PUBLIC RECORD

Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

Exporter verification report

Verification and case details

Company verified	Ningbo Fenghui Metal Products Co., Ltd.		
Case number	644		
Initiation Anti-Dumping Notice (ADN)	2024/040		
The goods under consideration	Interchangeable bolted clipping system brackets		
Case type	Dumping and subsidy investigation		
Location	46 Shuiyun Road, Yaotang, Xinpu Town, Cixi, Ningbo City, Zhejiang Province, China		
Verification meeting dates	19/11/2024	to	21/11/2024
Investigation period	1/04/2023	to	31/03/2024

This report details the findings and recommendations of a verification team in the Anti-Dumping Commission.

This report may not reflect the Anti-Dumping Commission's final position.

CONTENTS

1 ABOUT THIS REPORT

The Anti-Dumping Commission (the commission) issued a questionnaire that sought exporter data and information for Dumping and Subsidy Investigation 644 (case 644) into interchangeable bolted clipping system brackets exported from the People's Republic of China (China) during the investigation period (1 April 2023 to 31 March 2024).

Ningbo Fenghui Metal Products Co., Ltd. (Fenghui), an exporter of the goods from China, submitted a questionnaire response.

The commission met with Fenghui to verify the response and assessed the reliability of the information.

The commission has reviewed the information submitted by Fenghui. This report details the commission's verification findings and recommendations about Fenghui for case 644.

A finding made in this verification report (verification finding) and verification recommendations (verification recommendations) are made in the context of this verification only. These verification findings and verification recommendations may be referred to and relied on in the Statement of Essential Facts and Final Report for case 644.

In this report, unless otherwise stated:

- all **sections** cited are from the ***Customs Act 1901*** **(Cth)**
- all **regulations** cited are from the ***Customs (International Obligations) Regulation 2015*** **(Cth)**
- the term **ADN** refers to **Anti-Dumping Notice**.

The commission details its process and findings in the verification work program at **Confidential Attachment 1**.

2 KEY OUTCOMES

Dumping margin	To be determined
Subsidy margin	To be determined
Export price method	269TAB(1)(a)
Normal value method	To be determined
Adjustment method	To be determined
Sales data complete, relevant and accurate?	Yes, with material revisions
Cost data complete, relevant and accurate?	Yes, with material revisions
Subsidy data complete, relevant and accurate?	Yes

3 VARIABLE FACTORS

3.1 About this chapter

This chapter details the commission's recommendations about how to set the variable factors used to calculate the rates of dumping and countervailable subsidy for goods that Fenghui produced or sold.

Australian customs law sets out different ways to calculate variable factors based on the facts available.

This chapter summarises the commission's recommendations about how to set:

- an **export price**
- a **normal value**
- a **dumping margin**
- a **subsidy margin**.

More information on what variable factors are and how the commission determines variable factors is in **Non-Confidential Appendix 1**.

3.2 Export price

The commission recommends setting an export price for goods exported to Australia from China by Fenghui under section 269TAB(1)(a).

Under this section, an export price is the price paid by the importer to the exporter less transport and other costs arising after exportation.

Confidential Appendix 1 contains the commission's export price calculations.

3.2.1 Who is the exporter?

The commission notes that Fenghui is a distributor of the goods. During the investigation period, Fenghui sourced the goods from two manufacturers, being Cixi Guanhaiwei Qinyan Hardware Factory (Qinyan), and Guanhaiwei Zhenli Hardware Factory (Zhenli). Zhenli did not provide a response to the exporter questionnaire.

Fenghui sold the goods only to one customer, being Australian customer A C Plumbing Supplies Pty Ltd, trading as Australian Consolidated Plumbing ('ACP').

The commission found that:

- Fenghui is identified as the supplier on the commercial invoices.
- Fenghui is identified as the consignor on the bill of lading.
- Fenghui arranges and pays for the inland transport to the port of export.
- Fenghui arranges and pays for the port handling charges at the port of export.
- Fenghui dictates the manufacture requirements for the goods produced by Qinyan.
- Fenghui stated that Zhenli performs the same function as Qinyan.
- Fenghui liaises with the importer in relation to the exportation of the goods to Australia, whereas neither manufacturer has control over or involvement in the exportation.

- With respect to sales of the goods, Fenghui acts in its own right and independently of the manufacturers.
- Fenghui warehouses the goods after purchasing the goods from its two manufacturers. Fenghui sells the goods to Australia from stock, and does not track which sales originate from a particular manufacturer.
- Fenghui decides which products it produces at its own production facility in China, and which products it outsources to other manufacturers.
- Fenghui decides which products it sells, including the countries it exports to, and the parties it sells to, including the terms and conditions of the sale.
- Fenghui's inventory turnover for the goods is typically 7-10 days, but the turnover can be beyond this timeframe when Fenghui seeks to increase its inventory.
- Qinyan is aware that the goods are destined for Australia because it packs the goods with the Australian importer's company name label on the box packaging. However, Qinyan is not concerned about whether the goods are essentially sold to Australia, and has no control over this.

In consideration of the above, the commission finds that Fenghui is the principal in the export transaction, and that Fenghui is therefore the exporter of the goods exported to Australia.

3.2.2 Who is the importer?

For all transactions, the commission considers ACP is the importer of the Australian export goods as it beneficially owned the Australian export goods at the time of importation into Australia.

For each transaction, ACP:

- is named as the consignee on bill of lading
- is named as the importer on import declarations to ABF
- paid for all the importation charges, and
- arranged delivery from the port of arrival in Australia.

3.2.3 Were the Australian export sales sold at arm's length?

3.2.3.1 Related customers

Fenghui sold the goods only to one Australian customer, being ACP. Fenghui is related to ACP.

For all sales to ACP, the commission finds that Fenghui sold the Australian export goods **at arm's length** as defined under section 269TAA.

For these transactions, the commission did not find that:

- there was any consideration payable for or in respect of the goods other than their price
- a relationship between a buyer, a seller or their associates appeared to influence the price
- a buyer or buyer's associate directly or indirectly received compensation, reimbursement or another benefit for, or relating to, any part of the price.

The commission notes that Fenghui sold the goods only to ACP, and therefore the commission could not compare prices between related and unrelated customers for the goods.

The commission however examined the prices of other products sold by Fenghui to ACP, and compared these prices to the prices of the same products sold by Fenghui to an unrelated Australian customer. These other products are in the same general category as the goods the subject of Investigation 644 (brackets) and Investigation 645 (clip heads).

The commission compared these prices using the same product codes and months. The commission did not find consistent price differences when comparing prices to the two customers. The commission therefore finds that there appears to be genuine negotiation between Fenghui and ACP in respect to the goods exported to Australia.

3.3 Normal value

Case 644 includes a claim that the Government of China influences the price of raw materials used to produce the goods.

At this stage of the investigation, the commission makes no recommendation on the calculation of the normal value.

3.3.1 Did the verified company produce and sell like goods for the domestic market?

The commission did not find that Fenghui sold like goods for domestic home consumption in China during the investigation period.

3.3.2 Do the accounting records comply with generally accepted accounting principles?

Fenghui's accounting records are not audited. The commission therefore verified the completeness of Fenghui's sales to Fenghui's tax returns.

Based on Fenghui's completed tax returns, Fenghui's accounting records for the investigation period appear to comply with the generally accepted accounting principles of China and there is no evidence to suggest otherwise.

3.3.3 Did the production records reasonably reflect competitive market costs?

The commission found that Fenghui did not manufacture the goods exported to Australia. The commission undertook a verification of the data for one of the manufacturers of the goods that Fenghui exported to Australia, being Qinyan. The commission did not undertake a verification of the data for the other manufacturer (Zhenli) as Zhenli did not provide a response to the exporter questionnaire.

Please refer to the verification report for Qinyan for further information in relation to whether production records reasonably reflect competitive market costs.[1]

3.4 Countervailable subsidy

The commission found that Fenghui received a benefit in relation to the following programs:

- Transportation subsidy for returning to work after spring festival.
- One-time employment retention subsidy.
- Reward for overseas business personnel traveling abroad.

[1] Qinyan's verification report is available on the commission's electronic public record.

- Recruitment reward for 2023.
- Industrial reward for 2022.

The commission attributed and allocated the received benefit to the Australian export goods as follows:

Program name	Finding	Attribution	Allocation basis
Transportation subsidy for returning to work after spring festival	Fenghui received a grant in the form of a transportation subsidy.	Whole company	Value
One-time employment retention subsidy	Fenghui received a grant in the form of an employment retention subsidy.	Whole company	Value
Reward for overseas business personnel traveling abroad	Fenghui received a grant as it had staff members travel overseas.	All export sales	Value
Recruitment reward for 2023	Fenghui received a grant in relation to recruiting staff for its business.	Whole company	Value
Industrial reward for 2022	Fenghui received a grant for promoting industrial prosperity.	Whole company	Value

Table 1 Subsidy programs

The commission is in the process of investigating whether the subsidy programs above are countervailable subsidies. The commission has therefore not calculated a subsidy margin for the purposes of this verification.

4 VERIFICATION DETAILS

4.1 About this chapter

This chapter details what the commission found when verifying Fenghui's questionnaire response for case 644.

This chapter first summarises the commission's assessment of Fenghui's submitted information. This summary includes a list of material revisions made to this information before the commission finalised the verification.

This chapter summarises verified key details about Fenghui, relating to:

- the range of goods produced or sold
- corporate operations and structure.

This chapter then outlines the commission's method to verify and validate Fenghui's submitted information.

More information on how the commission verifies information is in **Non-Confidential Appendix 1**.

4.2 Verification findings and material revisions

The commission finds that the information Fenghui submitted is complete, relevant and accurate after material revisions.

4.2.1 Sales

Material revision 1: Exclusion of a product that is not the goods under consideration

Description: The commission identified that during the investigation period, Fenghui sold M10 vertical mounting plates which it has included in its sales listing.

The commission reviewed information relevant to this product and considers that it is not typically or commonly used in conjunction with bolted clip heads with elongated emboss and square hole for interlocking coach bolts and nuts. Therefore, the commission considers that the product is not a bracket that forms part of the interchangeable bolted clipping system that is subject to the investigation.

Resolution: The commission excluded the M10 vertical mounting plates from any calculations relevant to the verification findings.

Material revision 2: MCC category "type" amendment in the Australian sales listing

Description: Fenghui classified sales of "adjustable stand-off brackets" in the Australian sales listing as identifier "C" for MCC category "type". Identifier "C" relates to hanging adjustable stand-off brackets. During verification, the commission found that these brackets were not actually "hanging" brackets, but rather brackets that clamp to a feature or wall. The

commission therefore found the brackets to be non-hanging adjustable stand-off brackets, which are covered by MCC category type "B": "adjustable stand-off bracket".

Resolution: For these brackets, the commission changed the MCC category "type" from identifier "C" to identifier "B" in the Australian sales listing. The commission finds this consistent with the MCC structure.

Material revision 3: Payment days amendment in the Australian sales listing

Description: Fenghui listed payment days for the sales in the Australian sales listing, which the commission verified to source documents with no issues. However, the commission found that the actual payment days for all Australian sales were consistently more than the payment days from the source documents.

Resolution: The commission amended the payment days for all sales, to reflect the actual amount of days it took ACP to pay Fenghui.

4.2.2 Cost to sell

Material revision 4: Removal of foreign exchange losses from the SG&A listing

Description: The commission found that Fenghui incurred foreign exchange losses on its sales to Australia. Fenghui included this account in its SG&A listing. The commission does not find these losses relevant in the context of domestic SG&A.

Resolution: The commission removed the foreign exchange losses from the SG&A listing.

Material revision 5: Inclusion of packaging in the SG&A listing

Description: Fenghui classified its packaging cost as a direct selling expense in the SG&A listing, and therefore excluded packaging from the SG&A calculation. The commission notes that Fenghui packaged the goods before selling the goods to Australia.

Resolution: The commission included the packaging cost as part of Fenghui's investigation period SG&A calculation.

4.3 Types of goods produced or sold in the submitted information

4.3.1 Model control code compliance and amendments

The sales and cost data Fenghui submitted complies with the model control code (MCC) structure detailed in ADN 2024/040.

4.3.2 Amendments to model control codes

After comparing prices of different models of the goods, the commission does not recommend amending the MCC structure other than changing the sub-categories for 'finish' to 'non-powder coated' (identifier 'A') and 'powder coated' (identifier 'B').

Category	Determination of the sub-category	Identifier
Type	Stand-off bracket	A
	Adjustable stand-off bracket	B
	Adjustable stand-off bracket (hanging)	C
	Light hanging bracket	D

Category	Determination of the sub-category	Identifier
	Stainless steel hanging bracket	E
	All thread bracket	F
	Welded nut bracket	G
	Welded nut standoff bracket	H
	V Legs	I
	Bolted clip shanks	J
	Other	K
Product code (specific to relevant company)	XXX	XXX
Finish	Non-powder coated	A
	Powder coated	B

Table 2 - Amendments to the MCC structure

4.3.3 Verification of model control codes

Table 3 details how the commission determined MCC sub-categories and verified them to source documents.

Category	Sub-category verification method
Type	Relied on the type as shown on the Fenghui commercial invoices.
Product Code	Relied on the product code as shown on the Fenghui commercial invoices.
Finish	Relied on the product code as shown on the commercial invoices which links to the finish details on the Fenghui product brochure.

Table 3 MCC sub-category determination

4.3.4 List of model control codes

Fenghui sold the following MCCs during the investigation period:

Australian sales MCCs		
A-100060-A	D-100082-A	J-100053-A
B-100080-A	G-100063-A	J-100055-A
D-100059-A	I-100066-A	K-100058-A

Table 4 List of MCCs sold

4.4 Corporate information

4.4.1 Company information

Fenghui is a distributor of the goods and exports the goods to Australia only. Fenghui does not manufacture the goods, nor sell the goods in the domestic market. Fenghui purchases the goods from Qinyan and from Zhenli. Fenghui then sells these goods to ACP.

Fenghui manufactures and sells a range of products other than the goods. These products include brass plumbing fittings, brass taps, brass-zinc alloy bathroom accessories, and

various other products. Fenghui sells these products on the domestic market and to other countries including Australia.

4.4.2 Related companies

The commission examined the relationships between Fenghui and the parties involved in producing or selling the goods.

4.4.2.1 Related suppliers

The commission found that during the investigation period, Fenghui purchased the goods from Qinyan and Zhenli.

The commission found that there was a personal relationship between the owner of Qinyan, and one of the owners of Fenghui's parent company.

The commission compared the prices of brackets and clip heads sold by Qinyan to Fenghui, to the prices of the same brackets and clip heads sold by the other manufacturer (Zhenli) to Fenghui. The commission compared the prices based on the same product codes and quarters. The commission found that the sales from Qinyan to Fenghui were materially lower in price compared to the sales from Zhenli to Fenghui for the majority of products examined.

Following the verification, Fenghui claimed the following:

- Fenghui and Qinyan are not related as there is no familial relationship between Qinyan's owner and the shareholders of Fenghui's parent company.
- The price between Fenghui and Qinyan was set according to the cost of production as well as the market price, which was negotiated between them and contracted. The price between Fenghui and Qinyan was negotiated in the same manner as the price between Fenghui and Zhenli.
- Comparing the price of the goods purchased from Qinyan and the price of the goods purchased from Zhenli, it can be seen that prices were not consistently lower between Fenghui and Qinyan.
- Qinyan's sales to Fenghui were profitable during the investigation period, which should be taken into consideration when considering whether Fenghui's purchases of the goods from Qinyan were made at arm's length.

Noting Fenghui's claims, the commission will continue to investigate the nature of the sales between Qinyan and Fenghui.

4.4.2.2 Related customers

Fenghui sold the goods only to Australian customer ACP. The commission found that one of ACP's directors was simultaneously also the director of Fenghui from before the investigation period, to 15 June 2023. This director resigned as a director for Fenghui on 15 June 2023 and remained a director for ACP. In consideration of this, as well as other information that the commission obtained relating to Fenghui's ownership and structure, the commission considers Fenghui to be related to ACP.

4.5 Method used to verify information

4.5.1 Sales completeness and relevance

The commission:

- Reconciled the 1 January to 31 December 2023 total sales value from the tax return and income statement, to the accounting system.
- Reconciled the investigation period total sales value from the income statement and accounting system, to the sales listing in the online tax portal.
- Used the online tax portal to attain the investigation period sales of all steel brackets and steel clip heads.
- Used the product codes and customer information on various sales invoices from the tax portal sales listing to obtain the sales of the goods for the investigation period.

4.5.2 Selling, general and administrative expense completeness and relevance

The commission:

- Reconciled the 1 January to 31 December 2023 SG&A to the tax return and the accounting system.
- Reconciled the investigation period SG&A to the accounting system.
- Reconciled various SG&A accounts to the trial balance in the accounting system.
- Used the accounting system to verify the ledger entries of various SG&A accounts to ensure that the entries related to the SG&A account name.
- Verified the SG&A accounts which Fenghui classified as direct selling expenses, using the accounting system.
- Ensured that the investigation period SG&A contained relevant SG&A expenses.

4.5.3 Subsidies completeness and relevance

The commission identified the following grants received by Fenghui:

- Transportation subsidy for returning to work after spring festival.
- One-time employment retention subsidy.
- Reward for overseas business personnel traveling abroad.
- Recruitment reward for 2023.
- Industrial reward for 2022.

The commission:

- Reconciled the tax payment for 1 January to 31 December 2023 from the tax return to the tax payment remittance, and the accounting system.
- Ensured that Fenghui did not obtain a preferential tax rate during the investigation period.
- Reconciled the non-operating income ledger entries for the investigation period, to the accounting system.
- Identified all the company grants in the non-operating income ledger for the investigation period.
- Verified the grants from the non-operating income ledger to source documents showing the receipt of the grants.
- Ensured that no company grants were part of accounts other than the non-operating income account, by examining the accounts in the accounting system.
- Ensured that Fenghui did not have any preferential loans by examining the trial balance and the accounting system. In doing so, the commission found that Fenghui did not have any loans during the investigation period.

5 APPENDICES AND ATTACHMENTS

Confidential Attachment 1: Verification work program
Confidential Appendix 1: Export price
Non-confidential Appendix 1: General definitions and verification method

NON-CONFIDENTIAL APPENDIX 1: GENERAL DEFINITIONS AND VERIFICATION METHOD

What are variable factors?

Variable factors are numerical values that the commission uses to calculate the levels of dumping or countervailable subsidy. By verifying a company's data, the commission aims to set accurate variable factors and accurately calculate the level of dumping or countervailable subsidy.

The commission has explained some concepts relating to variable factors. These explanations are in simple terms and may not reflect the full, technical definitions.

Goods

The goods exported into Australia are **Australian export goods** or the **goods under consideration**.

Goods that are the same or similar to Australian export goods are **like goods**.

Variable factors

Dumping occurs if the price of Australian export goods (the **export price**) is less than the equivalent price of like goods in an exporter's domestic market (the **normal value**).

The **amount of dumping** is the difference between a normal value and the corresponding export price – that is, the normal value minus the export price.

A **subsidy** is a financial contribution, income support or price support, from a country of export Government, public body or a private body being directed by the Government or public body that confers a benefit to Australian export goods.

The Australian government can cancel out – that is, **countervail** – the effect of a subsidy, if that subsidy is specific to Australian export goods. In other words, a subsidy specific to Australian export goods is a **countervailable subsidy**.

The minimum export price to prevent material injury to an Australian industry is the **non-injurious price**. The commission typically relies on information from Australian industry and other sources to calculate this price, which is beyond the scope of this verification. The commission has therefore not calculated a non-injurious price in this report.

Margins calculated using variable factors

A **dumping margin** is the rate of dumping compared to the export price.

A **subsidy margin** is the rate of countervailable subsidy attributable to Australian export goods.

Export price method

Section 269TAB lists different ways to calculate an export price based on the facts available.

The commission considers these questions, among others, before calculating an export price:

- Did the verified company sell goods for Australian export?
- Who is the exporter?
- Who is the importer?
- Did the exporter sell to the importer at arm's length?

In this chapter, the commission summarises its findings about facts that affect how to calculate an export price.

Who is the exporter method

The commission generally identifies an **exporter** as a company, located in the country of export, who is a principal company involved in an Australian export goods transaction. At least one of the following generally also applies for a company to be an exporter:

- the company knowingly transferred the goods to its own vehicle, or to a freight company, to deliver the goods to Australia
- at the time the goods shipped, the company owned or previously owned the goods.

To identify the exporter, the commission typically relies on information about Australian export transactions from stakeholders and Australian Border Force.

Who is the importer method

An **importer** is the beneficial owner of goods at the time of import. The beneficial owner may differ from the listed or nominal owner of the goods.

For example, a parent company can have direct control over a subsidiary company's assets and decisions. If that parent company lists its subsidiary company as the owner of goods at the time of import, the commission would find that parent company is the importer because it beneficially owns the goods.

To identify the importer, the commission typically relies on information about Australian export transactions provided by stakeholders and Australian Border Force.

Normal value method

Section 269TAC lists different ways to calculate a normal value based on the facts available.

The commission considers these questions, among others, before calculating a normal value:

- Did the verified company, or a party related to the verified company, sell like goods domestically?
- Were there any domestic sales of like goods?
- Was there a low volume of domestic like goods sales?
- Were the domestic like goods sales at arm's length?
- Does any component of the exporter's costs, or producer's costs, not reflect competitive market costs?
- Were the domestic like goods sales in the ordinary course of trade?
- Does the normal value require adjustments to properly compare it to the export price?

Why the commission assesses production records

The commission assesses if a company's production cost records reasonably reflect competitive market costs as required by Regulation 43(2) before selecting which method to recommend for setting a normal value under section 269TAC.

The commission assesses production cost records through methods including:

- analysing transactions for materials or services supplied by a related party to see if they reflect other costs in the market
- considering if the domestic country has generally competitive, or non-competitive, costs for certain materials or services.

If the commission finds that the production cost records reasonably reflect competitive market costs, the commission must use the recorded costs to calculate the cost of production. If the commission finds that production cost records do not reasonably reflect competitive market costs in some part, then the commission may use other information if appropriate to adjust that part of the costs before setting a normal value.

Ordinary course of trade method

The commission assesses if domestic like goods sold in the ordinary course of trade before selecting which method to recommend for setting a normal value under section 269TAC.

Section 269TAAD sets out which sales are in the ordinary course of trade. Under this section, a domestic like goods sale is **not** in the ordinary course of trade if the conditions below apply to the sale:

- the sale is **unprofitable in substantial quantities** over an extended period
- the sale is **unlikely to be recoverable** within a reasonable period.

The commission typically uses this method to assess each step of identifying a sale not in the ordinary course of trade.

1. A sale is **unprofitable** if its unit price is less than the corresponding unit cost to make and sell in the sales month or sales quarter
2. All sales for a model are unprofitable **in substantial quantities** if the volume of unprofitable sales is 20% or more of the total volume of sales
3. A sale is **unlikely to be recoverable** if its unit price is less than the corresponding unit cost to make and sell for the entire reasonable period.

The commission typically sets both the 'extended period' and 'reasonable period' under section 269TAAD as the inquiry, investigation or review period for a case.

Low volume of relevant domestic sales method

Under section 269TAC(1), the commission must set a normal value using a sufficient volume of domestic like goods.

If the commission uses a low volume of domestic like goods to set a normal value, then the normal value does not properly compare to the export price when measuring the level of dumping and the commission cannot set a normal value under section 269TAC(1).

To assess if there is a large enough volume of domestic sales to set a normal value under section 269TAC(1), the commission must compare the domestic and Australian export sales

volumes for an exporter. If the domestic sales volume is less than 5% of the Australian export sales volume, the commission must also assess if the domestic sales volume is still large enough to use in a normal value that properly compares to the export price.

The commission uses this method to compare domestic and Australian export sales volumes both overall and for each model sold as Australian export goods. When comparing sales volumes for an individual model, the commission may use a surrogate domestic sales model to calculate normal value for the Australian export sales model.

Section 269TAC(14) sets this sufficiency test for dumping investigation cases. The commission also uses this sufficiency test when setting a normal value in other case types.

The figure below summarises the possible outcomes when assessing domestic sales volumes to use in a normal value set under section 269TAC(1).

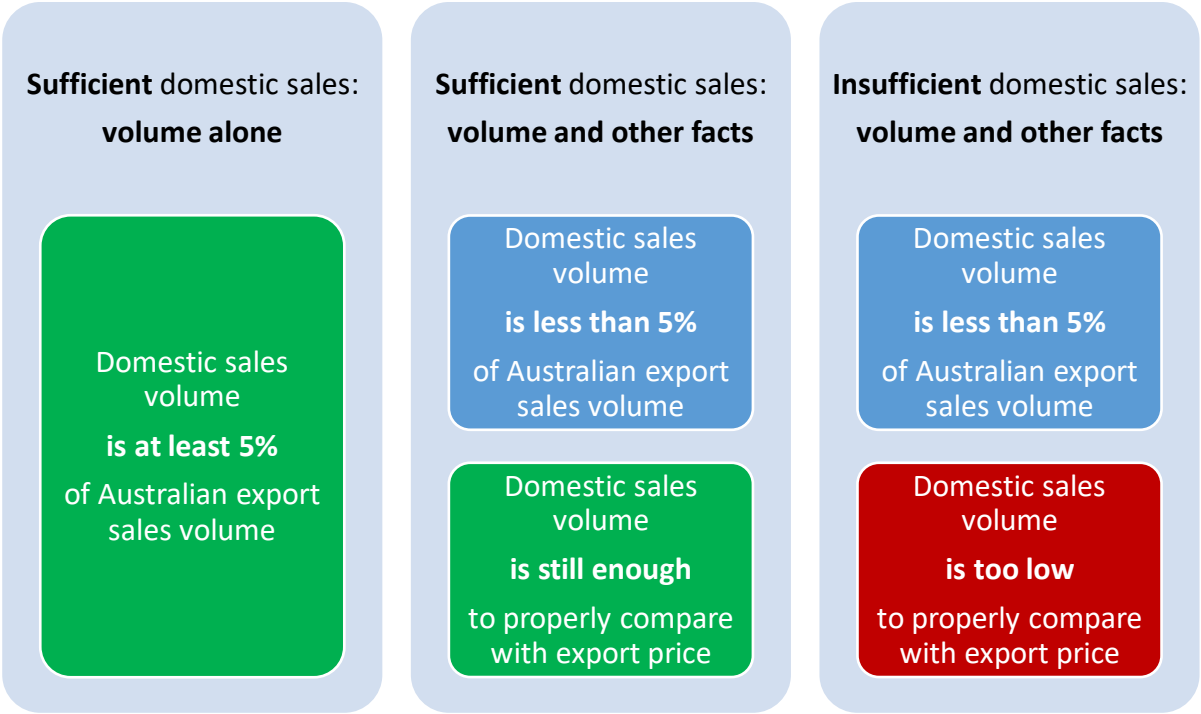

Figure 1 Possible findings about domestic sales volumes for section 269TAC(1) normal value

Method to verify information

A valid exporter questionnaire response includes data listings about sales, costs and subsidy programs (where relevant).

Before relying on submitted data listings, the commission first verifies if these listings are:

- **complete**, as in, including all the relevant data
- **relevant**, as in, including only relevant data
- **accurate**, as in, including only correct data.

In practice, the commission typically verifies data listings as complete and relevant at the same time.

ADN 2016/30 describes the commission's standard procedure to verify and validate stakeholder information.

General method to verify information as complete and relevant

The commission verifies data listings as complete and relevant by reconciling each listing's sum total up to audited financial records.

The commission typically reconciles a listing to audited records incrementally. The commission typically links a listing subtotal to management accounts, then links those management accounts to the audited records.

Figure 2 outlines how the commission verifies different topics as complete and relevant.

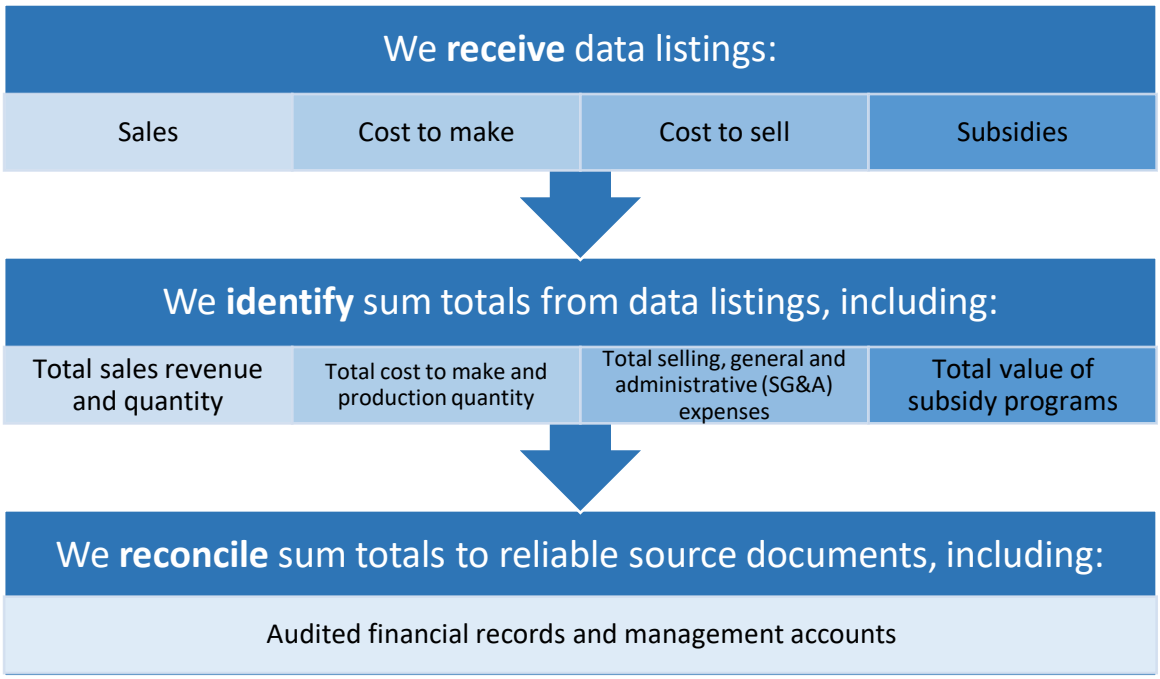

Figure 2 How the commission verifies data as complete and relevant

General method to verify information as accurate

To verify the listings are accurate, the commission typically reconciles key data from a selection of transactions in the listings down to source documents.

Figure 3 outlines how the commission verifies different topics as accurate.

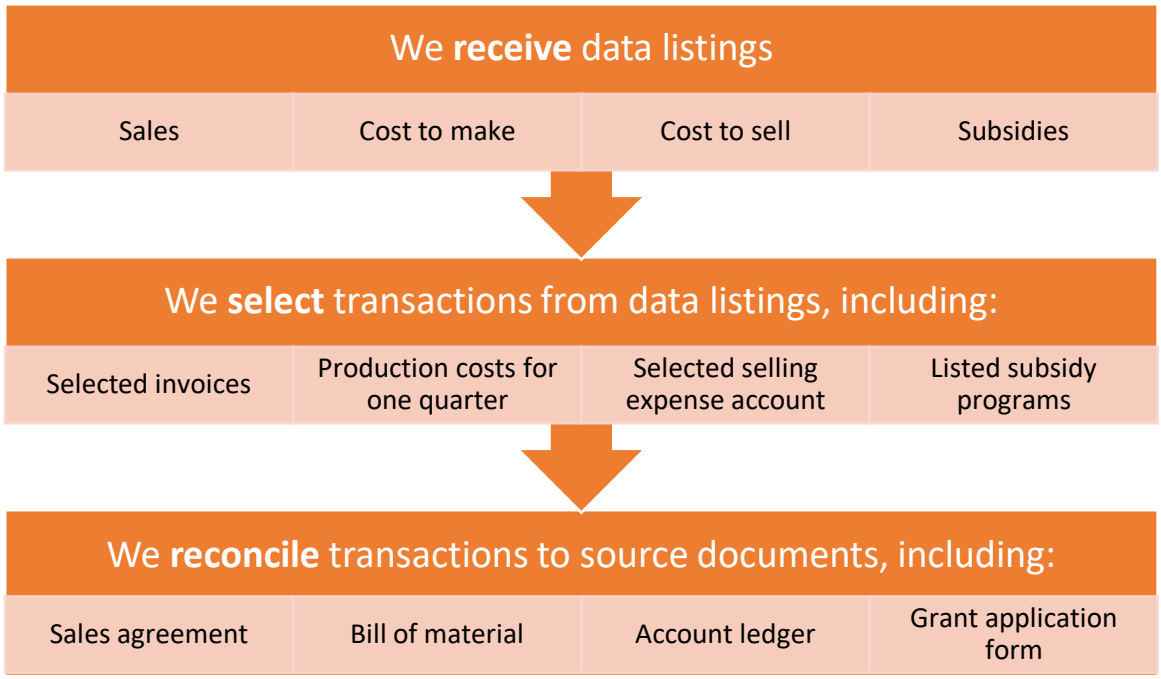

Figure 3 How the commission verifies data as accurate