



## Trust account audit reminders for agents and auditors

Settlement agents are required to have their trust accounts for the year 1 July 2014 to 30 June 2015, or part thereof, audited by an auditor approved by the Consumer Protection Division of the Department of Commerce (Consumer Protection).

The auditor must provide the audit report to Consumer Protection by **30 September 2015**.

To assist settlement agents and auditors in completing audits and fulfilling the requirements under Section 51(1) of the *Settlement Agents Act 1981*, Consumer Protection provides the following lists of reminders which may assist.

### Reminders for settlement agents

- Settlement agents must disclose all trust accounts to their auditors (this includes accounts that may not have been used recently) in order for the Annexure A part of the report to be accurate.
- All records relating to discrepancies in trust accounts (regardless of error made by the settlement agent or by bank) must be provided to the auditor.
- Ensure the address provided in any statutory declarations by settlement agents is the agent's current address.
- Only submit a statutory declaration of no funds held if the agent did not hold or receive any money for or on behalf of others during the 2014/2015 financial year.

### Reminders for auditors

- All trust accounts need to be disclosed in Annexure A within the report, even if the accounts were closed during the audit year, with the proper titling as per the bank records.
- All separate interest bearing trust accounts need to be separately listed in Annexure A, with the proper titling as per the bank records.
- Check the title of trust accounts to ensure they are as per Settlement Agents Regulations 1982 (Name of Triennial Certificate (TC) holder, business name of TC holder, TC number and SA Trust Account).

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- Ensure the entity name and business name are correct on all documents within the audit report, including statutory declarations.
- Check that the agent's business name is a registered business name with Australian Securities and Investments Commission (ASIC).
- Check that the agent's address is correct especially if auditors are using template reports of other agents
- Ensure statutory declarations are witnessed appropriately by authorised witnesses, listing their full name and qualifications.
- All instances of overdrawn trust accounts must be disclosed, including cases where they relate to errors made by financial institutions or the agent.
- Use the audit report templates provided within our publication [A guide to auditing settlement agents' trust accounts](#), as these no longer refer to the Settlement Agents Supervisory Board.
- If there are any matters in relation to the trust account that the auditor would like to communicate to Consumer Protection, please note this in the statutory declaration by the auditor and also attach a management letter detailing the matters. If no management letter is attached to the audit report, please do not mention a management letter in the [cover letter](#).
- Where there is a change of auditor, please ensure that the [Change of Auditor Request](#) form is completed and signed by the agent, new auditor and the outgoing auditor. We are unable to accept audit reports where the auditor has changed but no Change of Auditor Request form is received and approved by Consumer Protection.
- Ensure that the audit report is complete – not missing any pages, statutory declarations by agent and auditor are included, and Annexure A properly lists all trust accounts open at any time during the audit year. Incomplete audit reports cannot be accepted and will remain outstanding until complete reports are provided and accepted by Consumer Protection.

## Further information

If you have any questions, or require any further information please visit the Department's [Auditing settlement agents](#) webpage or contact the audits team by email at [audits@commerce.wa.gov.au](mailto:audits@commerce.wa.gov.au) or by telephone on (08) 6552 9583.

A full list of forms and publications including the *Settlement agents trust account handbook* and *A guide to auditing settlement agents' trust accounts* is available on our [website](#).

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