

## Circumstances

- This report only applies to an assurance practitioner of a payment processing agent for the purposes of a Payment Processing Agent's Compliance with Regulation 30 of the Property Practitioners Regulations, 2022, as it relates to the administration of the Payment Processing Agent's trust account environment.
- Limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.
- Unmodified/modified assurance practitioner's conclusion.

## **INDEPENDENT ASSURANCE PRACTITIONER'S LIMITED ASSURANCE REPORT ON [INSERT THE NAME OF THE PAYMENT PROCESSING AGENT]'S COMPLIANCE WITH REGULATION 30 OF THE PROPERTY PRACTITIONERS REGULATIONS, 2022, AS IT RELATES TO THE ADMINISTRATION OF THE TRUST ACCOUNT ENVIRONMENT**

To the Practitioner/Partners/Members/Directors of *[insert the name of the Payment Processing Agent]* and the Property Practitioners Regulatory Authority.

### **Report on [insert the name of the Payment Processing Agent]'s Compliance with Regulation 30 of the Property Practitioners Regulations, 2022**

In accordance with the requirement in Regulation 2.4.4 of the Property Practitioners Regulations, 2022 (the Regulations), we have undertaken a limited assurance engagement to provide the Property Practitioners Regulatory Authority (the Authority) with limited assurance that *[insert the name of the Payment Processing Agent]* (the Payment Processing Agent) has complied with the requirements of the Regulations specified below (the specified Regulations) for the financial year ended *[insert the year-end date]*.

1. Regulation 30.1, relating to the bookkeeping system used by the Payment Processing Agent;
2. Regulation 30.2.1, relating to the recording of all pertinent information regarding trust accounts and the movements of all trust monies, including the general and subsidiary ledgers, cash books as well as all other documents and books of entry necessary for the proper maintenance of trust accounts;
3. Regulation 30.2.2, relating to the safeguards for the protection of trust accounting records against unauthorised access, alteration, destruction or manipulation; and
4. Regulation 30.2.3, relating to the keeping of trust accounting records in a format that renders them readily retrievable or making extracts or copies thereof.

Schedule A (columns A to D) sets out the work performed and our findings in respect of the Payment Processing Agent's key controls and procedures to meet the requirements of the specified Regulations.

### **Practitioner/Partner(s)/Member(s)/Director(s) Responsibilities**

The *<practitioner/partners/members/director(s)>* of the Payment Processing Agent *[is/are]* responsible for ensuring the Payment Processing Agent's compliance with the specified Regulations

and for such internal control as they determine is necessary to ensure compliance with the specified Regulations, including such controls as they determine are necessary to prevent fraud and theft.

### **Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors' (IRBA) *Code of Professional Conduct for Registered Auditors* (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies the International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Assurance Practitioner's Responsibility**

Our responsibility is to express a limited assurance conclusion whether, based on our work performed and the evidence we have obtained, anything has come to our attention that causes us to believe that the Payment Processing Agent has not complied, in all material respects, with the requirements of the specified Regulations.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised))*, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform this engagement to obtain limited assurance on whether the Payment Processing Agent has complied with the requirements of the specified Regulations, based on our assurance procedures performed; and to report, as required, to the Authority.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement, in relation to both risk assessment procedures – including an understanding of internal control – and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of the processes followed, inspection of the documents, analytical procedures, evaluation of the reporting policies and agreeing or reconciling with underlying records.

The objectives specified in Schedule A (column A) are those contained in the specified Regulations and they form the criteria used to evaluate the Payment Processing Agent's compliance. The Property Practitioners Act and the specified Regulations do not stipulate an internal control framework that provides objective criteria for assessing the design and implementation of internal controls to evaluate the Payment Processing Agent's compliance.

### **Summary of Work Performed**

We planned and performed our work to obtain all the information and explanations that we considered necessary to provide sufficient evidence for us to express our limited assurance

conclusion expressed below. Our summary of work performed and the findings, as set out more fully in the attached Schedule A (columns A to D), included:

- Making inquiries of the Payment Processing Agent’s management that is primarily responsible for financial and accounting matters and regulatory compliance;
- An inspection of the supporting documentation considered necessary to assess compliance with the specified Regulations; and
- Obtaining written representations from management regarding matters that are relevant to this engagement.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion regarding whether the Payment Processing Agent has complied with the specified Regulations.

We believe that the evidence obtained as part of our limited assurance engagement is sufficient and appropriate to provide a basis for our findings, the instances of non-compliance set out in Schedule A (columns A to D) and our conclusion, as expressed below.

#### **Limited Assurance Conclusion**

**If an unqualified limited assurance conclusion is expressed:**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Payment Processing Agent has not complied, in all material respects, with the requirements of the specified Regulations for the financial year ended *[insert the year-end date]*.

OR

**If a qualified limited assurance conclusion is expressed:**

*Basis for a qualified limited assurance conclusion*

Our basis for qualification has been noted in Schedule A (attached to this report), where the details relating to the extent of the instances of non-compliance with the requirements of the specified Regulations identified during the course of our engagement are provided.

*Qualified limited assurance conclusion*

Based on the procedures we have performed and the evidence we have obtained, except for the effect(s) of the matter(s) described in the paragraph above, nothing has come to our attention that causes us to believe that the Payment Processing Agent has not complied, in all material respects, with the requirements of the specified Regulations for the period *[insert the date]* to *[insert the date]*.

## **Restriction on Use and Distribution**

This report is for the purpose of meeting the assurance practitioner reporting requirements of the Property Practitioners Act and the specified Regulations. Consequently, it is not suitable for any other purpose. It is intended solely for the use of the partners/members/directors of *[insert the name of the payment processing agent]*, the Authority, the mandating client business property practitioners of *[insert the name of the payment processing agent]*, and should not be distributed to other parties.

*Assurance practitioner's signature*

*Name of the individual registered auditor*

*IRBA registration number of the firm and/or assurance practitioner*

*Registered audit firm*

*Date of the assurance practitioner's report*

*Assurance practitioner's address (if not on a firm letterhead)*

## SCHEDULE A

### Work Performed and Findings in Respect of the Payment Processing Agent's Key Controls and Procedures to Meet the Objectives of Regulation 30 of the Regulations, as it Relates to the Administration of the Trust Accounts Environment

#### Instructions to Assurance Practitioners

- A. The objectives are derived from the requirements of Regulation 30 of the Regulations.
- B. Document the key controls implemented and identified by the Payment Processing Agent to comply with the trust account administration requirements of Section 30 of the Regulations.
- C. Give a summary of work performed to assess the appropriateness of the design of the key controls implemented by management and determine that such controls have been implemented by inquiring, primarily of persons responsible for financial and accounting matters affecting the trust environment, and performing walkthrough procedures. **(Note: Procedures indicated in Column C are examples that are not exhaustive and should be modified to reflect the actual work performed as well as the nature and circumstances of the engagement.)**
- D. Report findings, including weaknesses in key controls and instances of non-compliance identified during the engagement, based on work performed and evidence obtained; or that there were no exceptions/material weaknesses/non-compliance identified.
- E. Insert the directors' comments on weaknesses in key controls and any instances of non-compliance identified by the assurance practitioner.

*The above instructions have been set out in corresponding columns in the table below.*

A	B	C	D	E
Objectives – Regulation 30 of the Regulations	Key Controls Implemented and Identified by Management	Work Performed <sup>1</sup>	Assurance Practitioner’s “Findings of Instances of Non-Compliance” Or Indicate “No Exceptions Found”	Comments from the Payment Processing Agent’s Directors
<p><b>Regulation 30</b></p> <p>A property practitioner must administer his, her or its trust accounts using a digital or manual accounting system.</p>	<p>Indicate the key controls implemented by the Payment Processing Agent to meet this objective.</p>	<ol style="list-style-type: none"> <li>1. Assess the appropriateness of the design of the key controls and determine whether they have been implemented throughout the year under review by inquiring and performing a walkthrough of the key controls.</li> <li>2. Inquire and observe whether the Payment Processing Agent has implemented a digital or manual bookkeeping system.</li> </ol>		
<p><b>Regulation 30.2.1</b></p> <p>Such bookkeeping system must, at a minimum, enable the property practitioner to record all pertinent information regarding trust accounts and the movements of all trust monies; and must include general and subsidiary ledgers, cash books,</p>	<p>Indicate the key controls implemented by the Payment Processing Agent to meet this objective, including what the Payment Processing Agent has considered to be pertinent information regarding trust accounts.</p>	<ol style="list-style-type: none"> <li>3. Assess the appropriateness of the design of the key controls and determine whether they have been implemented throughout the year under review by inquiring and performing a walkthrough of the key controls.</li> <li>4. Inspect general and subsidiary ledgers, cash books as well as all</li> </ol>		

<sup>1</sup> These procedures must be adapted based on the key controls identified at the Payment Processing Agent.

<p>and all other documents and books of entry necessary for the proper maintenance of trust accounts.</p>		<p>other documents and books of entry necessary for the proper maintenance of trust accounts.</p>		
<p><b>Regulation 30.2.2</b> Include safeguards to protect the records thereon against unauthorised access, alteration, destruction or manipulation.</p>	<p>Indicate the key controls implemented by the Payment Processing Agent to protect the records thereon against unauthorised access, alteration, destruction or manipulation.</p>	<p>5. Assess the appropriateness of the design of the key controls and determine whether they have been implemented throughout the year under review by inquiring and performing a walkthrough of the key controls.</p>		
<p><b>Regulation 30.2.3</b> Such bookkeeping system must be kept in a format that will render it readily retrievable should the Authority, an auditor or any other person entitled to the records on the bookkeeping system require to access them or make extracts or copies thereof.</p>	<p>Indicate the key controls implemented by the Payment Processing Agent to ensure the bookkeeping system is readily retrievable should the Authority, an auditor or any other person entitled to the records on the bookkeeping system require to access them or make extracts or copies thereof.</p>	<p>6. Assess the appropriateness of the design of the key controls and determine whether they have been implemented throughout the year under review by inquiring and performing a walkthrough of the key controls.</p>		