**Independent Auditor’s Report – Schedule 3 data**

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| Syndicate Number: | XXXX |
| Managing Agent Code: | XXXX |
| Year ended: | 31 December 20XX |

**Independent auditors’ report to the syndicate’s corporate members and their auditors**

**Opinion**

We have audited the Schedule 3 data of Syndicate XXXX (the Syndicate) for the year ended 31 December 20XX. The Schedule 3 data is defined in the Schedule 3 Instructions referred to in Lloyd’s market bulletin YXXXX dated DD MMM YYYY (the ‘Instructions’).

The financial reporting framework that has been applied in their preparation is a special purpose framework, as defined in the Instructions, prepared by the managing agent pursuant to the provisions of paragraph 13 of the Syndicate Accounting Byelaw (No 8 of 2005) (“the Byelaw”) and the requirements referred to by Lloyd’s in the Instructions.

In our opinion, in all material respects, the Schedule 3 data fairly states the information provided on the basis required by the Instructions and has been properly prepared in accordance with the Instructions.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ‘ISA (UK) 805 (Revised) Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of Financial Statements’. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Schedule 3 data section of our report. We are independent of the Syndicate in accordance with the ethical requirements that are relevant to our audit of the Schedule 3 data in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use**

We draw attention to the Instructions, which describe the purpose and basis of preparation of the Schedule 3 data. The Schedule 3 data is prepared for the purposes of assisting production by the syndicate’s corporate members of accounts in Schedule 3 format under UK GAAP. As a result, the Schedule 3 data may not be suitable for another purpose. Our report is intended solely for the addressees in accordance with the Instructions and our engagement letter dated [insert date] with the Managing Agent and should not be distributed to or used by parties other than the addressees of this report, the Managing Agent and the Council of Lloyd’s. Our opinion is not modified in respect of this matter

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

* the directors’ of the managing agent use of the going concern basis of accounting in the preparation of the Schedule 3 data is not appropriate; or
* the directors of the managing agent have not disclosed in the Schedule 3 data any identified material uncertainties that may cast significant doubt about the Syndicate’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Schedule 3 data is authorised for issue.

**Responsibilities of the directors of the Managing Agent**

The directors of the managing agent are responsible for the preparation of the Schedule 3 data in accordance with the Instructions and for such internal control as management determines is necessary to enable the preparation of Schedule 3 data that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule 3 data, management is responsible for assessing the Syndicate’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Syndicate or to cease the Syndicate operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Syndicate’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Schedule 3 data**

Our objectives are to obtain reasonable assurance about whether the Schedule 3 data as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Schedule 3 data.

A further description of our responsibilities for the audit of the Schedule 3 data is located on the Financial Reporting Council’s website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

[Audit firm]

[City]

[Date]

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| Schedule 3 data version number / timestamp: |  |