

Standard on Transactions
 Auditing “Related Parties”
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The document presented outlines the Standard on Transactions Auditing concerning "Related Parties." Key sections of this Standard are highlighted in bold italic font for emphasis. It is essential to interpret this Standard alongside the accompanying background material, which is presented in regular type.

1. Introduction

This standard aims to set forth requirements that will aid the transactions auditor in recognizing and evaluating the risks of significant misstatement linked to related party relationships and transactions. Additionally, it provides guidance for developing transactions audit procedures tailored to address the identified risks associated with these related parties.

1.1 Nature of Related Party Relationships and Transactions

Related party transactions often occur as part of regular business operations. In these instances, the risk of material misstatement in the transaction's statements may not be greater than that associated with transactions involving unrelated parties. Nevertheless, the characteristics of related party relationships and transactions can, in certain situations, lead to an increased risk of material misstatement in the transaction's statements compared to transactions with unrelated entities. For instance:

- (i) Related parties can engage in a wide variety of intricate relationships and frameworks, leading to a heightened complexity in related party transactions.
- (ii) Information systems might struggle to accurately identify or summarize transactions and outstanding balances involving an entity and its related parties.
- (iii) Transactions with related parties may not adhere to standard market terms and conditions; for instance, certain transactions may occur without any exchange of consideration.

1.2 Responsibilities of the Transactions Auditor

1.2.1 Given that related parties have interdependence, numerous transactions reporting frameworks impose specific accounting and disclosure obligations concerning related party relationships, transactions, and balances. These requirements are designed to help users of the transaction's statements comprehend the nature of these relationships and their actual or potential impacts on the financial statements. When a transactions reporting framework outlines such obligations, it becomes the transactions auditor's duty to conduct audit procedures aimed at identifying, assessing, and addressing the risks of material misstatement that may arise from the entity's inadequate accounting for or disclosure of related party relationships, transactions, or balances in line with the established framework.

1.2.2 (Although the relevant transactions reporting framework may impose few or no requirements regarding related parties, it remains essential for the transactions auditor to gain a comprehensive understanding of the entity's related party relationships and transactions. This understanding is crucial for the auditor to determine whether the transactions statements are influenced by these relationships and transactions. (Ref: Para. 6.1)

- (i) Achieve a true and fair presentation (for true and fair presentation frameworks); or (Ref: Para. 6.2)
- (ii) Are not misleading (for compliance frameworks). (Ref: Para. 6.3)

1.2.3 Furthermore, comprehending the related party relationships and transactions of the entity is crucial for the transactions auditor's assessment of potential fraud risk factors. This is since fraud can be more readily perpetrated through interactions with related parties.

1.2.4 Due to the fundamental constraints associated with auditing transactions statements, there exists an inevitable risk that certain significant misstatements may go undetected, despite the transactions audit being meticulously planned and executed in alignment with the relevant Standards of Transactions Auditing (SCAs). When considering related parties, the impact of these inherent limitations on the transactions auditor's capacity to identify material misstatements is amplified for several reasons.

- (a) Management may be unaware of the existence of all related party relationships and transactions, particularly if the applicable transactions reporting framework does not establish related party requirements.
- (b) Related party relationships may present a greater opportunity for collusion, concealment or manipulation by management.

1.2.5 In this context, it is crucial to approach the planning and execution of an audit with a sense of professional skepticism, especially considering the possibility of undisclosed related party relationships and transactions. The stipulations outlined in this standard aim to support the transactions auditor in recognizing and evaluating the risks of material misstatement linked to related party relationships and transactions, as well as in formulating appropriate audit procedures to address the identified risks.

2. Objectives

The objective of this method is to enable transactions auditors:

2.1 *Irrespective of whether the applicable transactions reporting framework establishes related party requirements, to obtain an understanding of related party relationships and transactions sufficient to be able:*

- (i) To recognize fraud risk factors, if any, arising from related party relationships and*

transactions that are relevant to the identification and assessment of the risks of material misstatement due to fraud; and

(ii) To conclude, based on the audit evidence obtained, whether the transactions statements,

insofar as they are affected by those relationships and transactions:

(a) Achieve true & fair presentation (for true and fair presentation frameworks); or

(b) Are not misleading (for compliance frameworks); and

2.2 In addition, where the applicable transactions reporting framework establishes related party requirements, to obtain sufficient appropriate audit evidence about whether related party relationships and transactions have been appropriately identified, accounted for and disclosed in the transaction's statements in accordance with the framework.

3. Scope

This Standard on Transactions Auditing (SCA) deals with the transactions auditor's responsibilities relating to related party relationships and transactions in an audit of transactions statements. Specifically, it expands on how SCA are to be applied in relation to risks of material misstatement associated with related party relationships and transactions.

4. Definitions

The following terms are being used in this standard with meanings specified.

4.1 Arm's length transaction – A transaction conducted on such terms and conditions as between a willing buyer and a willing seller who are unrelated and reacting independently of each other and pursuing their own best interest.

4.2 Appropriateness (of audit evidence): The measure of the quality of audit evidence; that is, its relevance and its reliability in providing support for the conclusions on which the transactions auditor's opinion is based.

4.3 Assertions: —Representations by management, explicit or otherwise, that are embodied in the transaction's statements, as used by the transactions auditor to consider the different types of potential misstatement that may occur.

4.4 Audit: Audit is an independent examination of financial, transactions and other related information of an entity whether profit oriented or not, irrespective of its size or legal form, when such an examination is conducted with a view to expressing an opinion thereon.

4.5 Audit Evidence: Information used by the transactions auditor in arriving at the conclusions on which the transactions auditor's opinion is based. Audit evidence includes both information contained in the transactions accounting records underlying the transactions statements and all other related information.

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- 4.6 *Auditor: Auditor is used to refer to the person or person conducting the audit, usually the audit partner or other members of the audit team, or, as applicable the firm. Auditor includes Transactions Auditor.*
- 4.7 *Transactions Audit: Transactions audit is an independent examination of transactions statements, transactions records and other related information of an entity including a non-profit entity, when such an examination is conducted with a view to expressing an opinion thereon.*
- 4.8 *Transactions Auditor: “Transactions Auditor” means an auditor appointed to conduct an audit of transactions records and shall be a transactions accountant within the meaning of The Transactions and Works Accountants Act 1959. “Transactions Accountant” is a transactions accountant as defined in clause (b) of sub-section (1) of section 2 of The Transactions and Works Accountants Act, 1959 (23 of 1959) and who holds a valid certificate of practice under subsection (1) of section 6 and who is deemed to be in practice under subsection (2) of section 2 of that Act and includes a firm of transactions accountants.*
- 4.9 *Transactions Records: Transactions Records means books of accounts relating to utilization of materials, labor and other items of transactions, to facilitate calculation of true and fair transactions of operations, transactions of sales, and margin for each product or service or activity, produced or provided by an entity including a non-profit entity, for any period, in compliance with Transactions Accounting Standards issued by the Institute.*
- 4.10 *Transactions Reporting Framework: Transactions Reporting Framework means the framework adopted by the management and, where appropriate, by those charged with governance, in the preparation of the transactions statements that are acceptable in view of the nature of the entity and the objective of the transactions report, or that is required by law or regulation.*
- 4.11 *Transactions Statements: Transactions Statements, in relation to an entity, include plant-wise, factory-wise or service center-wise:*
- (i) quantitative details of capacity, production, trade purchases, sales and stocks.*
 - (ii) quantitative, rates and value details of consumption of materials, utilities and other inputs.*
 - (iii) The transactions sheet showing elementwise, total as well as per unit transactions of production of goods or provision of services, transactions of sales and margin for each product or service.*
 - (iv) reconciliation of profits, or in the case of an entity carrying on any activity not for profit, of surplus, as per transactions accounts and as per financial accounts.*
 - (v) reconciliation of indirect taxes showing details of total clearance of goods / services,*

assessable value, duties/ taxes paid, CENVAT or VAT or Service Tax credit utilized, duties / taxes recovered, and interest / penalty paid.

(vi) statement of value addition and distribution of earnings.

(vii) details of purchases and sales of goods and services with related parties showing transfer price vis-vis normal price; and

(viii) Any explanatory note annexed to, or forming part of, any document referred to in (i) to (vii) above.

4.12 Fraud: An intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception to obtain an unjust or illegal advantage.

4.13 Fraud risk factors: Events or conditions that indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

4.14 Management: The person(s) with executive responsibility for the conduct of the entity's operations. For some entities in some jurisdictions, management includes some or all of those charged with governance.

4.15 Misstatement: A difference between the amounts, classification, presentation or disclosure of a reported transactions statement item and the amount, classification, presentation, or disclosure that is required for the item to be in accordance with the applicable transactions reporting framework. Misstatements can arise from error or fraud.

4.16 Professional Judgement: The application of relevant training, knowledge and experience and objectivity, within the context provided by transactions auditing standards, transactions accounting standards and ethical requirements, in making informed decisions about the courses of action that are appropriate in the circumstances of the audit engagement.

4.17 Related party – A party that is: (Ref: Para. 6.4-6.7)

(i) A related party as defined in the applicable law and regulations.

(ii) A related party as defined in the applicable transactions reporting framework; or

(iii) Where the applicable transactions reporting framework establishes minimal or no related party requirements.

(a) A person or other entity that has control or significant influence, directly or indirectly through one or more intermediaries, over the reporting entity.

(b) Another entity over which the reporting entity has control/ voting power or significant influence, directly or indirectly through one or more intermediaries; or

(c) Another entity that is under common control with the reporting entity through having:

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1. *Common controlling ownership.*
 2. *Owners who are close family members; or*
 3. *Common key management.*

However, entities that are under common control by a state (that is, a national, regional or local government) are not considered related unless they engage in significant transactions or share resources to a significant extent with one another.

4.18 Risk Assessment: The audit procedures performed to obtain an understanding of the entity and its environment, including the entity's internal control, to identify and assess the risks of material misstatement, whether due to fraud or error, at the overall transactions statement level and at the assertion level including items of transactions, transactions heads and disclosure thereof.

4.19 Risk Assessment Procedure: The audit procedures performed to obtain an understanding of the entity and its environment, including the entity's internal control, to identify and assess the risks of material misstatement, whether due to fraud or error, at the transactions statement level and at the assertion levels.

4.20 Substantive procedure: Substantive procedures are intended to create evidence that an auditor assembles to support the assertion that there are no material misstatements regarding the completeness, validity, and accuracy of the transactions records of an entity. Thus, substantive procedures are performed by an auditor to detect whether there are any material misstatements in transactions. It comprises of:

- (i) Tests of details (of classes of transactions, account balances, and disclosures); and*
- (ii) Substantive analytical procedures. (Substantive analytical procedures are types of analytical procedures being used as a substantive procedure to obtain evidence about assertions related to account balances or classes of transactions)*

5. Requirements

Risk Assessment Procedures and Related Activities

5.1 As part of the risk assessment procedures and related activities that other SCAs require the transactions auditor to perform during the audit, transactions auditor shall perform the audit procedures and related activities set out in paragraphs 5.2-5.6 to obtain information relevant to identifying the risks of material misstatement associated with related party relationships and transactions.

Understanding the Entity's Related Party Relationships and Transactions

5.2 The engagement team discussion that SCAs require shall include specific consideration of the susceptibility of the transactions statements transaction due to fraud or error that could result from the entity's related party relationships and transactions. (Ref: Para. 6.8–6.9).

5.3 *The transactions auditor shall inquire about management regarding:*

- (a) The identity of the entity's related parties, including changes from the prior period; (Ref: Para. 6.10–6.12)*
- (b) The nature of the relationships between the entity and these related parties; and*
- (c) Whether the entity entered any transactions with these related parties during the period and, if so, the type and business purpose of the transactions.*

5.4 *The transactions auditor shall inquire about management and others within the entity, and perform other risk assessment procedures considered appropriate, to obtain an understanding of the controls, if any, that management has established too: (Ref: Para. 6.13–6.18)*

- (a) Identify, account for, and disclose related party relationships and transactions in accordance with the applicable transactions reporting framework.*
- (b) Authorize and approve significant transactions and arrangements with related parties; and (Ref: Para. 6.19)*
- (c) Authorize and approve significant transactions and arrangements outside the normal course of business.*

Maintaining Alertness for Related Party Information When Reviewing Transactions Records and Other Related Documents

5.5 *During the audit, the transactions auditor shall remain alert when inspecting transactions records and other related documents, for arrangements or other information that may indicate the existence of related party relationships or transactions that management has not previously identified or disclosed to the transactions auditor. (Ref: Para. 6.20–6.22)*

5.6 *In particular, the transactions auditor shall inspect the following for indications of the existence of related party relationships or transactions that management has not previously identified or disclosed to the transaction's auditor:*

- (a) Third party confirmations obtained as a part of the auditor's procedures.*
- (b) Minutes of meetings of shareholders/ Board of Directors/ Committees and of those charged with governance; and*
- (c) Such other records or documents as the transaction's auditor considers necessary in the circumstances of the entity.*

5.7 *If the transactions auditor identifies significant transactions outside the entity's normal course of business when performing the audit procedures required by paragraph 5.4 or through other audit procedures, the transactions auditor shall inquire about management: (Ref: Para. 6.23–6.24)*

(a) *The nature of these transactions; and (Ref: Para. 6.25)*

(b) *Whether related parties could be involved. (Ref: Para. 6.26)*

Sharing Related Party Information with the Audit Team

5.8 *The transactions auditor shall share relevant information obtained about the entity's related parties with the other members of the Audit team. (Ref: Para. 6.27)*

Identification and Assessment of the Risks of Material Misstatement Associated with Related Party Relationships and Transactions

5.9 *The transactions auditor shall identify and assess the risks of material misstatement associated with related party relationships and transactions and determine whether any of those risks are significant risks. In making this determination, the transactions auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks.*

5.10 *If the transactions auditor identifies fraud risk factors (including circumstances relating to the existence of a related party with dominant influence) when performing the risk assessment procedures and related activities in connection with related parties, the transactions auditor shall consider such information when identifying and assessing the risks of material misstatement due to fraud in accordance with other SCAs. (Ref: Para.6.28-6.29)*

Responses to the Risks of Material Misstatement Associated with Related Party Relationships and Transactions

5.11 *As part of the SCAs requirement that the transactions auditor respond to assessed risks, the transactions auditor designs and performs further audit procedures to obtain sufficient appropriate audit evidence about the assessed risks of material misstatement associated with related party relationships and transactions. These audit procedures shall include those required by paragraphs 5.12–5.15. (Ref: Para.6.30-6.33)*

Identification of Previously Unidentified or Undisclosed Related Parties or Significant Related Party Transactions

5.12 *If the transactions auditor identifies arrangements or information that suggests the existence of related party relationships or transactions that management has not previously identified or disclosed to the transaction's auditor, the transactions auditor shall determine whether the underlying circumstances confirm the existence of those relationships or transactions.*

5.13 *If the transactions auditor identifies related parties or significant related party transactions that management has not previously identified or disclosed to the transaction's auditor, the transactions auditor shall:*

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- (a) Promptly communicate the relevant information to the other members of the audit team; (Ref: Para.6.34)*
 - (b) Where the applicable transactions reporting framework establishes related party requirements:
 - (i) Request management to identify all transactions with the newly identified related parties for the transactions auditor's further evaluation; and*
 - (ii) Inquire as to why the entity's control over related party relationships and transactions failed to enable the identification or disclosure of the related party relationships or transactions.**
 - (c) Perform appropriate substantive audit procedures relating to such newly identified related parties or significant related party transactions; (Ref: Para. 6.35)*
 - (d) Reconsider the risk that other related parties or significant related party transactions may exist that management has not previously identified or disclosed to the transaction's auditor, and perform additional audit procedures as necessary; and*
 - (e) If the non-disclosure by management appears intentional (and therefore indicative of a risk of material misstatement due to fraud), evaluate the implications for the audit. (Ref: Para. 6.36)*

Identified Significant Related Party Transactions outside the Entity's Normal Course of Business

5.14 For significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual given the transactions auditor's understanding of the entity and its environment and other information obtained during the transactions auditor shall evaluate.

- (a) Inspect the underlying contracts or agreements, if any, and evaluate whether:
 - (i) The business rationale (or the lack thereof) of the transactions suggests that they may have been entered into to engage in fraudulent transactions reporting or undervaluation of transactions. (Refer 6.37-6.38)*
 - (ii) The terms of the transactions are consistent with management's explanations; and*
 - (iii) The transactions have been appropriately accounted for and disclosed in accordance with the applicable transactions reporting framework; and**
- (b) Obtain audit evidence that the transactions have been appropriately authorized and approved. (Ref: Para. 6.39–6.40)*

Assertions That Related Party Transactions Were Conducted on Terms Equivalent to those prevailing in an Arm's Length Transaction

5.15 *If management has made an assertion in the transaction's statements to the effect that a related party transaction was conducted on terms equivalent to those prevailing in an arm's length transaction, the transactions auditor shall obtain sufficient appropriate audit evidence about the assertion. (Ref: Para. 6.41-6.44)*

Evaluation of the Transactions Records and Other Related Disclosure of Identified Related Party Relationships and Transactions

5.16 *In forming an opinion on the transaction's statements in accordance with SCAs the transactions auditor shall evaluate: (Ref: Para. 6.45)*

(a) *Whether the identified related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable transactions reporting framework; and (Ref: Para. 6.46)*

(b) *Whether the effects of the related party relationships and transactions:*

(i) *Prevent the transactions statements from achieving true & fair presentation (for true and fair presentation frameworks); or*

(ii) *Cause the transactions statements to be misleading (for compliance*

frameworks). Written Representations

5.17 *Where the applicable transactions reporting framework establishes related party requirements, the transactions auditor shall obtain written representations from management and, where appropriate, those charged with governance that: (Ref: Para. 6.47–6.48)*

(a) *They have disclosed to the transaction's auditor the identity of the entity's related parties and all the related party relationships and transactions of which they are aware; and*

(b) *They have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the framework.*

Communication with Those Charged with Governance

5.18 *Unless all of those charged with governance are involved in managing the entity, the transactions auditor shall communicate with those charged with governance significant matters arising during the audit in connection with the entity's related parties. (Ref: Para. 6.49)*

Documentation

5.19 *The transactions auditor shall include in the transactions audit documentation: (Ref: Para. 6.50)*

(a) The names of the identified related parties and the nature of the related party relationships and transactions.

(b) The nature and extent of the audit procedures performed to comply with applicable legal and regulatory requirements.

6. Application Guidance

Responsibilities of the Transactions

Auditor

Transactions Reporting Frameworks That Establish Minimal Related Party Requirements (Ref: Para. 1.2.2)

6.1 An applicable transactions reporting framework that establishes minimal related party requirements is one that defines the meaning of a related party, but that definition has a substantially narrower scope than the definition set out in law and regulations, so that a requirement in the framework to disclose related party relationships and transactions would apply to substantially fewer related party relationships and transactions. The transactions auditor is required to disclose all the substantial transactions set out in law and regulations.

Fair Presentation Frameworks (Ref: Para. 1.2.2(i))

6.2 In the context of a true and fair presentation framework, related party relationships and transactions may cause the transactions to fail to achieve true and fair presentation if, for example, the economic reality of such relationships and transactions is not appropriately reflected in the transaction's statements. For instance, value of purchase and sale of raw materials, finished goods, rendering of services, utilization of plant services and technical know-how may not be achieved if these transactions with related parties are not at arm's length price.

Compliance Frameworks (Ref: Para. 1.2.2(ii))

6.3 In the context of a compliance framework, whether related party relationships and transactions cause the transactions to be misleading as discussed in SCAs depends upon the circumstances of the audit engagement. For example, even if non-disclosure of related party transactions in the transactions statements follows the framework and applicable law or regulation, the transactions statements could be misleading if the entity derives a very substantial portion of its revenue from transactions with related parties, and that fact is not disclosed. However, it will be extremely rare for the transactions auditor to consider transactions statements that are prepared and presented in accordance with a compliance framework.

Definition of a Related Party (Ref: Para. 4.2)

6.4 Many transactions reporting frameworks discuss the concepts of control and significant influence. Although they may discuss these concepts using different terms, they generally explain that:

- (a) Control is the power to govern the operating policies of an entity to obtain benefits from its activities; and
- (b) Significant influence (which may be gained by share ownership, statute or agreement) is the power to participate in the operating policy decisions of an entity but is not control over those policies.

6.5 The existence of the following relationships may indicate the presence of control or significant influence:

- a. Direct or indirect equity holdings or other financial interests in the entity.
- b. The entity's holdings of direct or indirect equity or other financial interests in other entities.
- c. Being part of those charged with governance or key management (that is, those members of management who have the authority and responsibility for planning, directing and controlling the activities of the entity).
- d. Being a close family member of any person referred to in subparagraph (c), and
- e. Having a significant business relationship with any person referred to in sub para. (c).

Related Parties with Dominant Influence

6.6 Related parties, by virtue of their ability to exert control or significant influence, may be able to exert dominant influence over the entity or its management. Consideration of such behavior is relevant when identifying and assessing the risks of material misstatement due to fraud, as further explained in paragraphs 6.29–6.30.

Special-Purpose Entities as Related Parties

6.7 In some circumstances, a special-purpose entity may be a related part of the entity because the entity may in substance control it, even if the entity owns little or none of the special-purpose entity's equity.

Risk Assessment Procedures and Related Activities

Risks of Material Misstatement Associated with Related Party Relationships and Transactions
Understanding the Entity's Related Party Relationships and Transactions Discussion among the Audit Team (Ref: Para. 5.2)

6.8 Matters that may be addressed in the discussion among the audit team include:

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- (a) The nature and extent of the entity's relationships and transactions with related parties; (for example, the auditor's record of identified related parties updated after each audit).
 - (b) An emphasis on the importance of maintaining professional skepticism throughout the audit regarding the potential for material misstatement associated with related party relationships and transactions.
 - (c) The circumstances or conditions of the entity that may indicate the existence of related party relationships or transactions that management has not identified or disclosed to the transaction's auditor, for example, a complex organizational structure, use of special-purpose entities etc.
 - (d) Records or documents that may indicate the existence of related party relationships or transactions.
 - (e) The importance that management and those charged with governance attach to the identification, appropriate accounting for, and related disclosure of related party relationships and transactions (if the applicable transactions reporting framework establishes related party requirements), and the related risk of management override of relevant controls.

6.9 In addition, the discussion in the context of fraud may include specific consideration of how related parties may be involved in fraud. For example:

- (a) How special-purpose entities controlled by management might be used to facilitate pricing management.
- (b) How transactions between the entity and a known business partner of a key member of management could be arranged to facilitate misappropriations of the entity's plant facilities and resources.

The Identity of the Entity's Related Parties (Ref: Para. 5.3(a))

6.10 Where the applicable transactions reporting framework establishes related party requirements, information regarding the identity of the entity's related parties is likely to be readily available to management because the entity's information systems will need to record, process and summarize related party relationships and transactions to enable the entity to meet the accounting and disclosure requirements of the framework. Management is therefore likely to have a comprehensive list of related parties and changes from the prior period. For recurring engagements, making the inquiries provides a basis for comparing the information supplied by management with the transactions auditor's record of related parties noted in previous audits.

6.11 However, where the framework does not establish related party requirements, the entity may not have such information systems in place. Under such circumstances, it is possible that management may not be aware of the existence of all related parties. Nevertheless,

The requirement to make the inquiries specified by paragraph 5.3 still applies because management may be aware of parties that meet the related party definition set out in applicable law and regulation. In such a case, however, the transactions auditor's inquiries regarding the identity of the entity's related parties are likely to form part of the transactions auditor's risk assessment procedures and related activities performed in accordance with other SCAs to obtain information regarding:

- (a) The entity's ownership and governance structures.
- (b) The types of investments that the entity is making and plans to make; and
- (c) The way the entity is financed.

In the case of common control relationships, as management is more likely to be aware of such relationships if they have economic significance to the entity, the transactions auditor's inquiries are likely to be more effective if they are focused on whether parties with which the entity engages in significant transactions, or shares resources to a significant degree, are related parties.

6.12 The transactions auditor may also obtain some information regarding the identity of the entity's related parties through inquiries of management during the audit engagement acceptance or continuance process.

The Entity's Controls over Related Party Relationships and Transactions (Ref: Para. 5.4)

6.13 Others within the entity are those considered likely to have knowledge of the entity's related party relationships and transactions, and the entity's controls over such relationships and transactions. This may include, to the extent that they do not form part of management:

- (a) Those charged with governance.
- (b) Personnel in a position to initiate, process, or record transactions that are both significant and outside the entity's normal course of business, and those who supervise or monitor such personnel.
- (c) Internal Audit Function.
- (d) Auditors.
- (e) In-house legal counsel; and
- (f) The chief ethics / vigilance officer or equivalent person.

6.14 The transactions audit is conducted on the premise that management and, where appropriate, those charged with governance have acknowledged and understand that they have responsibility for the preparation of the transactions statements in accordance with the applicable transactions reporting framework, including where relevant their true and fair presentation, and for such internal control as management and, where appropriate, those charged with

Governance determine is necessary to enable the preparation of transactions statements that are free from material misstatement, whether due to fraud or error. Accordingly, where the framework establishes related party requirements, the preparation of the transactions statements requires management, with oversight from those charged with governance, to design, implement and maintain adequate controls over related party relationships and transactions so that these are identified and appropriately accounted for and disclosed in accordance with the reporting framework. In their oversight role, those charged with governance monitor how management is discharging its responsibility for such controls. Regardless of any related party requirements the framework may establish, those charged with governance may, in their oversight role, obtain information from management to enable them to understand the nature and business rationale of the entity's related party relationships and transactions.

6.15 In meeting the SCAs requirement to obtain an understanding of the control environment, the transactions auditor may consider features of the control environment relevant to mitigating the risks of material misstatement associated with related party relationships and transactions, such as:

- (a) Internal ethical codes, appropriately communicated to the entity's personnel and enforced, governing the circumstances in which the entity may enter into specific types of related party transactions.
- (b) Policies and procedures for open and timely disclosure of the interests that management and those charged with governance have in related party transactions.
- (c) The assignment of responsibilities within the entity for identifying, recording, summarizing and disclosing related party transactions.
- (d) Timely disclosure and discussion between management and those charged with governance of significant related party transactions outside the entity's normal course of business, including whether those charged with governance have appropriately challenged the business rationale of such transactions.
- (e) Clear guidelines for the approval of related party transactions involving actual or perceived conflicts of interest, such as approval by a subcommittee of those charged with governance comprising individuals independent of management.
- (f) Periodic reviews by internal Auditors, where applicable.
- (g) Proactive action taken by management to resolve related party disclosure issues, such as by seeking advice from the auditor or external legal counsel.
- (h) The existence of whistle-blowing policies and procedures, where applicable.

6.16 Controls over related party relationships and transactions within some entities may be deficient or non-existent for several reasons, the transactions auditor shall evaluate:

- (a) The low importance attached by management to identifying and disclosing related party relationships and transactions.
- (b) The lack of appropriate oversight by those charged with governance.
- (c) An intentional disregard for such controls because related party disclosures may reveal information that management considers sensitive, for example, the existence of transactions involving family members of management.
- (d) An insufficient understanding by management of the related party requirements of the applicable transactions reporting framework.
- (e) The absence of disclosure requirements under the applicable transactions reporting framework.

Where such controls are ineffective or non-existent, the transactions auditor may be unable to obtain sufficient appropriate audit evidence about related party relationships and transactions. If this were the case consider the implications for the transactions audit, including the opinion in the transactions auditor's report.

6.17 Fraudulent transactions reporting often involves management override of controls that otherwise may appear to be operating effectively. The risk of management override of controls is higher if management has relationships that involve control or significant influence with parties with which the entity does business because these relationships may present management with greater incentives and opportunities to perpetrate fraud. For example, management's financial interests in certain related parties may provide incentives for management to override controls by:

- (a) Directing the entity, against its interests, to conclude transactions for the benefit of these parties, or
- (b) Colluding with such parties or controlling their actions. Examples of possible fraud include:
 - (i) Creating fictitious terms of transactions with related parties designed to misrepresent the business rationale of these transactions.
 - (ii) Fraudulently organizing the transfer of resources and facilities from or to management or others at amounts significantly above or below arm's length price.
 - (iii) Engaging in complex transactions with related parties, such as special-purpose entities, that are structured to misrepresent the performance of the entity.

Considerations specific to smaller entities

6.18 Control activities in smaller entities are likely to be less formal and smaller entities may have no documented processes for dealing with related party relationships and transactions. An owner may mitigate some of the risks arising from related party transactions, or potentially increase those risks, through active involvement in all the main aspects of the transactions. For such entities, the Transactions Auditor may obtain an understanding of the related party relationships and transactions, and any controls that may exist over these, through inquiry of management combined with other procedures, such as observation of management's oversight and review activities, and inspection of available relevant documentation.

Authorization and approval of significant transactions and arrangements (Ref: Para. 5.4(b))

6.19 Authorization involves the granting of permission by a party or parties with the appropriate authority (whether management, those charged with governance or the entity's shareholders) for the entity to enter specific transactions in accordance with pre-determined criteria, whether judgmental or not. Approval involves those parties' acceptance of the transactions the entity has entered as having satisfied the criteria on which authorization was granted. Examples of controls the entity may have established to authorize and approve significant transactions and arrangements with related parties or significant transactions and arrangements outside the normal course of business include:

- (a) Monitoring controls to identify such transactions and arrangements for authorization and approval.
- (b) Approval of the terms and conditions of the transactions and arrangements by management, those charged with governance.

Maintaining Alertness for Related Party Information When Reviewing Records or Documents

Records or Documents That the Transactions Auditor May Inspect (Refer 5.5)

6.20 During the transactions audit, the Transactions Auditor may inspect records or documents that may provide information about related party relationships and transactions, for example:

- (a) Third-party confirmations obtained by the transaction's auditor
- (b) Entity indirect tax returns.
- (c) Information supplied by the entity to regulatory authorities.
- (d) Statements of conflicts of interest from management and those charged with governance.
- (e) Contracts and agreements with key management or those charged with governance.
- (f) Significant contracts and agreements are not in the entity's normal course of business.

(g) Specific invoices and correspondence from the entity's professional advisors.

(h) Significant contracts re-negotiated by the entity during the period.

(i) Internal Auditors' reports.

(j) Documents associated with the entity's filings with a securities regulator.

Arrangements that may indicate the existence of previously unidentified or undisclosed related party relationships or transactions (Ref: Para. 5.5)

6.21 An arrangement involves a formal or informal agreement between the entity and one or more other parties for such purposes as:

(a) The establishment of a business relationship through appropriate vehicles or structures.

(b) The conduct of certain types of transactions under specific terms and conditions.

(c) The provision of designated services or support.

6.22 Examples of arrangements that may indicate the existence of related party relationships or transactions that management has not previously identified or disclosed to the transactions auditor include:

(a) Participation in unincorporated partnerships with other parties.

(b) Agreements for the provision of services to certain parties under terms and conditions that are outside the entity's normal course of business.

(c) Guarantees and guarantor relationships.

Identification of Significant Transactions outside the Normal Course of Business (Ref: Para. 5.7)

6.23 Obtaining further information on significant transactions outside the entity's normal course of business enables the transactions auditor to evaluate whether fraud risk factors, if any, are present and, where the applicable transactions reporting framework establishes related party requirements, to identify the risks of material misstatement.

6.24 Examples of transactions outside the entity's normal course of business may include:

(a) The leasing of plant facilities or the rendering of management services by the entity to another party if no consideration is exchanged.

(b) Sales transactions with unusually large discounts or returns.

(c) Transactions with circular arrangements, for example, sales with a commitment to repurchase.

(d) Transactions under contracts whose terms are changed before expiry.

Understanding the nature of significant transactions outside the normal course of business (Ref: Para. 5.7(a))

6.25 Inquiring into the nature of the significant transactions outside the entity's normal course of business involves obtaining an understanding of the business rationale of the transactions, and the terms and conditions under which these have been entered into.

Inquiring into whether related parties could be involved (Ref: Para. 5.7(b))

6.26 A related party could be involved in a significant transaction outside the entity's normal course of business not only by directly influencing the transaction through being a party to the transaction, but also by indirectly influencing it through an intermediary. Such influence may indicate the presence of a fraud risk factor.

Sharing Related Party Information with the Audit Team (Ref: Para. 5.8)

6.27 Relevant party-related information that may be shared among the Audit team members includes, for example:

- (a) The identity of the entity's related parties.
- (b) The nature of the related party relationships and transactions.
- (c) Significant or complex related party relationships or transactions that may require special audit consideration, in particular transactions in which management or those charged with governance are involved.

Identification and Assessment of the Risks of Material Misstatement Associated with Related Party Relationships and Transactions

Fraud Risk Factors Associated with a Related Party with Dominant Influence (Ref: Para. 5.10)

6.28 Domination of management by a single person or small group of persons without compensating controls is a fraud risk factor. Indicators of dominant influence exerted by a related party include:

- (a) The related party has vetoed significant business decisions taken by management or those charged with governance.
- (b) Significant transactions are referred to the related party for final approval.
- (c) There is little or no debate among management and those charged with governance regarding business proposals initiated by the related party.
- (d) Transactions involving the related party (or a close family member of the related party) are rarely independently reviewed and approved.

Dominant influence may also exist in some cases if the related party has played a leading role in founding the entity and continues to play a leading role in managing the entity.

6.29 In the presence of other risk factors, the existence of a related party with dominant influence may indicate significant risks of material misstatement due to fraud. For example:

- (a) An unusually high turnover of senior management or professional advisors may suggest unethical or fraudulent business practices that serve the related party's purposes.
- (b) The use of business intermediaries for significant transactions for which there appears to be no clear business justification may suggest that the related party could have an interest in such transactions through control of such intermediaries for fraudulent purposes.
- (c) Evidence of the related party's excessive participation in or preoccupation with the selection of transactions accounting policies or the determination of significant transactions estimates may suggest the possibility of fraudulent transactions reporting.

Responses to the Risks of Material Misstatement Associated with Related Party Relationships and Transactions (Ref: Para. 5.11)

6.30 The nature, timing and extent of the further transactions audit procedures that the transactions auditor may select to respond to the assessed risks of material misstatement associated with related party relationships and transactions depend upon the nature of those risks and the circumstances of the entity.

6.31 Examples of substantive audit procedures that the transactions auditor may perform when the transactions auditor has assessed a significant risk that management has not appropriately accounted for or disclosed specific related party transactions in accordance with the applicable transactions reporting framework (whether due to fraud or error) include:

- (a) Confirming or discussing specific aspects of the transactions with intermediaries or third parties, where practicable and not prohibited by law, regulation or ethical rules.
- (b) Confirming the purposes, specific terms or amounts of the transactions with the related parties (this audit procedure may be less effective where the transactions auditor judges that the entity is likely to influence the related parties in their responses to the transactions auditor).
- (c) Where applicable, reading the transactions statements or other relevant financial information, if available, of the related parties for evidence of the accounting of the transactions in the related parties' records.

6.32 If the transactions auditor has assessed a significant risk of material misstatement due to fraud as a result of the presence of a related party with dominant influence, the transactions

auditor may, in addition to the general requirements of SCAs, perform transactions audit procedures such as the

following to obtain an understanding of the business relationships that such a related party may have established directly or indirectly with the entity and to determine the need for further appropriate substantive audit procedures:

- (a) Inquiries about, and discussion with, management and those charged with governance.
- (b) Inquiries about the related party.
- (c) Inspection of significant contracts with the related party.
- (d) Appropriate background research, such as through the Internet or specific external business information databases.
- (e) Review of employee whistle-blowing reports where these are retained.

6.33 Depending upon the results of the transactions auditor's risk assessment procedures, the transactions auditor may consider it appropriate to obtain audit evidence without testing the entity's controls over related party relationships and transactions. In some circumstances, however, it may not be possible to obtain sufficient appropriate audit evidence from substantive audit procedures alone in relation to the risks of material misstatement associated with related party relationships and transactions. For example, where intra-group transactions between the entity and its components are numerous and a significant amount of information regarding these transactions is initiated, recorded, processed or reported electronically in an integrated system, the transactions auditor may determine that it is not possible to design effective substantive transactions audit procedures that by themselves would reduce the risks of material misstatement associated with these transactions to an acceptably low level. In such a case, in meeting the SCAs requirement to obtain sufficient appropriate audit evidence as to the operating effectiveness of relevant controls, the transactions auditor is required to test the entity's controls over the completeness and accuracy of the recording of the related party relationships and transactions.

Identification of Previously Unidentified or Undisclosed Related Parties or Significant Related Party Transactions

Communicating Newly Identified Related Party Information to the Audit Team (Ref: Para. 5.13 (a))

6.34 Communicating promptly any newly identified related parties to the other members of the audit team assists them in determining whether this information affects the results of, and conclusions drawn from, risk assessment procedures already performed, including whether the risks of material misstatement need to be reassessed.

Substantive Procedures Relating to Newly Identified Related Parties or Significant Related Party Transactions (Ref: Para. 5.13(c))

6.35 Examples of substantive audit procedures that the transactions auditor may perform relating to newly identified related parties or significant related party transactions include:

- (a) Making inquiries regarding the nature of the entity's relationships with the newly identified related parties, including (where appropriate and not prohibited by law, regulation or ethical rules) inquiring of parties outside the entity who are presumed to have significant knowledge of the entity and its business, such as legal counsel, principal agents, major representatives, consultants, or other close business partners.
- (b) Conducting an analysis of transactions records for transactions with the newly identified related parties. Such an analysis may be facilitated by using computer-assisted audit techniques.
- (c) Verifying the terms and conditions of the newly identified related party transactions and evaluating whether the transactions have been appropriately accounted for and disclosed in accordance with the applicable transactions reporting framework.

Intentional Non-Disclosure by Management (Ref: Para. 5.13(e))

6.36 The requirements and guidance in SCAs regarding the transactions auditor's responsibilities relating to fraud in an audit of transactions statements are relevant where management appears to have intentionally failed to disclose related parties or significant related party transactions to the transaction's auditor. The transactions auditor may also consider whether it is necessary to re-evaluate the reliability of management's responses to the transactions auditor's inquiries and management's representations to the transaction's auditor.

Identified Significant Related Party Transactions outside the Entity's Normal Course of Business

Evaluating the Business Rationale of Significant Related Party Transactions (Ref: Para. 5.14(a))

(i)

6.37 In evaluating the business rationale of a significantly related party transaction outside the entity's normal course of business, the transactions auditor may consider the following:

- (a) Whether the transaction:
 - (i) is overly complex (for example, it may involve multiple related parties within a consolidated group).
 - (ii) has unusual terms of trade, such as unusual prices, interest rates, and payment terms.
 - (iii) lacks an apparent logical business reason for its occurrence.
 - (iv) involves previously unidentified related parties.
 - (v) is processed in an unusual manner.
- (b) Whether management has discussed the nature of, and accounting for, such a transaction with those charged with governance.

-
- (c) Whether management is placing more emphasis on a particular transactions accounting treatment rather than giving due regard to the underlying economics of the transaction.
 - (d) If management's explanations are materially inconsistent with the terms of the related party transaction, the transactions auditor is required, in accordance with SCAs, to consider the reliability of management's explanations and representations on other significant matters.

6.38 The transactions auditor may also seek to understand the business rationale of such a transaction from the related party's perspective, as this may help the transactions auditor to better understand the economic reality of the transaction and why it was carried out. A business rationale from the related party's perspective that appears inconsistent with the nature of its business may represent a fraud risk factor.

Authorization and Approval of Significant Related Party Transactions (Ref: Para. 5.14(b))

6.39 Authorization and approval by management, those charged with governance of significant related party transactions outside the entity's normal course of business may provide audit evidence that these have been duly considered at the appropriate levels within the entity and that their terms and conditions have been appropriately reflected in the transactions statements. The existence of transactions of this nature that were not subject to such authorization and approval, in the absence of rational explanations based on discussion with management or those charged with governance, may indicate risks of material misstatement due to fraud or error. In these circumstances, the transactions auditor may need to be alert for other transactions of a similar nature. Authorization and approval alone, however, may not be sufficient in concluding whether risks of material misstatement due to fraud are absent because authorization and approval may be ineffective if there has been collusion between the related parties or if the entity is subject to the dominant influence of a related party.

Considerations specific to smaller entities

6.40 A smaller entity may not have the same controls provided by different levels of authority and approval that may exist in a larger entity. Accordingly, when auditing a smaller entity, the transactions auditor may rely to a lesser degree on authorization and approval for audit evidence regarding the validity of significant related party transactions outside the entity's normal course of business. Instead, the transactions auditor may consider performing other audit procedures such as inspecting relevant documents, confirming specific aspects of the transactions with relevant parties, or observing the owner's involvement with the transactions.

Assertions That Related Party Transactions Were Conducted on Terms Equivalent to Those prevailing in an Arm's Length Transaction (Ref: Para. 5.15)

6.41 Although audit evidence may be readily available regarding how the price of a related party transaction compares to that of a similar arm's length transaction, there are ordinarily practical difficulties that limit the transactions auditor's ability to obtain audit evidence that all other aspects of the transaction are equivalent to those of the arm's length transaction. For example, although the transactions auditor may be able to confirm that a related party transaction has been conducted at a market price, it may be impracticable to confirm whether other terms and conditions of the transaction are equivalent to those that would ordinarily be agreed between independent parties. Accordingly, there may be a risk that management's assertion that a related party transaction was conducted on terms equivalent to those prevailing in an arm's length transaction may be materially misstated.

6.42 The preparation of the transactions statements requires management to substantiate an assertion that a related party transaction was conducted on terms equivalent to those prevailing in an arm's length transaction. Management's support for the assertion may include:

- (a) Comparing the terms of the related party transaction to those of an identical or similar transaction with one or more unrelated parties.
- (b) Comparing the terms of the transaction to known market terms for broadly similar transactions on an open market.

6.43 Evaluating management's support for this assertion may involve one or more of the following:

- (a) Considering the appropriateness of management's process for supporting the assertion.
- (b) Verifying the source of the internal or external data supporting the assertion, and testing the data to determine their accuracy, completeness and relevance.
- (c) Evaluating the reasonableness of any significant assumptions on which the assertion is based.

6.44 Some transactions reporting frameworks require the disclosure of related party transactions not conducted on terms equivalent to those prevailing in arm's length transactions. In these circumstances, if management has not disclosed a related party transaction in the transaction's statements, there may be an implicit assertion that the transaction was conducted on terms equivalent to those prevailing in an arm's length transaction.

Evaluation of the Accounting for and Disclosure of Identified Related Party Relationships and Transactions

Materiality Considerations in Evaluating Misstatements [Ref: Para. 5.16]

6.45 SCA requires the transactions auditor to consider both the size and the nature of a mistake, and the circumstances of its occurrence, when evaluating whether the

misstatement is material. The significance of the transaction to the transactions statement users may not depend solely on the recorded amount of the transaction but also on other specific relevant factors, such as the nature of the related party relationship.

Evaluation of Related Party Disclosures [Ref: Para. 5.16(a)]

6.46 Evaluating the related party disclosures in the context of the disclosure requirements of the applicable transactions reporting framework means considering whether the facts and circumstances of the entity's related party relationships and transactions have been appropriately summarized and presented so that the disclosures are understandable. Disclosures of related party transactions may not be understandable if:

- (a) The business rationale and the effects of the transactions on the transaction's statements are unclear or misstated; or
- (b) Key terms, conditions, or other important elements of the transactions necessary for understanding them are not appropriately disclosed.

Written Representations (Ref: Para. 5.17)

6.47 Circumstances in which it may be appropriate to obtain written representations from those charged with governance include:

- (a) When they have approved specific related party transactions that
 - (i) materially affect the transactions statements, or
 - (ii) involve management or those charged with governance.
- (b) When they have made specific oral representations to the transaction's auditor on details of certain related party transactions.
- (c) When they have financial or other interests in related parties or the related party transactions.

6.48 The transactions auditor may also decide to obtain written representations regarding specific assertions that management may have made, such as a representation that specific related party transactions do not involve undisclosed side agreements.

Communication with Those Charged with Governance (Ref: Para. 5.18)

6.49 Communicating significant matters arising during the transactions audit in connection with the entity's related parties helps the transactions auditor establish a common understanding with those charged with governance of nature and resolution of these matters. Examples of significant related party matters include:

- (a) Non-disclosure (whether intentional or not) by management to the transaction's auditor of related parties or significant related party transactions, which may alert those

charged with governance to significant related party relationships and transactions of which they may not have been previously aware.

- (b) The identification of significant related party transactions that have not been appropriately authorized and approved, which may give rise to suspected fraud.
- (c) Disagreement with management regarding the accounting for and disclosure of significant related party transactions in accordance with the applicable transactions reporting framework.
- (d) Non-compliance with applicable law or regulations prohibiting or restricting specific types of related party transactions.
- (e) Difficulties in identifying the party that ultimately controls the entity.

Documentation (Ref: Para. 5.19)

6.50 The nature and extent of the audit procedures performed to comply with applicable legal and regulatory requirements in context of related party disclosures like:

- (a) the basis adopted to determine the value of transaction.
- (b) name of Related Parties identified indicating transactions or supplies made or service rendered.
- (c) matters arising during the audit and audit evidence obtained by the transaction's auditor. The conclusions reached during audit through application of the significant professional judgments in reaching the conclusions.
- (d) contracts or agreements entered or reached in respect of:
 - (i) purchase and sale of raw materials, finished good(s), rendering of services(s), process materials and rejected goods including scraps, etc;
 - (ii) utilization of plant facilities and technical know-how.
 - (iii) supply of utilities and other services.
 - (iv) administrative, technical, managerial or any other consultancy services.
 - (v) purchase and sale of capital goods including plant and machinery; and
 - (vi) any other payment related to the production of goods or rendering of services under reference.

7. Effective Date

This standard is to be applied for the period commencing on or after 10 December 2024

8. Statement of Modifications: Modifications to "Related Parties"

The ISAs have been developed with the focus on Auditing of Financial Statements, while the focus is on Auditing of Transactions Statements. Hence, certain changes are globally introduced in the STAs. These are:

-
- 1 Change of 'terms' used in the ISAs that have corresponding meaning in transactions audit vis-à-vis financial audit, such as Auditor with Transactions Auditor, Audit with Transactions Audit, Financial Statements with Transactions Statements, Financial Reporting with Transactions Reporting, Audit Procedures with Transactions Audit Procedures, Auditor's Responsibility with Transactions Auditor's Responsibility, etc.
 - 2 Transaction confirmation.
The transaction must be confirmed and acknowledged by the sender bank and account owner that the transaction was successfully completed with this transaction.
 - 3 Corresponding modification in definitions of certain similar terms; examples used; and in the Application Guidance.

Addition:

- Need full sets of proof of fund
- Need full bank correspondence to adjust and confirm the number
- Need full sets of KYC to confirm the genuine sender.
- Need purpose of transaction to avoid misunderstanding investment
- Need full back up documentation of transfer recorded.
- Need full back up documentation of MT103 and MT940

Standard on Transactions Auditing - "Related Parties" should be read in conjunction with other STAs, wherever it is with reference to other standards, the points have been incorporated as notes in the respective places.

To: Board of Directors
RE: Audit report

Findings Title: Summarize Transaction

Findings Description:

It has come to the attention of the auditors while checking all risks and confirm transaction from all Related parties.

The Transaction of DWIN INTERTRADE was fully genuine and creditable for the purpose of exchange and investment.

Root-Cause Analysis:

As per the policy given, there were transactions that were completed most check lists because there are confirmations that were given credit even if they still have an outstanding balance.

Recommendation:

DWIN INTERTRADE CO., LTD should check the customer's support documents before allowing them to proceed with the transaction again. If possible, the accounting system should alert the authorized personnel if a company still has an account balance.

1. Transfer Amount: EURO €2,000,000 (Two million Euro)
Account Number: 675-61-8180113-03 (SUB-AFS-B2) (EUR)
Transfer Date: 28-11-24
Transaction Reference: 241128CDBFI95538
Sender: Amrock Financial Services

2. Transfer Amount: USD \$6,200,000.00 (Six million two hundred thousand united states dollars)
Account Number: 675-61-8180113-02 (SUB-AFS-B2) (USD)
Transfer Date: 02-12-24
Transaction Reference: 241202CDBFI21874
Sender: Amrock Petroleum Australia

Kind regards,





Name: Daniel Wan
Auditor License Number: 7786
Company name: QMISIB Auditor (Thailand)



Account Transactions

Dwin Intertrade Company Limited

For the period 1 January 2024 to 12 December 2024

DATE	SOURCE	DESCRIPTION	REFERENCE	CURRENCY	DEBIT (SOURCE)	CREDIT (SOURCE)	DEBIT (USD)	CREDIT (USD)	RUNNING BALANCE (USD)
DWIN INTERTRADE COMPANY LIMITED									
Opening Balance					-	-	-	-	-
28 Nov 2024	Receive Money	MT940 from AMROCK FINANCIAL SERVICES	241128CDBFI95538	 EUR	2,000,000.00	-	2,109,611.18	-	2,109,611.18
Total DWIN INTERTRADE COMPANY LIMITED					2,000,000.00	-	2,109,611.18	-	2,109,611.18
Closing Balance					2,000,000.00	-	2,109,611.18	-	2,109,611.18
USD Receive									
Opening Balance					-	-	-	-	-
18 Oct 2024	Receive Money	MT940 from State Digital Bank	REF.HS90B18122023/13249660 (KMM39289793V83739L0KM)	 USD	150,000,000.00	-	150,000,000.00	-	150,000,000.00
Total USD Receive					150,000,000.00	-	150,000,000.00	-	150,000,000.00
Closing Balance					150,000,000.00	-	150,000,000.00	-	150,000,000.00
Total							152,109,611.18	-	152,109,611.18

Zimbra**suttatan@dwinintertrade.com**

FW: RE: Request to confrim transaction

From : danielwan@qmisibmy.com Wed, Dec 11, 2024 12:08 PM
Subject : FW: RE: Request to confrim transaction 📎 1 attachment
To : suttatan@dwinintertrade.com
Cc : monchai@dwinintertrade.com

Dear Suttatan

We got officially confirm transactions from Commercial Development Bank on behalf of AMROCK FINANCIAL SERVICES to Dwin Intertrade Company Limitedthe as below lists

29 November 2024 with amount EUR 2,000,000 (Two million EURO Dollar)
2 December 2024 with amount \$6,200,000 (Six million and Two hundred thousand US Dollar)

We are officially investigated and confirmed for your account and credited purposes.

If you have any questions pls do not hesitate to contact us at anytime

Regards,

Daniel Wan

QMISIB FINANCE AND AUDIT
Auditor Number 7786

-----Original Message-----

From: "Commercial Development Bank" <admin@cdbankcorp.com>
Sent: Tuesday, December 10, 2024 2:50pm
To: danielwan@qmisibmy.com
Subject: RE: Request to confrim transaction

Dear Daniel Wan
Auditor Number 7786

Apologies for not responding earlier, however, we were not aware of the email until it was found just now in our spam.

We acknowledge the two (2) transmission and confirm the details of each as you have provided the copies to us.

Warm regards, Robert Bruce.
Bank Governor & Chairman of the Board.



Legislatively Compliant with Federal Legislation
Of The Commonwealth of Australia.

Telex Code FIN: (57) 410118 (CDB FI)

Web: www.cdbankcorp.com

Email: admin@cdbankcorp.com

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From: danielwan@qmisibmy.com <danielwan@qmisibmy.com>

Sent: Monday, December 9, 2024 4:28 PM

To: admin@cdbankcorp.com

Subject: Request to confirm transaction

Dear Sir/Madam

QMISIB, we are international financial advisory and auditor service with offices base at Malaysia and Thailand.

We would like to confirm the transaction as your bank was proceed (Our client) as attach files

29 November 2024 with amount EUR 2,000,000 (Two million EURO Dollar)
2 December 2024 with amount \$6,200,000 (Six million and Two hundred thousand US Dollar)

As the transaction require to confirm by third party and we are represent as third party auditor to confirm the transaction is legal and genuine

Please confirm the trasaction via letter or email as you are convenience

If you have any question please do not hersitate me at all time.

Regards,

Daniel Wan

Auditor Number 7786

