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| --- | --- | --- |
| **Client:** | **${client}** | |
| **Period end date:** | **${start} - ${end}** | |
| **EGA title:** | \*Related Parties | |
| **Ref. no.:** |  | |
| **Prepared by:** | ${user} | **Date:** |
| **Approved by Manager:** | ${manager} | **Date:** |
| **Approved by Partner:** | ${partner} | **Date:** |

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| **Procedures performed** | **Links** | **Ref. no.** |
| 1. The engagement team designed and performed further audit procedures to obtain sufficient appropriate audit evidence about the assessed risks of material misstatement associated with related party relationships and transactions:    1. If the engagement team identified arrangements or information that suggested the existence of related party relationships or transactions that management had not previously identified or disclosed to the auditor, the engagement team determined whether the underlying circumstances confirmed the existence of those relationships or transactions.    2. If the engagement team identified related parties or significant related party transactions that had not been previously identified or disclosed by the management, the engagement team: 2. Promptly communicated the relevant information to the other members of the engagement team; 3. Where the applicable financial reporting framework establishes related party requirements:    * 1. Requested management to identify all transactions with the newly identified related parties for the auditor’s further evaluation; and      2. Inquired as to why the entity’s controls over related party relationships and transactions failed to enable the identification or disclosure of the related party relationships or transactions;      3. Performed appropriate substantive audit procedures relating to such newly identified related parties or significant related party transactions;      4. Reconsidered the risk that other unidentified or undisclosed related parties or significant related party transactions may exist and performed additional audit procedures as necessary; and      5. If the non-disclosure by management appeared intentional (and therefore indicative of a risk of material misstatement due to fraud), evaluated the implications for the audit.    1. Where there were significant related party transactions outside the entity’s normal course of business, the engagement team: 4. Inspected the underlying contracts or agreements, if any, and evaluated whether:    * 1. The business rationale (or lack thereof) of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets;      2. The terms of the transactions are consistent with management’s explanations; and      3. The transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework; and 5. Obtained audit evidence that the transactions have been appropriately authorized and approved.    1. The engagement team obtained sufficient appropriate audit evidence about any assertion in the financial statements to the effect that a related party transaction was conducted on terms equivalent to those prevailing in an arm’s length transaction | Please refer to relevant audit programs and working papers. |  |
| 1. The engagement team evaluated audit evidence obtained throughout the audit to determine:    1. Whether related party relationships and transactions have been identified and appropriately accounted for and disclosed in accordance with the applicable financial reporting framework; and    2. Whether the effects of the related party relationships and transactions: 2. Prevent the financial statements from achieving fair presentation (for fair presentation frameworks); or 3. Cause the financial statements to be misleading (for compliance frameworks). | [**Concluding on Preliminary Assessments.docx**](Concluding%20on%20Preliminary%20Assessments.docx) |  |
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| 1. The engagement team obtained written representations relevant to related parties from management and/or those charged with governance. | Attach written representations |  |
| 1. Where appropriate, the engagement team communicated significant matters arising during the audit in connection with the entity’s related parties to the management and/or those charged with governance. | Not applicable as no communications were required.  OR  Attach minutes/memo/ written communication made. |  |
| 1. The engagement team documented the following:    1. The responses to the assessed risks of material misstatement associated with related party relationships and transactions;    2. The results of the audit procedures; and    3. Any communications about related parties made to management, those charged with governance, regulators and others. | Please refer to relevant audit programs and working papers.  [**Concluding on Preliminary Assessments.docx**](../../../../../../../F:/MZCO/Audit%20Manual/3.%20Completion/1-5%20Concluding%20on%20Preliminary%20Assessments/Concluding%20on%20Preliminary%20Assessments.docx)  Where applicable, attach any minutes/memo/ written communication made. |  |