Broad-Based Socio Economic Empowerment Charter for the South African Mining and Minerals industry, as amended September 2010 (for more information: <http://www.dmr.gov.za/mining-charter.html>)

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3. Inherent limitations ^[N8]

[Insert text if applicable]

4. Our independence and quality control

We will comply with the independence and all other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors (IRBA), that is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B) ^[N9], which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

[Name of firm] / *[The firm]* applies the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Responsibilities of the Auditor

Our responsibility is to perform our assurance engagement so that we are able to express a reasonable assurance opinion on the selected KPIs as set out in section (a) of the Subject Matter paragraph and a limited assurance conclusion that nothing has come to our attention that causes us to believe that the selected KPIs as set out in section (b) of the Subject Matter paragraph are prepared, in all material respects, in accordance with ABC's reporting criteria. We will conduct our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) ^[N10], *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our engagement to obtain the appropriate level of assurance about whether the selected KPIs are free from material misstatement.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. As a result the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

(a) Reasonable assurance

A reasonable assurance engagement in accordance with ISAE 3000 (Revised) involves performing procedures to obtain evidence about the measurement of the selected KPIs and related disclosures in the Report. The nature, timing and extent of procedures selected depend on the auditor's professional judgement, including the assessment of the risks of material misstatement of the selected KPIs, whether due to fraud or error.

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In making those risk assessments we will consider internal control relevant to ABC's preparation of the selected KPIs. A reasonable assurance engagement also includes:

- Evaluating the appropriateness of quantification methods, reporting policies and internal guidelines used and the reasonableness of estimates made by ABC
- Assessing the suitability in the circumstances of ABC's use of the applicable reporting criteria^[N2] as a basis for preparing the selected information; and
- Evaluating the overall presentation of the selected sustainability performance information

(b) Limited assurance

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of ABC's use of its reporting criteria^[N2] as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Accordingly, for the KPIs where limited assurance will be obtained, we do not express a reasonable assurance opinion about whether ABC's selected KPIs have been prepared, in all material respects, in accordance with the accompanying ABC reporting criteria.^[N2]

The procedures we will perform are based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, the procedures we plan on performing include the following, but are not necessarily limited to^[N11]:

- Interview management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspect documentation to corroborate the statements of management and senior executives in our interviews;
- Test the processes and systems to generate, collate, aggregate, monitor and report the selected KPIs;
- Perform a controls walkthrough of identified key controls;
- Inspect supporting documentation on a sample basis and perform analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;

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- Evaluate the reasonableness and appropriateness of significant estimates and judgments made by the directors in the preparation of the selected KPIs; and
- Evaluate whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at ABC.

6. Independent assurance report ^[N12] ^[N13]

Our independent assurance report will be addressed to the directors ^[N4] of the company.

On completion of our work, we aim to express an opinion or conclusion as follows:

Reasonable assurance opinion

In our opinion *[and subject to the inherent limitations outlined elsewhere in this report]*, the selected KPIs set out in section (a) of the Subject Matter paragraph above for the year ended (*insert date*) are prepared, in all material respects, in accordance with the accompanying ABC reporting criteria.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained *[and subject to the inherent limitations outlined elsewhere in this report]*, nothing has come to our attention that causes us to believe that the selected KPIs as set out in section (b) of the Subject Matter paragraph above for the year ended (*insert date*) are not prepared, in all material respects, in accordance with the accompanying ABC reporting criteria.

We cannot guarantee that an unmodified assurance opinion or conclusion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion and/or conclusion, or to withdraw from the engagement. In such circumstances, our findings and/or reasons for modification or withdrawal will be communicated to the directors.

7. Other matters ^[N14] ^[N15]

[Insert text if applicable]

The information relating to prior reporting periods will not be subject to assurance procedures ^[N16].

Our report will include the provision of limited assurance on (*name of the new selected KPIs for the year*). We have not previously been required to provide assurance on these selected KPIs ^[N17].

You intend to publish the Report for the financial year, consisting of a printed report as well as additional online disclosures ^[N18], and make it available to stakeholders.

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The maintenance and integrity of your website is your responsibility. Our procedures will not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may occur after the initial date of its presentation on your website ^[N19].

8. Restriction of liability ^[N20]

Our work will be undertaken to enable us to express either a reasonable assurance opinion or limited assurance conclusion on the selected KPIs to the Directors of ABC in accordance with the terms of this agreement, and for no other purpose. We will not accept or assume liability to any party other than the Directors of ABC, for our work, for the assurance report that we will issue, or for the opinion or conclusions that we will reach. A statement to this effect will be included in our assurance report.

9. Representations by management

As part of our assurance engagement procedures, we will request that management provide us with a representation letter acknowledging management's responsibility regarding the preparation and presentation of the selected KPIs in accordance with ABC's reporting criteria and confirming certain representations made to us during our assurance engagement.

10. Reporting to a regulatory oversight body or other person ^[N21]

[Insert text if applicable]

11. Terms of agreement ^[N22]

This letter should be read together with the attached Terms and Conditions, which should be initialled by both parties as evidence of acceptance.

12. Other paragraphs ^[N22]

[Insert text if applicable]

13. Acknowledgement and Acceptance ^[N22]

This engagement letter (including its appendices and the enclosed Terms and Conditions) forms the Contract between us.

Please record your agreement to the terms of the Contract by signing the enclosed copy of this Contract in the space provided below and initialling all appendices including the Terms and Conditions and returning a complete, signed copy to us.

If you have any questions regarding this Contract, please do not hesitate to contact *[insert name]*.

Yours faithfully

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(Company name of Registered Auditor) ^[N23]

Registered Auditor's signature

Name of individual

Capacity (e.g.) Director or Partner

Registered Auditor's address ^[N23]

Confirmation of the Contract

I have read the terms set out in the engagement letter dated [*insert date*], the Terms and Conditions and other appendices and I accept those terms on behalf of ABC Limited and represent that I am authorised by ABC Limited to do so.

Signed: _____
Name: _____
Position: _____
Date: _____

Notes

N1. The subject matter may include qualitative matters other than the selected KPIs, for example: the Equator Principles⁶, the International Council on Mining and Metals (ICMM) 10 Sustainable Development Principles (subject matter 1-3)⁷ and the Global Reporting Initiative (GRI) Standards⁸ qualitative general and specific disclosures, for example, strategy governance and management approach. Where such additional

⁶ The [Equator Principles](http://www.equator-principles.com/) is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects (for more information: <http://www.equator-principles.com/>)

⁷ International Council on Mining and Metals (ICMM) 10 Sustainability Development Principles (for more information: <http://www.icmm.com/>)

⁸ Global Reporting Initiative (GRI) Standards (for more information: <https://www.globalreporting.org/standards/gri-standards-download-center/>)

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subject matters are included in the scope of the assurance engagement, the practitioner should adapt the assurance report accordingly, including referring to “selected sustainability information” instead of “selected KPIs”. It is important that the practitioner clearly identifies the subject matter in the engagement letter and agrees this with the directors or the audit committee, as appropriate.

- N2.** The source of the criteria is clearly described by the preparer in the Sustainability Report (the Report).

The GRI Standards establish a framework for the reporting of sustainability information and determination of the selected KPIs. However, there is no specific guidance in terms of measurement of these selected KPIs within these Standards. This is overcome by the entity developing and making use of company / management internally developed guidelines that supplement the GRI Standards.

Entities may use other disclosures to support the GRI Standards or may use these disclosures as standalone reporting criteria for the selected KPIs. These may include internally developed guidelines or local legislation (for example, Broad-Based Black Economic Empowerment Codes of Good Practice⁹, the Employment Equity Act¹⁰, the GHG Protocol¹¹, the new Scorecard for Broad-Based Socio-Economic Empowerment Charter (BBSEEC) for the South African Mining and Minerals Industry (2010)¹², and the ICMM¹³ Assurance Procedure).

The entity should disclose their complete reporting criteria which includes the basis for calculating the selected KPIs in the Report. This may be done through disclosure in a table, in an introductory paragraph within the Report, in each relevant section of the Report or by reference to a website where this information is available. Accordingly the subject matter table as noted in the engagement letter should clearly identify the criteria used by the entity in reporting each of the selected KPIs. For the purposes of this example, it has been assumed that the relevant reporting criteria will be disclosed together with the selected KPIs on the relevant pages of the Report.

- N3.** ISAE 3000 (Revised), paragraphs 24 and 25 “Preconditions for the Assurance Engagement” require that all preconditions be present prior to accepting an assurance engagement.

⁹ For more information: https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp

¹⁰ Employment Equity Act, 1998 (Act 55 of 1998) (for more information: <http://www.labour.gov.za/DOL/legislation/acts/employment-equity/employment-equity-act>)

¹¹ The Greenhouse Gas (GHG) Protocol, developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions (for more information: <http://www.ghgprotocol.org/>)

¹² For more information: <http://www.dmr.gov.za/mining-charter.html>

¹³ International Council on Mining and Metals (ICMM) (for more information: <http://www.icmm.com/>)

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N4. The engagement letter is addressed as required by the circumstances of the engagement and is normally addressed to those for whom the report is prepared. The assurance practitioner should emphasise to those responsible for the selection, preparation and presentation of the selected KPIs that they should ensure that there is a rational purpose present for the inclusion of these selected KPIs in the Report. The assurance practitioner is referred to N3 above relating to the ISAE 3000 (Revised), paragraphs 24 and 25, "Preconditions for the Assurance Engagement".

N5. A Report may be presented as a standalone Report or may be included as part of the Integrated / Annual Report of a company. In such circumstances, this sentence should include the following "...presented in the 20xx Sustainability Report included in the Integrated / Annual Report of ABC Limited (ABC) for the year ended (*insert date*) (the Report)."

With the introduction and presentation of more Integrated Reports, the presentation of sustainability information may take various formats. These may include disclosure in a dedicated sustainability section of the Integrated Report, a specific table or in various sections throughout the Integrated Report. In such circumstances, the sentence should be worded to refer the user to the identified disclosure areas.

N6. To provide a robust assurance process, disciplines and expertise across diverse sustainability areas will be required. The assurance practitioner should explain the relevant expertise of the individuals to be involved in the engagement.

N7. The subject matter table used in the illustrative engagement letter and assurance report has been crafted using certain categories and selected KPIs that may differ from engagement to engagement depending on those reported on in the Report and those on which the assurance practitioner is requested to provide assurance.

The categories and selected KPIs included in the subject matter table represent those matters within the Report that the entity has requested the provision of assurance on. In general, the entity instructs the assurance practitioner as to which categories and selected KPIs they require assurance to be expressed on. The assurance practitioner is reminded of his / her responsibility under the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, (ISAE 3000 (Revised)) to ensure that all the preconditions for the assurance engagement are present, which includes that the underlying subject matter is appropriate.¹⁴ Paragraph A44 of ISAE 3000 (Revised) further states that in determining whether the engagement exhibits the characteristic of having an appropriate underlying subject matter in such cases, it may be appropriate for the assurance practitioner to consider whether information about the aspect on which he / she is asked to report is likely to meet the information needs of intended

¹⁴ ISAE 3000 (Revised), paragraph 24(b)(i)

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users as a group, and also how the subject matter information will be presented and distributed. The assurance practitioner may respond to this by reviewing the process that the entity has in place to determine the selected categories and selected KPIs to be included in the Report and may challenge the entity, if necessary, on the appropriateness of those selected KPIs they have been requested to provide assurance on.

- N8.** ISAE 3000 (Revised), paragraph 69(e) states “where appropriate, a description of any significant inherent limitation associated with measurement or evaluation of the underlying subject matter against applicable criteria” may be included in the assurance report. Where such limitations are expected to be disclosed in the report, these may be then included in the engagement letter. Paragraph A165 of ISAE 3000 (Revised) states “while in some cases, inherent limitations can be expected to be well-understood by the intended users of an assurance report, in other cases it may be appropriate to make explicit reference to them in the assurance report”. ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, refers to including a “statement on uncertainties related to emissions” in the assurance report content and explains that such a statement is required due to uncertainty being a significant characteristic in greenhouse gases. Where statements around significant inherent limitations are included in the assurance report, these should be specific and tailored to the engagement circumstances. However care should be taken so that the wording used does not suggest that the assurance practitioner’s conclusion is contradicted by the significant inherent limitations.
- N9.** Where the assurance practitioner is a Registered Auditor, such as in the case of a combined assurance engagement, reference should be made to the “*Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors (IRBA), that is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B)”.
- N10.** ISAE 3000 (Revised) paragraph A169, states that “where a subject matter specific ISAE applies to only part of the subject matter information, it may be appropriate to cite both that the subject matter specific ISAE and this ISAE”. For example, where greenhouses gases form part of the assurance scope, the wording will be as follows: “We will conduct our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than the Audits or Reviews of Historical Financial Information* and, in respect of greenhouse emissions, in accordance with ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*”.
- N11.** This is a summary of work to be performed as per the illustrative assurance report and should be tailored to specific engagements. When limited assurance is expressed, the summary of work performed may be more detailed than for reasonable assurance

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because, an appreciation of the nature, timing and extent of procedures to be performed is essential to understanding the conclusion that will be expressed. ISAE 3000 (Revised), paragraph A176, provides guidance as to the factors to consider in determining the level of detail to be provided in the summary of the work performed. These may include:

- Circumstances specific to the entity, for example, the differing nature of the entity's activities compared to those typical in the sector.
- Specific engagement circumstances affecting the nature and extent of the procedures performed.
- The intended users' expectations of the level of detail to be provided in the report, based on market practice, or applicable law or regulation.

N12. Deliverables on an engagement may include other reports (for example, a management report) in addition to the assurance report. In these circumstances, this paragraph may be tailored to disclose such deliverables and the heading amended accordingly to "Deliverables". An alternative would be to include a separate additional paragraph entitled "Other deliverables".

N13. ISAE 3000 (Revised), paragraph A178 sets out the following examples of conclusions expressed in a form appropriate for a reasonable assurance engagement:

- When expressed in terms of the underlying subject matter and the applicable criteria, "In our opinion, the entity has complied, in all material respects, with XYZ law;"
- When expressed in terms of the subject matter information and the applicable criteria, "In our opinion, the forecast of the entity's financial performance is properly prepared, in all material respects, based on XYZ criteria;"
- When expressed in terms of a statement made by the appropriate party, "In our opinion, the [appropriate party's] statement that the entity has complied with XYZ law is, in all material respects, fairly stated," or "In our opinion, the [appropriate party's] statement that the key performance indicators are presented in accordance with XYZ criteria is, in all material respects, fairly stated."

ISAE 3000 (Revised), paragraph A180 sets out the following examples of conclusions expressed in a form appropriate for a limited assurance engagement:

- When expressed in terms of the underlying subject matter and the applicable criteria, "Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that [the entity] has not complied, in all material respects, with XYZ law."
- When expressed in terms of the subject matter information and the applicable criteria, "Based on the procedures performed and evidence obtained, we are not

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aware of any material amendments that need to be made to the assessment of the selected KPIs for them to be in accordance with XYZ criteria.”

- When expressed in terms of a statement made by the appropriate party, “Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the [appropriate party's] statement that [the entity] has complied with XYZ law, is not, in all material respects, fairly stated.”

N14. An “other matter” paragraph is used to communicate matters other than those that are presented or disclosed in the subject matter information that, in the practitioner's judgement, is relevant to the intended user's understanding of the engagement, the practitioner's responsibilities or the assurance report. For example, “Our report does not extend to any disclosures or assertions relating to future performance plans and / or strategies disclosed in the Report.”

N15. ISAE 3000 (Revised), paragraph 62 states that “when documents containing the subject matter information and the assurance report thereon include other information, the practitioner shall read that other information to identify material inconsistencies, if any, with the subject matter information or the assurance report and, if on reading that other information, the practitioner:

- (a) Identifies a material inconsistency between that other information and the subject matter information or the assurance report; or
- (b) Becomes aware of a material misstatement of fact in that other information that is unrelated to matters appearing in the subject matter information or the assurance report,

the practitioner shall discuss the matter with the appropriate party(ies) and take further action as appropriate.”

The practitioner refers to ISAE 3000 (Revised) paragraph A142 for examples of further actions that may be appropriate if the practitioner identifies a material inconsistency or becomes aware of a material misstatement of fact.

N16. This sentence is included when assurance is provided for the first time, and hence identifies this fact to the client. This paragraph may need to be adapted for client circumstances.

N17. Include this paragraph where there has been an increase in scope of assurance provided on the selected KPIs from the prior year.

N18. This statement needs to be tailored to the engagement circumstances and client intentions. Should online disclosures not be made, this wording should be deleted.

N19. Include this paragraph where the client will publish the information to be assured electronically in whatever appropriate electronic format, for example, Portable

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Document Format (PDF) and/or Hyper Text Mark-up Language (HTML). This section is not required where the information will be published in printed format only.

- N20.** Circumstances may occur which warrant that a further restriction on use of the report be included. In such cases, the following wording may be used:

“Our work will be undertaken to enable us to express either a reasonable assurance opinion or limited assurance conclusion on the selected KPIs to the directors of ABC in accordance with the terms of our engagement, and for no other purpose. Save as set out in that agreement, our report may not be made available to any other party without our prior written consent.

We permit the disclosure of our assurance report within the 20xx Sustainability Report of ABC for the year ended (*insert date*), to enable the directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report on the selected KPIs contained in the Report. To the fullest extent permitted by law, we do not accept or assume liability to any party other than the directors of ABC, for our work, for our assurance report, or for the conclusion we have reached.”

- N21.** Where the assurance practitioner has a statutory or other obligation to report matters to a regulatory oversight body or other person, such as the IRBA, the assurance practitioner needs to adhere to the statutory requirements imposed on him / her.
- N22.** This section is to be tailored to the respective assurance practitioner's requirements and internal policies. Practitioners may seek legal advice when necessary.
- N23.** Where the assurance practitioner (firm and individual) are registered auditors, such as in the case of a combined assurance engagement, such capacity should be clearly stated in the signature.