



Fireswirl

Technologies Inc.

**Management Discussion and Analysis of the Financial Condition and Results of Operations
For the three and nine months ended September 30, 2008 and 2007**

November 28, 2008

The following Management Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) should be read in conjunction with Fireswirl Technologies Inc.’s (“Fireswirl” or the “Company”) unaudited consolidated financial statements and related notes for the quarter ended September 30, 2008 and audited consolidated financial statements and the accompanying notes for the year ended December 31, 2007, which have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). Additional information about the Company is available on SEDAR at (www.sedar.com) under Fireswirl Technologies Inc. and on the Company website at www.fireswirl.com.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward looking statements which reflect Management’s expectations regarding the Company’s growth, results of operations, performance and business prospects and opportunities.

Statements about the Company’s future plans and intentions, results, level of activity, performance or achievements or other future events constitute forward looking statements. Whenever possible, words such as “anticipate”, “estimate”, “may”, “will”, “could”, “should”, “expect”, “plan”, “intend”, “believe”, “estimate”, or “potential” or similar words, have been used to identify these forward looking statements.

The Company cautions that the forward-looking statements reflect the current views and/or expectations of the Company with respect to its performance, business and future events. Investors are cautioned that all forward looking statements involve risks, uncertainties and assumptions. Including, without limitations; those relating to a limited operating history, an uncertain regulatory environment, a competitive environment, internet viability and system infrastructure and reliability, dependence on key personnel and foreign exchange fluctuations. These risks may cause the Company’s actual results to differ materially from those projected in the forward looking statements. The Company does not undertake any obligations to release publicly any revisions for updating any voluntary forward looking statements.

Factors which could cause results or events to differ from current expectations include among other things: the impact of government legislation; the impact of competition; the ability of the Company to retain and attract qualified professionals; the impact of rapid technological and market change; loss of business or credit risk with current and perspective major customers; general industry and market conditions, growth rates and currency rate fluctuations. The Company disclaims any intentions or obligations to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law. No assurance can be given that actual results, performance or achievement expressed or implied by forward looking statements within this disclosure will occur; or if they do, that any benefits can be derived from them.

Past performance has been considered in drawing conclusions with respect to forward looking statements contained in this MD&A.

FIRESWIRL OVERVIEW

Fireswirl was founded in 1999 as a software development and project management company specializing in payment platforms for the internet. In 2004, the Company developed and began licensing (in eligible jurisdictions) the “Fireswirl Poker Suite.” Fireswirl has never operated a wagering website or processed any forms of wagers over the Internet. In mid 2006, the Company became a listed company (TSX-Venture; symbol FSW) through a reverse takeover and a \$3.2 million equity financing accompanying its qualifying transaction. A subsequent equity financing of \$4.5 million was completed in February 2007.

The Company embarked on a series of events in fall 2006 to achieve an enhanced business model with greater potential. In mid 2007, the Company opened an office in China to form relationships within the telecommunication sector. During 2007, the Company developed an infrastructure (legal, banking, financing, import/export, permits, VAT accounts, etc.) for trading mobile devices in China. Fireswirl’s primary business efforts in China remain in trading mobile handsets and providing value added services for deployment with the Telco’s.

Highlights of Q3 2008

iMobile

On July 3, 2008 an agreement was completed with iMobile who operates the largest online community of mobile phone users in China with over 8 million members and receiving approximately 1.2 million daily individual visits, providing consumer's access to professional reviews and comprehensive information about mobile handset and telecom products. Fireswirl’s relationship with iMobile encompasses; trading in mobile handsets and marketing products and services to iMobile’s substantial database. During the period ending September 30, 2008, we recorded sales of \$259,566 (gross margin \$3,650) and interest income of \$7,297 as inventory financing charges. We expect our revenues and margins to improve with increased efforts to monetize the 8 million user database. The handset sales and financing activity are essential to establish Fireswirl’s proper value-added tax payee status and banking infrastructure in China in preparation for selling dedicated pushmail and push-UI handsets in the near future.

Intelimax

On August 26, 2008, a three year licensing agreement was executed with Intelimax Media Inc. (IMI) for Fireswirl’s gaming and entertainment software. The license granted to IMI entitles Fireswirl to 10% of IMI’s gross revenues for the first 18 months, and 20% for the remainder of the term. The license to IMI converts to a sale of the licensed

software upon the earlier of: a) Fireswirl receiving \$1,100,000 from IMI or b) IMI completing a public listing and issuing Fireswirl 1,500,000 common shares at a deemed value of \$375,000 and the balance of \$725,000 due to Fireswirl through the revenue sharing agreement. Upon the completion of the sale to IMI, Fireswirl remains with a perpetual, world wide, royalty free license of the subject software. There are no assurances that IMI will complete the underlying sale.

Attributes of the strategic relationship with IMI to Fireswirl include 1) revenue sharing without associated expenses 2) payroll reduction of 6 technical staff in Canada 3) ongoing accessibility to our gaming and entertainment software 4) future business referrals to IMI (a partner with the technical expertise and aligned marketing strategies). IMI is focusing on revenue potential from Internet media, sales, advertising, publishing, and search engine applications. 5) reduction in future marketing expenses of “ChipsNChat”, a game site created by Fireswirl and now operated by IMI.

Q3 2008 Subsequent Events

Fine Support – Mobile Phone User Interfaces

November 17, 2008 the Company announced its wholly owned subsidiary Fireswirl Technologies (Shenzhen) Co. Ltd. (“FTSCL”) had entered into a letter of intent with JCs China Co. Ltd. (“JCs”) and Fine Support Co. Ltd. (“Fine Support”). The LOI requires the parties to the agreement to enter into a definitive agreement by January 19, 2009 whereby FTSCL would be granted exclusive rights for exploitation of the content and technology of Fine Support (through JCs) for the telecommunication industry of Greater China consisting of China, Taiwan, Hong Kong, and Macau. The definitive agreement will among other things include responsibilities, expense allocation, and revenue sharing of which the Company will provide details upon finalization. There is no guarantee that a definitive agreement will be reached or extended by January 19, 2009 between the parties to this agreement.

Fine Support is a leader in the Japanese changeable mobile phone User Interface (UI) market which allows users to personalize their mobile phones from a stock of approximately 3,000 UI themes base on popular Asian animation characters and Asian artwork. The technology supports wireless carriers to "push" new user interfaces to their customer's mobile phone. There has been 24 million downloads of changeable mobile phone UI in Japan since its inception and the market is estimated to be worth over US\$100 million in Japan in 2008, according to the Mobile Content Forum of Japan. Fine Support indicates that over 40% of UI content providers in Japan are presently utilizing Fine Support's UI technique and content.

Tysen Investment – Pushmail

November 27, 2008, the Company announced its wholly owned subsidiary Fireswirl Technologies (Shenzhen) Co. Ltd. (“FTSCL”) had acquired 21% of Beijing Tysen Xieli Technology Co. Ltd (“Tysen”) a limited liability company incorporated under the laws of

the People's Republic of China. FTSCCL investment in Tysen is 3.5 million RMB (approximately Cdn \$625,000) consisting of 1.4 million RMB (approximately Cdn \$250,000) paid to the existing shareholders (subject to milestones) and 2.1 million RMB (approximately Cdn \$375,000) invested to Tysen for working capital. FTSCCL has an option to acquire a further 30% of Tysen within the year 2011 at an amount equal to 5 times the multiple of 30% of the after tax net earnings of Tysen in 2010. Fireswirl's investment in Tysen is governed by a definitive shareholder agreement that allows Fireswirl to appoint the "legal representative" of Tysen, 2 of the 3 person board members, and entitlement to 30% of Tysen's net earnings until December 31, 2009. FTSCCL's investment in Tysen required foreign ownership approvals from the Peoples Republic of China which has been obtained.

Tysen is an integrator of a push e-mail ("pushmail") and mobile messaging software that has entered into a collaboration agreement with China Unicom Shanghai. (the provincial branch of China Unicom, <http://www.chinaunicom.com.hk>) China Unicom Shanghai officially launched the service on October 21, 2008 at Expo Comm China 2008 Beijing..

Summary

Since 2007 Fireswirl has committed resources to developing relationships with the telecommunications industry in Asia. Q3 2008 was pivotal as the company began to generate meaningful revenue through our infrastructure in China and gained access to a 8 million user database. The company trimmed development staff in Vancouver and hired additional staff in China dedicated to its projects within mobile handset sales and marketing value add telecom solutions. Subsequent to Q3 2008, the company has Pushmail and UI projects to launch and are working directly with some of the worlds largest entities in their respective industries. Fireswirl enters Q4 2008 ready to execute its strategy in China with a sound cost structure, necessary corporate status, banking infrastructure, carrier partnership, technology support, sales channels and business network in place.

SUMMARY OF FINANCIAL RESULTS

1. COMPARATIVE QUARTERLY OPERATING RESULTS

The following table shows selected unaudited financial information of the Company on a consolidated basis for the last eight quarters.

	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006
Revenue								
Service and software fees	\$12,781	\$6,560	\$6,119	\$5,884	\$6,084	\$6,414	\$22,000	\$66,659
Handset trading	259,566							
	272,347							
Cost of goods sold	255,916	499	-	-	-	-	-	-
Gross profit	16,431	6,061	6,119	5,884	6,084	6,414	22,000	66,659
Operating Expenses								
Depreciation & Amortization	13,864	15,106	13,144	19,047	1,910	1,453	1,475	(7,287)
Sales & Marketing	64,243	96,503	42,237	25,967	77,132	52,536	51,341	27,276
General Administration	188,502	151,430	187,090	180,655	143,071	155,445	105,655	335,360
Salaries & Benefits	215,085	255,124	265,907	307,308	106,112	88,572	100,776	60,066
Stock Based Compensation	21,673	32,587	136,212	37,480	38,533	75,107	161,807	74,361
Bad and Doubtful Debts	-	-	-	-	-	-	-	20,160
Impairment of Development costs	-	-	-	446,700	-	-	-	-
Total Expenses	503,367	550,750	644,590	1,017,157	366,758	373,113	421,054	509,936
Operating Income (Loss)	(486,936)	(544,689)	(638,471)	(1,011,273)	(360,674)	(366,699)	(399,054)	(443,277)
Other Income	52,963	62,074	46,834	70,156	52,292	60,292	34,249	32,058
Loss from investment				(30,620)	-	-	-	-
Foreign Exchange	12,592	(5,583)	31,894	1,671	(39,386)	(38,920)	5,213	6,211
Income (Loss) Before Taxes	(421,380)	(488,198)	(559,743)	(970,066)	(347,205)	(345,327)	(359,592)	(405,008)
Income Tax expense)/recovery	-	-	-	-	-	-	-	(69,954)
Loss attributed to minority interest	-	-	-	-	(56)	56	-	-
Net Loss	\$(421,380)	\$(488,198)	\$(559,743)	\$(970,066)	\$(347,261)	\$(345,271)	\$(359,592)	\$(474,962)
Basic/Diluted loss per share	\$(0.02)	\$(0.02)	\$(0.02)	\$(0.04)	\$(0.01)	\$(0.01)	\$(0.03)	\$(0.02)

2. QUARTERLY RESULTS

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2008
COMPARED TO THE THREE AND NINE MONTHS ENDED SEPTEMBER 30,
2007**

Revenue

During the three and nine months ended September 30, 2008, the Company reported revenue of \$272,347 and \$285,026 respectively, compared to \$6,084 and \$34,498 in the same periods of 2007. During Fiscal 2007 the company attempted to develop products and markets reacting to changes affecting their prior business model. The revenue in Q3 2008 consists of \$12,781 from service and maintenance fees, \$259,566 from the trading of handsets.

Operating Expenses

During the three and nine months ended September 30, 2008, total expenses increased to \$503,367 and \$1,698,707 respectively, compared to \$366,758 and \$1,160,925 for the same periods of 2007. The expense for the three and nine months ended September 30, 2007 excluded \$317,199 and \$899,222 respectively, of capitalized development costs which would otherwise have increased total expense to \$683,957 and \$2,060,147 for the same periods. Development costs were not capitalized in 2008 as the projects are at implementation stage.

Depreciation and Amortization

Depreciation and amortization expenses increased to \$13,864 and \$42,113 for the three and nine months ended September 30, 2008 compared to \$1,910 and \$4,838 for the same periods of 2007 reflecting a higher net book value of capital assets in 2008. Commencing Q4 2007, the Company began amortizing Bet Exchange software development costs over a 3 year period equal to the anticipated life of the developed software. The Company is deferring software development costs to future periods when all criteria for the deferral are met and commences amortization when the software generates revenue.

Sales and Marketing

Sales and marketing expenses decreased to \$64,243 and increased to \$202,982 for the three and nine months ended September 30, 2008 compared to \$77,132 and \$181,009 for the same periods of 2007. The largest portion of this expense in 2008 was the cost spent in Q2 related to marketing ChipsNChat, a social networking and entertainment website and it has been reduced in Q3 2008 as future marketing cost of ChipsNChat now is paid by IMI.

General and Administrative

General and administrative expenses increased to \$188,502 and \$527,022 for the three and nine months ended September 30, 2008 compared to \$143,071 and \$404,171 for the same periods of 2007. The largest items in amounts and changes within general and administrative cost were professional fees and premise costs. Professional fees decreased to \$91,328 and \$218,360 for the three and nine months ended September 30, 2008 compared to \$113,347 and \$316,153 for the same periods of 2007. Reflecting additional

facilities in China and the cost of previous premises, rental expenditure increased to \$66,455 and \$178,736 for the three and nine months ended September 30, 2008 compared to \$32,850 and \$98,550 for the same periods in 2007.

The premises cost of \$36,505 (for the three months ended September 30, 2008) and \$85,179 (for the nine months ended September 30, 2008) for the Company's previous premises is included in the rental expense. This expense has offsetting rental revenue of \$40,244 and \$93,902 for the same periods via sub-leasing. (see Other Incomes and Losses)

Salaries and Benefits

The Company recognized salaries and benefits expenses of \$215,085 and \$736,116 for the three and nine months ended September 30, 2008 compared to \$106,112 and \$295,460 for the same periods of 2007. Salary amount of \$231,299 (for the three months ended September 30, 2007) and \$688,909 (for the nine months ended September 30, 2007) were capitalized as development costs which otherwise would have increased salaries and benefits to \$337,411 and \$984,369 for the same periods of 2007. The decrease in salaries and benefit expenditure in 2008 compared to 2007 is due to the measures undertaken by the Company to reduce operating expenses. In August 2008, the company made further reductions to its technical team in Vancouver relating to its arrangements with IMI resulting in an estimated savings of \$400,000 per year.

Stock Based Compensation

Stock based compensation expense decreased to \$21,673 and \$190,472 for the three and nine months ended September 30, 2008 compared to \$38,533 and \$275,447 for the same period of 2007. The fair value of stock based compensation granted to employees, directors and consultants is expensed throughout the vesting period. Most of the options granted in previous years are now vested, which lead to the decrease in the compensation expenses. Other reasons for the decrease are due to fewer options being granted and forfeited options of departed employees and consultants. The vesting periods of the Company's outstanding stock options are equal to or less than 1 year from the grant date.

Other Incomes and Losses

Other income and losses totaled \$52,963 and \$161,871 for the three and nine months ended September 30, 2008 compared to \$52,856 and \$147,397 for the same period of 2007. Other income consists of interest income, rental income, and miscellaneous gain/loss. Interest income includes \$7,297 of financing charge to iMobile for the handset trading in China. Rental income is from the sub-lease of the Company's previous office which generates an accretive amount of \$21,904 per year.

Foreign Exchange Gain/Loss

The Company recognized foreign exchange gain of \$12,592 and \$38,903 for the three and nine months ended September 30, 2008 compared to foreign exchange loss of \$39,386 and loss of \$73,093 for the same periods of 2007. The majority of the Company's foreign holding is in HK dollar, US dollar and Chinese Renminbi. The Company does not utilize hedge or forward contracts.

3. LIQUIDITY AND CAPITAL RESOURCES

The Company reported working capital of \$2,824,833, cash and cash equivalents of \$2,520,150 and no long term debt as of September 30, 2008 compared to working capital of \$4,063,826, cash and cash equivalents of \$4,248,211 and no long term debt as of December 31, 2007.

As at September 30, 2008, current assets excluding cash and cash equivalent consisted of loan receivable of \$114,107, accounts receivable of \$179,494, accrued interest receivable of \$12,040, miscellaneous receivable of \$626, GST and VAT recoverable of \$73,679, inventory of \$70,773 and prepaid and deposits of \$65,465.

Current liability as at September 30, 2008 consisted of accounts payable and accrued expenses of \$143,807, payroll remittance and vacation payable of \$12,841 and \$42,406 of customer deposit. Accounts payable includes an amount of \$92,990 owing to a vendor for the 3G Gaming Video Platform which had an initial cost of \$298,258. The amount owing will be paid when the contractual terms of this purchase are met.

The Company has adequate cash and short term investments to meet the Company's planned growth and development activities. The Company does not see any material fluctuation in its liquidity or working capital position and based on the present level of revenue and expenses the Company does not foresee any significant changes to its working capital requirements.

Due to increasing business activities in China, in June 2008, the Company elected to increase the paid-up capital of the Company's wholly owned foreign enterprises (WOFE) Fireswirl Technologies (Shenzhen) Company Limited up to maximum RMB ¥8 million (about Cdn \$1.24 million). As of September 30, 2008, the WOFE held \$52,622 (HK\$385,720) and \$337,587 (RMB ¥2,180,811) of cash, \$114,124 (RMB ¥737,243) of short term investment and \$70,773 (RMB ¥457,264) of inventory. The capital held in the WOFE can be freely used in China for business activities however if these funds were required in Canada, there may be lengthy timing issues relating to procedures required to repatriate the funds to Canada.

Operating Activities

Cash used by operations for the three and nine months ended September 30, 2008 was \$563,053 and \$1,585,031 compared to \$368,306 and \$954,381 for the same periods of

2007. In 2007, \$317,199 and \$899,222 of software development cost was capitalized for the three and nine months ended September 30 respectively. The capitalization of software cost resulted in less cash used by operating activities and higher cash used investing activities by the same amount in 2007.

Investing activities

Cash used by investing activities for the three and nine months ended September 30, 2008 was \$119,011 and \$172,281 compared \$356,344 and \$1,021,766 for the same periods of 2007. The main investing activities in 2008 were acquisition of capital assets, expenditures for leasehold improvement, payments related to trademark while the main investing activities in 2007 were the capitalization of software development and the purchase of equipment.

Financing Activities

Cash provided by financing activities for the three and nine months ended September 30, 2008 was \$7,500 and \$29,250 compared to \$14,001 and \$4,715,817 for the same periods of 2007. The cash inflow during the prior year period is mainly due to the completion of a private placement of \$4,500,000 in the period.

4. CONTRACTUAL OBLIGATIONS

The Company continues to have no bank debt, off-balance sheet financing arrangements or significant capital leases. The Company has leased facilities in Canada, China. The Company's future minimum annual payments under operating leases are the following:

2008 (from October)	\$25,504
2009	\$94,623
2010	\$61,848
2011	\$32,724

In February 2008, the former premises of the Company were subleased for \$83,748 per year (base rent), which is accretive \$21,904 per year until the maturity of the lease in June 2011. New facilities are \$32,775 per year (base rent) until January 2010.

5. RELATED PARTY TRANSACTIONS

During the three months and nine months ended September 30, 2008, the Company had the following expenditures:

- Salaries of \$81,600 and \$293,100 to its management compared to \$108,000 and \$330,231 in the same periods in 2007.
- Administrative fees of \$3,000 and \$9,000 to the independent directors of the Company compared to nil in 2007.

6. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Our significant accounting policies are set out in Note 3 and Note 4 of the audited consolidated financial statement of the Company for the year ended December 31, 2007. The adoption of these new accounting standards did not impact the amounts in the Company's financial statements.

7. RISKS AND UNCERTAINTIES

Important risks factors that could cause actual results, performance or achievements to be materially different than past performance or those implied by forward looking statements include:

- Uncertainty as to the degree of new market acceptance of our products;
- Our products could contain defects that lead to costs, damage of reputation or litigation;
- Our dependence on customer performance;
- Uncertainty regarding future profitability;
- Uncertainty regarding the pricing, reporting and collection of accounts;
- Risks associated with sales in foreign countries and their government policies and regulations therein;
- Our ability to diligently ensure that our customers operate in accordance with the terms of our license agreements that require observation of the laws of Canada and other foreign countries;
- Our ability to attract and retain key personnel.

8. PROPOSED TRANSACTIONS

There were no proposed asset, business acquisition or disposition transactions pending as at September 30, 2008 excepting:

November 17, 2008 the company announced its wholly owned subsidiary Fireswirl Technologies (Shenzhen) Co. Ltd. ("FTSCL") had entered into a letter of intent with JCs China Co. Ltd. ("JCs") and Fine Support Co. Ltd. ("Fine Support"). The LOI requires the parties to the agreement to enter into a definitive agreement by January 19, 2009 whereby FTSCL would be granted exclusive rights for exploitation of the content and technology of Fine Support (through JCs) for the telecommunication industry of Greater China consisting of China, Taiwan, Hong Kong, and Macau. The definitive agreement will among other things include responsibilities, expense allocation, and revenue sharing of which the Company will provide details upon finalization. Management believes this transaction (if consummated) can be accommodated within our existing infrastructure with minimal financial commitments to the company. There is no guarantee that a

definitive agreement will be reached or extended by January 19, 2009 between the parties to this agreement.

9. OFF BALANCE SHEET ARRANGEMENTS

As at September 30, 2008 the Company had not entered into any off balance sheet arrangements.

10. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consists of cash, short term investments, accounts receivable, accounts payable and accrued liabilities, income tax recovery and capital lease obligations. The fair values of these financial instruments approximate their carrying values. The Company's short term investments consist primarily of investments in low risk bank certificates. Therefore, the Company is not exposed to significant interest risks. Company is exposed to currency fluctuations since a substantial portion of the Company's holding cash is in foreign currencies and most of the Company's revenue is earned in foreign currencies. The Company does not engage in currency hedging.

11. OUTSTANDING SHARES

The Company has 25,302,612 common shares outstanding with share capital amount of \$5,188,260 as at November 28, 2008 compared to 25,205,112 common shares outstanding with share capital amount of \$5,088,335 as at December 31, 2008. If all of the Company's options and warrants were exercised, the Company would have 28,943,612 common shares outstanding. If exercised, the cash proceeds would be \$720,200 from the options (1,385,000 options at weighted average exercise price of \$0.52) and \$2,812,500 from the warrants (2,250,000 warrants at \$1.25) for a total of \$3,532,700.

OTHER MD&A REQUIREMENTS

The Company evaluated the effectiveness and design of its disclosure controls and procedures for the financial statements and MD&A as at September 30, 2008 and based on this evaluation, management has concluded these disclosure controls and procedures to be effective.

The Corporation's financial reporting procedures and practices have enabled the certification of Fireswirl Technologies Inc. annual filing in compliance with Multilateral Instrument 52-109 "Certification of Disclosure in Issuers Annual and Interim Filings". Management has designed such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

financial statements and other annual filings in accordance with Canadian GAAP, except as noted below.

Given the size of the Company, the evaluation of the design of internal controls over financial reporting for the Company resulted in the identification of the following weaknesses:

- Management is aware that due to its relatively small scale of operation there is a lack of segregation of duties to a limited number of employees dealing with accounting and financial matters. However, management has concluded that considering the employees involved and the control procedures in place, including management and Audit Committee oversight, risks associated with such lack of segregation of duties are not significant enough to justify the expense associated with adding employees to segregate duties.
- Management is aware that in-house expertise to deal with complex taxation, accounting and reporting issues may not be sufficient. The Company requires outside assistance and advice on new accounting pronouncements and complex accounting and reporting issues, which is common with companies of similar size.

There have been no significant changes to the Company's internal control over financial reporting that occurred during the most recent period that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company's internal control systems continue to evolve as the Company grows. We believe these systems are sufficient to execute the business plan and provide meaningful information upon which to manage the business. Management believes the disclosure, controls and procedures currently in place are effective.