

Harnessing business value through reliable financial statements and audit quality

Financial statements are an instrumental tool used to assess an organisation's financial position and as a consequence determine its profitability and long-term survival. The dependence on reliable financial statements is likely to beat all other extenuating odds as it is the primal factor upon which decisions are taken within any given organisation.

Indeed, key decisions such as to whether increase player bonuses or dedicate additional resources through affiliate marketing are some of the questions you probably posed and subsequently potentially addressed at some point during the course of your business. High-level decision taking is likely to revolve around questions involving financial statements. The relevance of and reliance on such information can therefore only be measured by the choices hinging upon the adequate resolution of tough questions and, in turn, of tougher answers.

The reliability of financial statements is crucial. An independent external audit is the foundation for transparent and informed decision-making in many markets and the iGaming space is no exception. The KPMG audit acts as an enabler which enhances the reliability of your financial information.



How does KPMG add value?

At KPMG, we have a specialised team of qualified audit professionals that provide independent audit services to a host of remote gaming operators. Their respective expertise is underpinned by a strong work ethic adherent to the principles and practices that are generally applied within the remote gaming sphere.

Our audit approach is based on an understanding of our clients' business processes, goals and strategies. This enables us to identify and assess risks typically encountered by entities operating in remote gaming. Risks that include, *inter alia*, revenue recognition, IT security and integrity, gaming taxes and compliance with laws and regulations.

Pause for a moment and just think:

- Start off by considering the global market place – indeed very dynamic;
- Next, add the new financial reporting requirements and different regulations that apply in various jurisdictions where you operate in; and
- Add the high levels of complexity from an operational point of view, increased financial reporting risks and requests for business transparency especially when it comes to the flow of funds handled by operators.

This realistic, albeit ever-changing scenario, will probably lead you to the immediate

conclusion and realization as to why your Board needs the comfort, peace of mind and assurance on the reliability of the financial information when reporting to stakeholders. Firms like KPMG can give you the required assurances, offering you the highest levels of quality and insight in audit terms, while also providing you an enlightened perspective on the operations you carry out from Malta and beyond its shores.

Why KPMG?

At KPMG we believe in open and honest communication and also give paramount importance to timely identification and resolution of acute issues.

Our audit methodology focuses on the key areas which really matter to you and to us. Those areas of risk pertinent to your particular operations. All professionals who provide audit and assurance services are trained to look closely at all aspects of financial reporting to better isolate risk. The overall result is an independent and incisive view attesting the quality of the information provided.

For KPMG, being appointed as auditors does not simply translate itself into having another client. Beyond the audit of the numbers and disclosures appearing in the financial statements, the appointment also involves: due consideration of the systems and controls in place, a contribution towards the ongoing improvement of your control environment, quality of your financial reporting and other accountancy procedures, and the processes and procedures, including IT.

Our audit methodology has quality as its focus – it gives the assurance and peace of mind over information used by investors and the capital markets – a responsibility to the public interest, something which KPMG audit professionals take very seriously. Indeed, in this day and age, where iGaming operators are looked at through a critical eye, audit quality is vital for maintaining trust in the financial reporting process, in the integrity of financial information and in your organisation.

KPMG is a leader in delivering the benefits that successful organizations need today. The added-

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value that KPMG can bring to your organization include:

- Working with you to understand your business strategy;
- Applying relevant technical experience in the execution of an independent, high quality audit;
- A global network of professional firms providing Audit, Tax and Advisory services. The experience, skills and tested methodologies of 162,000 KPMG professionals serving companies like yours in over 155 countries;
- Our deep remote gaming and affiliate market industry experience;
- A multi-disciplinary approach based on practical industry knowledge;
- Assisting you to address dynamic business challenges and prospects.

After all, determining which risks are worth taking is challenging enough, but what about when choices must be based on information, systems or processes that are imprecise, complex or quite simply unknown? Let's be frank - without the right level of assurance it's difficult to know if governance and risk management are at the right level.

In a nutshell, at KPMG our service is as much about helping companies like yours tap into and capitalise on new opportunities as it is about mitigating and managing risk. As auditors we apply the same skills, rigour and robust stance to areas of your business that cannot easily be quantified and measured. We thrive on complexity and seek to provide peace of mind, wherever there are high levels of uncertainty, ambiguity and concern.

Our approach towards conducting your financial statement audit, the insights we bring to the table and deep understanding of the industry will continue to broaden and sharpen. Indeed, current clients, who have first-hand experience of our collaborative approach will attest to our ability to operate seamlessly with their organisation. This is our value proposition.

We invite you to get in touch. You can rest assured that our blend of technical and sector iGaming experience will enable us to embark on a mutually beneficial partnership that adds value

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Printed in Malta.

February 2016