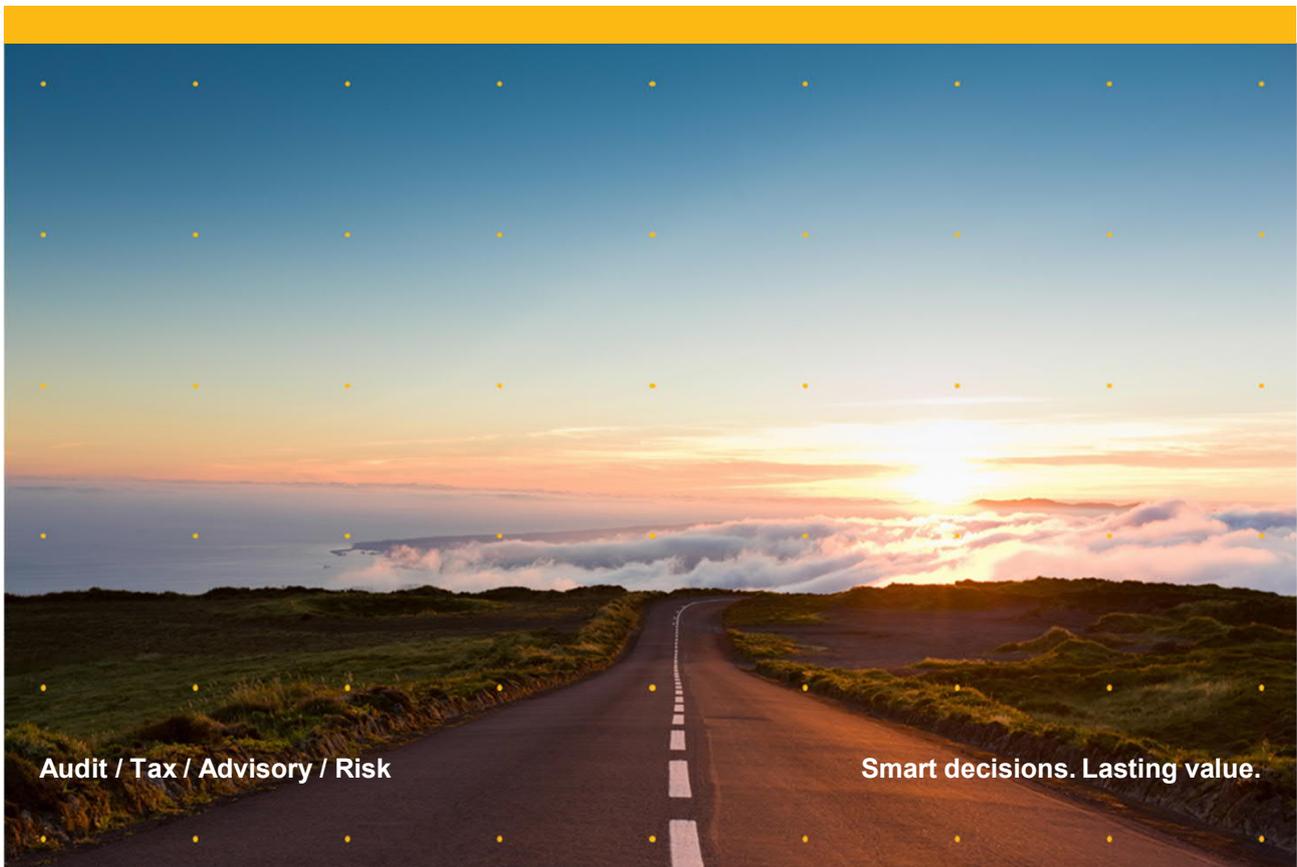




Grand Fortune High Grade Limited

Audit Planning Report
Year ended 30 April 2021
June 2021



Audit / Tax / Advisory / Risk

Smart decisions. Lasting value.

Summary

Introduction and scope

This audit planning report communicates our audit approach to those charged with governance for the audit of the group financial statements of Grand Fortune High Grade Limited for the year ended 30 April 2021, prepared in accordance with IFRS as adopted in the EU.

Our last engagement letter was agreed on 16 June 2020 and our and your responsibilities in respect of the audit are set out therein.

Our audit plan will continue to evolve and develop between now and the conclusion of the audit and so this report sets out the overall strategy that we intend to pursue. We will report any additional matters arising, or material changes in audit scope, at our clearance meeting with selected members of the Board. However we reserve the right to ask to present our findings to the Board as a whole.

This report, and our other formal written communications, will be addressed to the Board of Grand Fortune High Grade Limited as being those charged with governance. Our primary day to day contact will be with Tony Wonnacott.

Independence

As Matthew Stallabrass had acted as audit engagement partner for five years, he has now rotated off the audit as required by the FRC's Ethical Standards. Steve Gale, a senior audit partner and Crowe's UK Head of Audit, is the new audit engagement partner.

We have not identified any other matters relevant to our assessment of independence and, accordingly, we are satisfied that Crowe is independent for the purpose of the audit.

Audit Quality and Scope

A summary of our approach to maintaining quality in audit and monitoring quality can be found in our Transparency Report 2020 which is available at our website through the following link:

<https://www.crowe.com/uk/croweuk/about-us/transparency-reports>

Restrictions on distribution

This report is intended solely for the information of those charged with governance of the Group and the report is provided on the basis that it should not be distributed to other parties; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.

Audit Strategy

Responsibilities

We are responsible for forming and expressing an opinion on the financial statements prepared by management, with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities. The scope of the audit work and the design of audit tests undertaken will be solely for the purposes of forming an audit opinion on the financial statements.

The agreed terms of engagement are set out in our engagement letter dated 16 June 2020.

Consistent with our responsibilities we will provide an audit opinion as to whether the financial statements give a true and fair view of the company's state of affairs at 30 April 2020 and its result for the year then ended.

Our audit responsibilities do extend to the other information that is published with the financial statements. Our responsibility in respect of these other statements is to read the information contained therein to ensure that there are no matters that are inconsistent with the accounts. If there are inconsistencies or apparent mis-statements, we have to consider the impact on our audit report.

Financial systems and controls

We are required to assess the risk by which fraud could have a material affect on the group financial statements.

We are also required to evaluate the design, implementation and monitoring of your internal control systems. We will do this by ensuring that we understand your systems and identifying the key controls that operate therein.

The scope of our audit work in this area will be undertaken solely for the purposes of forming an opinion on the statutory accounts.

Our examination will not be specifically structured to detect fraud, all errors or non-compliance with all laws and regulations. We appreciate that the company is in its early stage of development which precludes a sophisticated system of internal controls

Materiality

The assessment of materiality is a matter of professional judgement but consideration will be given to:

- the highest cumulative error which would not threaten the validity of the financial statements
- whether its omission or mis-statement would reasonably influence the decisions of a user of the financial statements.

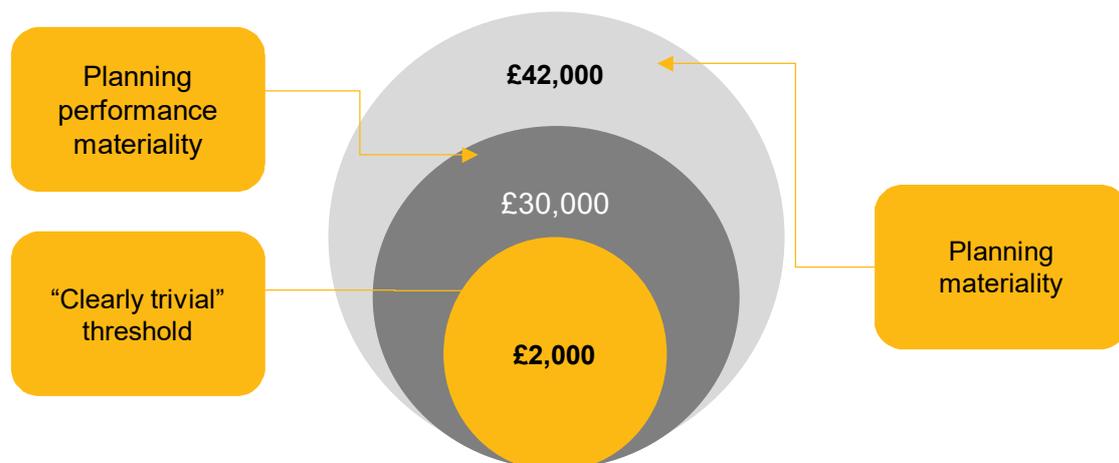
Materiality will be considered having regard to the overall financial statement level, the individual asset balance, the type of transaction and the disclosures.

Whether adjustments are material to the true and fair view can only be judged in the particular circumstances of the items and their impact on the financial statements to which they relate.

For planning purposes, overall Group materiality has been initially set at £42,000 (2020: £50,000).

We will draw to management's attention all 'actual' errors that we discover during the course of our work, other than where they are clearly trivial. Where such errors would have an impact upon the numbers reported in the statutory financial statements we will ask management to adjust the financial statements. We will regard errors as trivial if they are below £2,000 unless there is a qualitative reason that we should report them to you.

We will also draw to your attention matters of significant judgement and estimation where there is a range of acceptable outcomes and the impact on the results of that range.



Significant audit risks

Below are the significant risks identified for the audit of Grand Fortunes High Grade Limited. These have been assessed as significant for a number of factors including the complexity of the transactions, their significance to the financial statements, the degree of subjectivity and management judgement required and the risk of fraud. As part of our audit we will specifically consider the internal controls operating over these risk areas and their operational effectiveness.

At the planning stage we expect these risks with the exception of Management override of controls, to be included as the 'Key Audit Matters' within our audit report.

Significant risk	Audit response
<p>Going Concern As directors you are required to consider whether the company can continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements.</p>	<p>We will review your assessment and consider the level of cash held by the group and its commitments and requirements over the period of assessment. We will consider the uncertainties present in your assessment and consider whether, in our opinion, they represent material uncertainties. We will consider the adequacy of the disclosures in the financial statements in respect of going concern.</p>
<p>Disclosure of Related party transactions There is a risk that related party transactions are not disclosed in accordance with the accounting standards. The business is controlled by a small number of individuals in different locations increasing the risk that related party transactions are not identified</p>	<p>We will review transactions for evidence of potential undisclosed related party transactions.</p>
<p>Management override of controls In accordance with ISA 240, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management, We as auditors are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error.</p>	<p>We will design procedures to identify unusual transactions, inappropriate journal entries and transactions made outside the normal system.</p> <p>We will also consider estimates and judgements made by management for evidence of bias, either individually or collectively.</p>

Audit Administration

Fees

Our proposed audit fee for the year ended 30 April 2021 is £15,000, excluding VAT and disbursements.

Audit fees are calculated assuming that the agreed timetable is adhered to and required audit information is delivered in a timely manner. In the event that the timetable is not adhered to or information is not delivered we reserve the right to request additional fees to cover and additional time costs incurred.

Audit Team

Steve Gale

Partner

Steve is an audit partner based in the London Corporate Team of Crowe. He is also the firm's National Head of Audit

Steve will have ultimate responsibility for the audit engagement and will sign the opinion as Senior Statutory Auditor.



Shakty Sathiyaseelan

Assistant Manager

Shakty is a audit assistant manager based in the London Corporate Team of Crowe.

Shakty will be responsible for the day to day audit work and the on-site audit team.





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We are trusted by thousands of clients for our specialist advice, our ability to make smart decisions and our readiness to provide lasting value. Our broad technical expertise and deep market knowledge means we are well placed to offer insight and pragmatic advice to all the organisations and individuals with whom we work. Close working relationships are at the heart of our effective service delivery.

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