



Fair
Trading

Auditor's Guide 2021

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1 PREFACE

Purpose

This publication intends to contain all information required to perform and lodge a trust fund audit under the *Property and Stock Agents Act 2002* and *Conveyancers Licensing Act 2003*.

It includes changes to legislation and the process to lodge audit reports. In future years, summary audit results from previous years may be included.

Use this guide to help understand:

- How to use Auditor's Report Online
- Trust fund auditing requirements for the 2020/2021 audit year.

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2 CHANGES AFFECTING 2020/2021 AUDIT YEAR

2.1 KEY CHANGES

There are **no changes** to trust account auditing requirements in 2021.

A summary of the reforms introduced in 2019 is provided in section 2.2 *Recap on 2019 reforms*.

Auditor's Report Online, the internet portal introduced in 2019, was positively received by auditors. Some enhancements have been made to the portal based on auditor feedback. When using the portal this year, you will be able to:

- Download a pdf version of an audit for printing or saving
- Delete an invitation request that has not been authorised
- Select multiple reasons for a negative response
- Enter comments as part of supporting documentation
- Search for an audit in your dashboard.

For audits that you submitted last year, you will be able to use the 'Invite Prior Year Client' function to start the invitation process for this year's audit, to save re-entering the same client and trust account details. From 2021, you will be able to:

- (**New*) Update some of the client's details under 'Invite Prior Year Client'

2.2 RECAP ON 2019 REFORMS

Real estate and property reforms being rolled out in NSW require real estate and conveyancer trust fund audit results to be lodged with NSW Fair Trading using an internet portal, Auditor's Report Online.

You will no longer be asked if an audit is qualified or not. Instead the system may prompt you to attach evidence to support your findings. The system will automatically grade the audit based on the information you provide. This step has been taken to ensure fairness and provide a systematic approach to our compliance activities.

As a consequence, all trust fund audit results need to be submitted to NSW Fair Trading. Auditor's Report Online has been released to assist auditors and must be used to lodge each trust account audit result.

The table below provides a comparison of lodging audits using Auditor's Report Online and lodging paper-based Auditor's Reports prior to July 2019.

From July 2019	In previous years (prior to July 2019)
<ul style="list-style-type: none"> • lodge <i>all</i> audits 	<ul style="list-style-type: none"> • only qualified audits were lodged
<ul style="list-style-type: none"> • use Auditor's Report Online to lodge your Auditor's Report 	<ul style="list-style-type: none"> • a paper Auditor's Report was completed and emailed or posted to NSW Fair Trading
<ul style="list-style-type: none"> • you no longer need to provide an audit opinion 	<ul style="list-style-type: none"> • you determined if an audit was qualified or unqualified
<ul style="list-style-type: none"> • you seek your client's permission to lodge on their behalf using Auditor's Report Online, <i>before</i> commencing the audit 	<ul style="list-style-type: none"> • you obtained the licensee's signature on a printed copy of your Auditor's Report

2.3 LODGING AUDITS USING AUDITOR'S REPORT ONLINE

Auditor's Report Online allows auditors to easily submit trust account audit results. It completely replaces the previous paper-based Auditor's Report form and Schedules 1A, 1B, 2 and 3 that you downloaded from the NSW Fair Trading website prior to July 2021.

Before you start – you must **REGISTER** to use Auditor's Report Online

Already registered? Use your username and password from last year. If you have changed employment or have a new email address, you will need to register again with your new details.

Not registered? Go to NSW Fair Trading's website [page for auditors](#) and follow the prompt to register for Auditor's Report Online. You will be asked to enter some basic details, your email address and a password. Once your login is set up you will be able to use it for all your audits.

Once registered, login to Auditor's Report Online and follow these 3 simple steps to submit an Auditor's Report:

1. Obtain permission from your client to submit an Auditors' Report on their behalf
 - Send an invitation to the licensee via Auditor's Report Online. Invite them by setting up some basic client and trust account details and request their authorisation
 - A Client Information Form is available on NSW Fair Trading's webpage for auditors. You may download and send the form to your clients if you wish to collect the required information before you conduct the audit
2. Complete the checklist
 - Enter responses to the trust fund auditing requirements checklist by answering Yes, No or Not Applicable to defined questions. You will be asked to attach supporting documents or choose from a list of reasons for a negative response
3. Submit report
 - Review your responses, complete a declaration and submit the report to NSW Fair Trading. Breaches to legislation will be calculated from your checklist responses.

You will find out more about these key steps in section 3 *Get started using Auditor's Report Online*.

2.4 KEY DATES FOR 2021

Activity	Date	Quick reference
Register to use Auditor's Report Online	Available anytime	3.1 Register
Invite clients	From 1 July 2021	3.2 Understanding your dashboard 3.3.2 Invite your client
Lodge audit findings	July – September 2021 (*)	3.3.3 Complete the audit checklist 3.3.4 Submit audit results
Extension application	Before 15 September 2021	3.3.3 Late audits

(*) The due date is now reverted back to the normal **30 September in 2021**.

3 GET STARTED USING AUDITOR'S REPORT ONLINE

3.1 REGISTER

3.1.1 BEFORE YOU START

Before starting the registration process, you should:

1. Have internet access and a recent version of **Chrome, Firefox, Safari or Microsoft Edge** browser installed
2. Have your professional affiliation and business details handy
3. Choose the email address you wish to use. You will use this email address to login to Auditor's Report Online and receive notifications related to audits. It is important that you use your own email address and not a shared email inbox.

3.1.2 REGISTER

To register for Auditor's Report Online, go to NSW Fair Trading's website [page for auditors](#) and choose the option *Go to Auditors Report Online*.

The login page for Auditor's Report Online will be displayed:

Choose the **Register** button in the bottom right hand corner of the login page.

The Register for an account page will be displayed:

Note the information displayed in the warning box:

- You must be an auditor-in-charge to register
- Your email address will be used for login and all correspondence in relation to this audit. Do not use a shared email box
- If you change your email address or register with an incorrect email address, you will need to re-register.

Enter all required information. Scroll down the page to see all required information, terms and conditions and the declaration.

Click or tap in the **Declaration** check box to confirm that all information you have entered is correct and that you accept the terms and conditions.

Choose the **Register** button. The **Register** button will only become enabled if all information is valid and the **Declaration** checkbox is ticked.

To return to the Login page, choose the **Back to login** button, or close the browser tab.

Go to your email inbox and open the email from audits@customerservice.nsw.gov.au with subject 'Welcome to Auditor's Report Online'.



Follow the prompts to set your password (click on the phrase 'this link' within the email). The **Change Password** button will become enabled if you have successfully entered and confirmed a valid password. Choose the **Change Password** button to complete the registration process.

You will be taken to Auditor's Report Online and should see the Auditor dashboard page. Go to section 3.2 *Understanding your dashboard* to learn more about the dashboard.

Tips

- To directly access the registration page, go to www.audit.fairtrading.nsw.gov.au/eaudit
- You only need to register for Auditor's Report Online once. You can use your same login details each year.
- If you change companies, you will need to register again using your new email address and new work details.

3.1.3 LOGIN

To login to Auditor's Report Online, go to NSW Fair Trading's website [page for auditors](#) and choose the option *Go to Auditors Report Online*.

The login page for Auditor's Report Online will be displayed:



Enter your Username and Password that you used during registration and choose the **Login** button.

The Auditor dashboard page will be displayed. Go to section 3.2 *Understanding your dashboard* to learn more about the dashboard.

Tips

- To directly access the login page, go to www.audit.fairtrading.nsw.gov.au/eaudit
- Your *Username* is the email address that you entered when you registered to use Auditor's Report Online. If you are not sure of the address that you used, find the email that was sent to you when you registered.
- Don't forget to **Log out** when you have finished using Auditor's Report Online.

3.2 UNDERSTANDING YOUR DASHBOARD

The Auditor dashboard is where you will view and access all audits that you have started.

Before you invite your clients, you should familiarise yourself with the Auditor dashboard.

3.2.1 AUDIT SUMMARY

The top section of the dashboard displays a summary showing how many audits you have in each status:

Auditor dashboard Last Updated: 27/06/2019 3:10:20 PM

Refresh dashboard ¹

Total
14

+ Invite new client ³

+ Invite prior year client ⁴

Client approval

- 2 Pending
- 1 Rejected
- 3 Authorised

Audit in progress

- 3 In progress ²
- 0 Abandoned
- 0 Revoked

Submitted to NSW Fair Trading

5 Submitted

Features in the audit summary section include:

Note	Feature
1	Click on Refresh dashboard to see updated information
2	Click on a Status to narrow the Audits List below to only show audits with this status
3	Use the +Invite new client button to start a new audit
4	Use the +Invite prior year client button to start a new audit for a trust account that you audited last year to save re-entering information about your client ** Update your client's details if needed before starting a new audit

3.2.2 AUDITS LIST

The bottom section of the dashboard displays a list showing each audit that you have started for this audit year:

The screenshot shows a table of audits with the following columns: Trading Name, ABN or ACN, Account number, Status, Due date, and Action. The table contains 10 rows of audit data. At the top left is a 'Show All Clients' link. At the top right is a search bar. At the bottom are 'Back' and 'Next' navigation buttons, and a page number indicator showing '1' and '2'.

Trading Name	ABN or ACN	Account number	Status	Due date	Action
Lake and Gardner	102400109	0245625878	Authorised	30/09/2019	more action ▾
Laura Lee Rentals	10112456001	0451236589	Authorised	30/09/2019	more action ▾
Wallace Partners	105510201	017452174652	Authorised	30/09/2019	more action ▾
Min Max Properties	12045512321	14578645122	In progress	30/09/2019	more action ▾
Willow Tree Realty	222333444	123456789	In progress	30/09/2019	more action ▾
Willow Tree Realty	222333444	024556845	In progress	30/09/2019	more action ▾
Noah Taylor Strata Management	010457857		Pending	30/09/2019	re-request ▶
Thornton Rural	100242333	064658759	Pending	30/09/2019	re-request ▶
Shane & Moore Property	104577863	01251358741	Rejected	30/09/2019	re-request ▶
1010 Property	10562435100	005426899	Submitted	30/09/2019	View ▶

Navigation: < Back | 1 | 2 | Next >

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Features in the audits list section include:

Note	Feature
1	Click on Show All Clients to display the whole list again if you have applied any filtering
2	Use the Search feature to find an audit in your dashboard
3	Click on any column heading to sort the list below based on the values in that column
4	Click on the Action bar to open the audit and see the options available
5	Use the page numbers to jump through your list of audits
6	Use the Back and Next links to scroll through your list of audits

ACTIONS AVAILABLE

From the dashboard you can:

Start a new audit – choose the **+Invite new client** button or the **+Invite prior year client** button in the top left section of the dashboard. Refer to 3.3. *How to lodge a trust fund audit report* for further information.

Action an existing audit – choose the **Action** button on the right side of the audit. The actions available to you depend on the status of the audit. If the audit has:

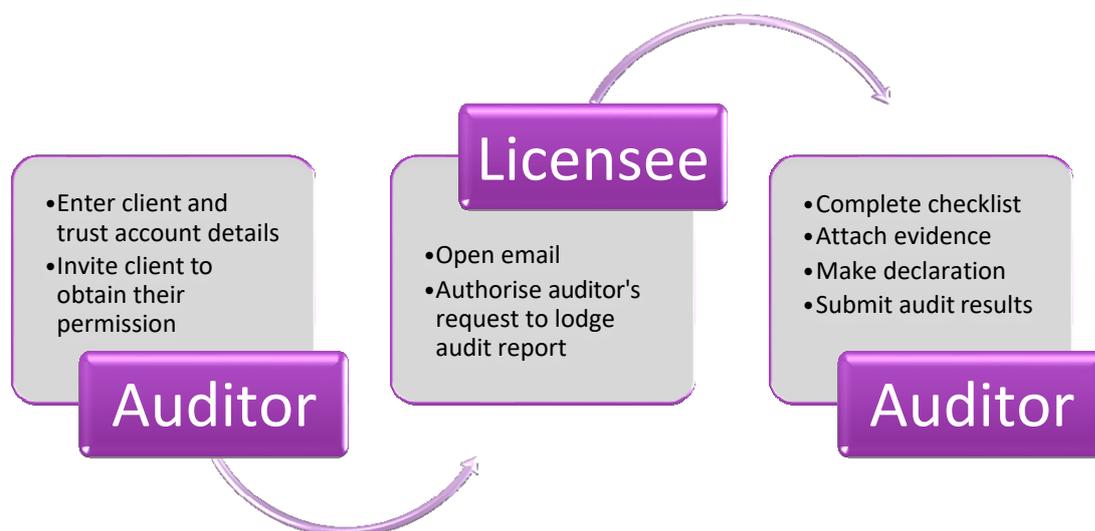
- Not yet been authorised by your client, you can:
 - **Resend the request** to them. If required, you can change the licensee's name and the email address before resending
 - **Delete the audit**
- Been authorised by your client, you can:
 - **Commence** the audit checklist. You will be led through a series of checklist questions
 - **Complete** a checklist that you have already started.
 - **Abandon** the audit. Choose this action if you do not intend to complete the audit. Refer to section 3.3.3 *Abandoned Audits*
 - **Request an extension** – Choose this action if you will not be able to complete the audit before the due date. Refer to section 3.3.3 *Late Audits*
- Already been submitted to NSW Fair Trading, you can:
 - **View** the audit report – you will be able to step through each checklist item and see the response, attachments and summary of breaches
- Been abandoned, you cannot do any further action.

Tips

- You are the only person with access to the information displayed on your dashboard. It cannot be shared with other auditors or staff in your organisation.
- When you are ready to enter a new audit, choose the **+Invite new client** button or the **+Invite prior year client** button.
- When you want to continue with an audit you have already entered, find the audit in the list and choose the **Action** button displayed on the right-hand side.
- Go to section 3.3 *How to lodge a trust fund audit* to find out more about obtaining your client's permission, completing the checklist and submitting a trust fund audit.

3.3 HOW TO LODGE A TRUST FUND AUDIT REPORT

3.3.1 PROCESS OVERVIEW



To start an audit, enter details about your client and the trust account to be audited into Auditor's Report Online.

Your client will receive an email requesting their permission for you to submit an auditor's report on their behalf to NSW Fair Trading. The email contains a link for them to go to a web page where they can authorise or reject your request.

Once your client has given their permission, you can enter your responses to the trust fund auditing requirements checklist and attach supporting information where required. Once complete, a summary of any breaches is displayed, and after making a declaration you can submit the report to NSW Fair Trading.

You and your client will receive a notification email with an audit summary attached when you submit the audit report to NSW Fair Trading. Your client is not able to see any details in Auditor's Report Online.

3.3.2 INVITE YOUR CLIENT

ENTER CLIENT AND TRUST ACCOUNT DETAILS

To start an audit, choose the **+Invite new client** button in the top left section of the dashboard.

Enter the required information about your client and the trust account(s) that you are auditing for them.

Check that you have entered the correct details. You will not be able to make any changes after the request is sent to the licensee.

Requested details / actions	Description
Trust account UID number	Each general trust account requires a Unique Identifying Number (UID) that is issued by NSW Fair Trading (excluding conveyancers). If your client has not given you a valid UID number for a general trust account, refer them to the NSW Fair Trading website.
General and separate trust accounts	<p>An audit report is required for each general trust account. All separate trust accounts can be lodged in one audit report:</p> <ul style="list-style-type: none"> • If your client only has general trust account(s), you should choose <i>General trust account</i> for each of them. You need to submit a new audit for each general trust account. • If your client (*) only has separate trust account(s), you should choose <i>Separate trust account</i>. The one audit should cover all separate trust accounts. You will need to attach a list of all trust accounts included in the audit. • If your client has general and separate trust accounts, choose <i>Both</i>. This audit should cover one general trust account and all separate trust accounts. For each subsequent general trust account, you need to submit a new audit and choose General trust account. <p>(*) If your client has trust accounts associated with another ABN or ACN, you should submit a new audit for the accounts associated with the other ABN or ACN.</p>
Licensee-in-Charge email address	An email will be sent to the address that you enter here requesting permission from the licensee to lodge an audit with NSW Fair Trading. You will not be able to proceed to the checklist items until the licensee gives their permission. You should check that this email address belongs to the licensee and has been entered correctly.
Request authorisation	Once you choose Request Authorisation , you will not be able to edit any details. You should check that all information entered is correct before choosing Request authorisation .

Tips

- Did you submit an audit for the same client and trust account last year? If yes, you can choose the [+Invite prior year client](#) button, find the audit in the list displayed and choose [Re-invite](#).
 - You should check that the details are still the same and update if required. If the information that you need to update is not editable, you will need to delete the audit record and start again by choosing the [+Invite new client](#) button.
- A template containing the information that you need from your client is available on NSW Fair Trading's website page for auditors [Client Information Form](#). You may wish to ask your clients to complete the template for you prior to entering the audit into Auditor's Report Online.

SEND INVITATION TO CLIENT

Choose the [Request Authorisation](#) button at the bottom of the page. An email will be sent to the email address that you entered for the licensee. The email contains instructions for the licensee to either accept or decline your request to lodge an audit with NSW Fair Trading on their behalf.

The audit will now show on your dashboard with 'Pending' status to reflect that you are waiting for your client to authorise your request. You will not be able to proceed to the checklist until the licensee gives their permission.

AUTHORISATION FROM YOUR CLIENT

You should notify your client to expect an email from audits@customerservice.nsw.gov.au titled '**Auditor's Report – Your Permission is Required**'.

Your client needs to open the email and follow the prompts to give their authorisation or to reject the request if something is not right. By choosing the '**Yes, authorised**' button, your client is giving their permission for you to submit an audit on their behalf.

If the licensee gives their permission, the audit status changes to 'Authorised'.

If the licensee rejects your request, the audit status changes to 'Rejected'.

A reminder email will be sent to you after 3 days if the licensee has not responded to the email. You should contact the licensee and prompt them to respond. If they did not receive the email, ask them to check their spam or junk folder. You can send the request to them again if required.

Once the audit status becomes 'Authorised', you can proceed to the trust account audit requirements checklist by choosing [More actions > Commence Audit](#).

ACTIONS AVAILABLE

Choose the [Action](#) button displayed on the right side of the audit. The actions available to you depend on the status of the audit. If the audit has a status of:

- *Pending*, you can:
 - [Resend the request](#) to your client. If the licensee's name or email address were incorrect, you can change them before resending the request
 - [Delete the request](#)
- *Rejected*, you can:
 - [Resend the request](#) to your client. You should only resend the request if your client accidentally rejected the request, or if they rejected it because their name or email address was incorrect
 - [Delete the request](#) so that you can start a new audit. You should start a new audit if details other than the licensee's name and email were incorrect. Choose [+Invite new client](#) and start again

- Leave it. The rejected audit request will stay on your dashboard until the end of the audit period (31st December).
- *Authorised*, you can:
 - Proceed to completing the audit checklist as this means that the licensee has given their permission by responding to the email. Refer to 3.3.3 *Complete the audit checklist*.

3.3.3 COMPLETE THE AUDIT CHECKLIST

AUDIT REQUIREMENTS CHECKLIST

The trust account audit requirements checklist is a series of questions grouped into 16 sections. You will be guided through the checklist, however you may jump to any section and complete the questions in any order.

Underneath each checklist question is a reference to the associated legislation section or clause.

A response to each question is required - Yes, No, or Not Applicable.

Questions requiring a Yes or No answer are defaulted to a positive response. If you have determined that a negative response is required, you must change the response.

Some questions require a Reason to be selected for a negative response. You should tick all applicable reasons from the displayed options.

Where a question does not apply to a real estate agent, conveyancer, strata manager or stock and station agent, the question will not be enabled.

The questions that you will be required to answer for each client type are provided in *Appendix A – Audit Checklist Questions*.

Once you have completed the checklist and attached all required supporting documentation, choose **Next** to proceed to the Summary of Breaches page.

Sample section of the checklist:

[← Back to Auditor dashboard](#)

Trust account number 062-000 123456789	Client & Trust account type: Real estate agent - General trust account
	Business name: Willow Tree Realty Pty Ltd
	Licensee in-charge details: Ben Jones (ben.willowtreerealty@outlook.com)

Trust account audit >

Checklist v

1. Trust Records - General
2. Computer System Controls
3. Statements of Account/Disbursements/Expenses
4. Deposits
5. Trust Account Receipts
6. Trust Cheques & Electronic Payment Transfers
7. Daily Receipts and Payment Transaction (Cash Book) - Manual and Computer Systems
8. Trust Account Ledger
9. Trust Account Journal

3 Statements of Account/Disbursements/Expenses

3.1 Do the statements of account contain particulars of the money received, disbursed and the balance remaining with the Licensee Entity? Yes No

3.2 Are the commissions disbursed, costs incurred and sums reimbursed in accordance with client instructions? Yes No
ⓘ C8 ⓘ S86 (1) / S37

3.3 Are the disclosure of rebates, discounts and commissions received from other parties (where occurring) contained in the agency agreements? Yes No
ⓘ S27

[Save checklist](#)

[← Back](#)
[Next →](#)

Important: You must *change the default response if there is an issue that you need to inform NSW Fair Trading about.*

Tips

- You will need to answer some checklist questions for each audit (questions 1.3, 1.4, 1.9, 2.2). The remaining questions are defaulted to the response that indicates that there is no issue. If you have no issues to report, after completing the mandatory questions you can jump straight to checklist section 16 *Supporting Documentation*.
- You will be able to choose *more than one* reason from displayed options for some checklist questions. You should tick all applicable reasons. Any additional reasons can be included in attachments.
- If a checklist question is not applicable to a specific audit and a 'Not Applicable' response is not available for that checklist question, you should choose the positive response.

ATTACHING SUPPORTING INFORMATION AND EVIDENCE

You will be asked to upload information and evidence supporting negative responses to many of the checklist items.

A guide to the information required is displayed near the relevant checklist items and is outlined in *Appendix A – Audit Checklist Questions*.

Standard templates have been created for checklist questions 5.3, 6.1, 11.1, 11.2, 12.2, 12.3, 12.4, 12.5, 12.6, 12.7. The templates are provided in *Appendix B – Templates for Supporting Evidence*. You may copy the format provided or download the templates from the NSW Fair Trading's website [page for auditors](#), complete as required and upload when prompted.

Guide to attachments:

- Each file attached must not exceed 30 MB
- Each file must be closed
- Each file name must not exceed 72 characters
- Scanned images should be easily readable
- Most formats are accepted including .xlsx, .pdf, csv, .docx, .jpeg, .gif
- You can upload or drop multiple documents against a checklist question

You may also attach additional documents and enter comments at the end of the checklist, in section 16 *Supporting Documentation*.

ACTIONS AVAILABLE

Within the checklist, you can:

- Select responses to checklist questions
- Attach requested information and supporting evidence
- Enter requested information and select reasons or other options
- Jump to any section on the left-hand side and view or complete checklist questions
- Save the checklist – if you exit, your responses will be saved and displayed when you return to the audit
- Download a pdf version of the checklist. The pdf will contain client details, trust account details, checklist questions, and any saved responses and breaches as at the time you chose Download. Open, save or print the pdf file according to your browser's method. The pdf file is clearly marked as a draft report and is not a submitted Auditor's Report
- Back – move to the previous checklist section
- Next – move to the next checklist section.

ABANDONED AUDITS

There may be circumstances where you cannot complete an audit. You should indicate that you are abandoning the audit in Auditor's Report Online.

Locate the audit in your dashboard and choose [More actions > Abandon audit](#).

Select a reason from the list displayed – Duress, Request withdrawn, or Other – and then choose the [Abandon audit](#) button.

When you complete the [Abandon audit](#) process:

- A notification will be emailed to the licensee
- A notification will be emailed to you
- The status of the audit will be changed to 'Abandoned'. The audit will remain on your dashboard until the end of the audit year. You will not be able to open it or complete the audit requirements checklist.

Important: You should notify NSW Fair Trading if you are abandoning an audit because of duress.

LATE AUDITS

Due date for the 2020-2021 audit submission is reverted to the normal 30th September 2021.

A request to extend the due date with valid reason can be applied for through Auditor's Report Online before 15 September 2021.

All audits must be submitted in Auditor's Report Online before 31 December 2021.

REVOKED AUDITS

A licensee may wish to appoint another auditor after they have authorised an audit that you have started in Auditor's Report Online.

The new auditor must create a new audit for the client and trust account and invite the licensee as described in section 3.3.2 *Invite your client*.

When the licensee authorises the new invitation:

- the new auditor will be able to complete the audit requirements checklist and lodge the audit
- the status of the audit that you started will be changed to 'Revoked'. The audit will remain on your dashboard until the end of the audit year. You will not be able to open it or complete the audit requirements checklist.

Tips

- The rules for revoking an audit are based on the ABN or ACN and bank account. An audit will be automatically revoked if another audit is authorised by the licensee for:
 - a general trust account with the same ABN or ACN, and same BSB-bank account number, or
 - separate trust accounts with the same ABN or ACN.

3.3.4 SUBMIT AUDIT RESULTS

SUMMARY OF AUDIT

After completing section 16 *Supporting Documentation*, Auditor's Report Online will assess your responses and determine any breach of trust accounting requirements as per the relevant legislation.

A summary of the audit is displayed, listing any breach along with error messages highlighting any missing responses or attachments.

Use the [edit](#) option on the right-hand side to jump straight to the checklist question that has missing information and enter the response or upload the requested attachments.

Use the [Checklist](#) option on the left-hand side to go back to any checklist section to check your responses. You can change your response or upload attachments at any time before you submit the audit to NSW Fair Trading.

DECLARE AND SUBMIT

Prior to submitting the Auditor's Report to NSW Fair Trading, you will be asked to enter some final information and make a declaration.

Check the details displayed and enter the date that the trust records were provided to you in point 4.

If you agree to the declaration statements and are ready to lodge the audit with NSW Fair Trading, tick the [I accept](#) check box and choose [Submit Auditor's Report](#).

When you submit the audit, Auditor's Report Online will:

- confirm that your report has been successfully received and display the date and time submitted
- email a PDF version of the audit report to you as you will not be able to view the report in Auditor's Report Online *after* the audit period closes
- email a PDF version of the audit report to the licensee
- change the audit status to 'Submitted'.

Once the audit is submitted, you will:

- be able to [View](#) a copy of the details that you submitted from the dashboard. Expand the section headings on the left-hand side to step through each section of the report (*)
- be able to [Download](#) a pdf version of the audit report. When viewing the audit details, choose the [Download](#) link in the top right
- not be able to update any details on the submitted report.

(*) The audit will stay displayed on your dashboard until the end of the audit period (31 December for the 2020-2021 year).

Use the [Back to dashboard](#) button to return to your home page.

Tips

- If you would like to save or print a copy of the full checklist, choose **Download** *before* you Submit. After submitting, you will only be able to Download a copy of the audit report summary.

WHAT HAPPENS AFTER I SUBMIT AN AUDIT?

Auditor's Report Online calculates the severity of any breaches and assigns a severity rating to the Auditor's Report.

After the audit period closes, NSW Fair Trading will review submitted Auditor's Reports and action accordingly.

NEXT YEAR

When you access Auditor's Report Online after 1 July next year, your dashboard will be clear, ready for you to commence inviting clients and entering audits for the new audit year.

You will be able to re-invite clients that you entered into Auditor's Report Online this audit year.

3.4 NEED HELP?

3.4.1 FREQUENTLY ASKED QUESTIONS

Can someone else from my office access the same clients and audits that I have entered under my login?

No. Clients and audits entered by you are not visible to any other people registered for Auditor's Report Online.

What do I do if I change employers?

You must complete the registration process using your new email address and work details. You will not be able to access any audits entered under your previous registration.

What happens if a licensee wants to appoint another auditor?

A licensee may wish to appoint another auditor after they have authorised an audit that you have started in Auditor's Report Online.

The new auditor must create a new audit for the client and trust account and invite the licensee as described in section 3.3.2 *Invite your client*.

When the licensee authorises the new invitation:

- the status of the audit that you started will be changed to 'Revoked'. The audit will remain on your dashboard until the end of the audit year, however you will not be able to open it or complete the audit requirements checklist
- the new auditor will be able to complete the audit requirements checklist and lodge the audit.

What should I do if I have accidentally submitted an audit with an incorrect response or incorrect attachment?

Contact NSW Fair Trading by email to audits@customerservice.nsw.gov.au

What should I do if I miss the end date?

Contact NSW Fair Trading by email to audits@customerservice.nsw.gov.au

Does Auditor's Report Online close?

Auditor's Report Online will close at 11:59PM on the 31st December each year. You will be able to login, but you will not be able to start a new audit or submit an outstanding audit.

Will I have to enter the same client details again next year when Auditor's Report Online reopens for the following audit year?

No. You can use the **+Invite prior year client** button next year to save re-entering client and trust account details for audits that you submit this year.

Will the system send reminder emails?

Auditors will receive a reminder email if your client has not responded to your invitation within 3 days.

Your client will receive an email 15 days before the due date if they authorised your request and you have not yet submitted the audit report.

3.4.2 TROUBLESHOOTING

Here are some tips for working with Auditor's Report Online.

REGISTRATION AND LOGIN

Problem	Suggestions
Didn't receive any email after you registered?	<p>Check that you completed the process – you must click on the Register button to trigger the email.</p> <p>Check your junk or spam folder.</p> <p>You may have entered your email address incorrectly during the registration process. If so you should register again using your correct email address.</p>
Register button is not enabled?	<p>Check that you have ticked the Declaration box.</p> <p>Check that there are no red error messages displayed against any information that you entered. You may need to scroll up to see the whole page. If you see a red error message, fix the problem and scroll down the page again to the Register button.</p>
Password button is not enabled?	<p>Check that there are no red error messages displayed. You should see five green ticks if your New Password meets the stated rules and 'Match' if the password you typed in Confirm Password is exactly the same as what you typed in New Password.</p> <p>If you see any red error messages, try again. Your password must be at least 8 characters long, contain at least one uppercase letter, one lowercase letter, one number and one special character.</p>
Link in the registration email has expired?	<p>Go to www.audit.fairtrading.nsw.gov.au/eaudit and register again. You must complete the registration process within 7 days, otherwise you will need to start again.</p>
How do I get to the login page?	<p>Go to www.audit.fairtrading.nsw.gov.au/eaudit</p>
Can't remember your username?	<p>Your username is the email address that you entered when you registered to use Auditor's Report Online</p>
Can't remember your password?	<p>Choose Forgot your password? on the login page and follow the prompts to reset your password.</p> <p>You must complete the password reset process within 24 hours, otherwise you will need to start again.</p>
I'm using Auditor's Report Online on my mobile phone. The webpages are not displaying properly	<p>Access Auditor's Report Online from a desktop, laptop or tablet.</p>

Problem	Suggestions
A message is displayed telling me my internet browser is not supported	<p>Auditor's Report Online only works with recent versions of Chrome, Firefox, Safari or Microsoft Edge.</p> <p>You should update your browser following the links in the message, or by going to the website for your preferred browser. It is important that you keep your internet browser up-to-date for security purposes.</p>
The link in an email does not appear to work when I click on it	<p>Some email systems do not support clickable text hyperlinks within an email.</p> <p>Copy and paste the full link from the email into your browser address bar and hit Enter or Refresh to open the link.</p>

CLIENT INVITE

Problem	Suggestions
I have entered details but the Request Authorisation button at the bottom of the page is not enabled	<p>Check that there are no red error messages displayed against any information that you entered. You may need to scroll up to see the whole page. If you see a red error message, fix the problem and scroll down the page again to the Request Authorisation button.</p> <p>Check that you have ticked the box above the Request Authorisation button asking you to confirm that all details have been entered correctly. We ask you to confirm this as you will not be able to change any details after you choose Request Authorisation.</p>
A message is displayed telling me the UID is not valid	<p>Check that the number you are entering is the Unique Identifying Number (UID) that was issued to your client when they registered the trust account with NSW Fair Trading. (Hint: a UID typically looks like 'LU9999TA001')</p> <p>If your client has not registered their trust account yet, refer them to the NSW Fair Trading website.</p> <p>If further assistance is required, contact the NSW Fair Trading helpline.</p>
I have made an error when entering the client or trust account details. The permission request has already been emailed to my client	<p>If your client has not authorised it yet, choose Delete audit and start again.</p> <p>If your client has already authorised it, choose Abandon audit and start a new audit.</p>
My client has not received the invitation email	<p>Check that the email address you entered is the correct address for the licensee. If required, you can change their email address before you resend the request to your client.</p> <p>Ask them to search for an email titled 'Auditor's Report – Your Permission is Required' sent from audits@customerservice.nsw.gov.au.</p> <p>Ask them to check their spam or junk folder.</p> <p>If they cannot find the email, send them the request again by choosing Re-request on the action bar.</p>

Problem	Suggestions
I have sent a permission request email to an incorrect email address	<p>Choose Re-request on the action bar to change the email address and send another request.</p> <p>Note: if the first email was incorrectly sent to a known person, you should ask them to <i>Reject</i> that request <i>before</i> the correct licensee <i>Authorises</i> the new request</p>
Can I delete audits from my dashboard?	<p>You can delete an audit if it has not been authorised yet by your client, or if your client has rejected the request. Choose Delete audit on the action bar. The audit will remain on your dashboard with a status of 'Voided'.</p> <p>All audits that you have started to enter in Auditor's Report Online will remain on your dashboard, even if they have been rejected, revoked or abandoned.</p> <p>At the end of the audit period (31 Dec), all audits will be cleared from your dashboard. Your dashboard will be empty when you start again on 1 July the following year.</p>
My client is trying to authorise my request but they receive an "Unsupported browser detected" page when they click on the link in the email	<p>Auditor's Report Online only works with recent versions of Chrome, Firefox, Safari or Microsoft Edge.</p> <p>You should ask your client to update their browser following the links in the message, or by going to the website for their preferred browser. After updating their browser, they need to access the email and click on the link again.</p> <p>Note: They will also need to have Chrome, Firefox, Safari or Microsoft Edge set as their <i>default browser</i>. After authorising your request, they can reset their default browser back if required.</p>

COMPLETING THE CHECKLIST

Problem	Suggestions
I am trying to attach or drop a file containing supporting evidence, but the system appears to freeze and I cannot proceed	<p>Check that the file you are trying to attach or upload is <i>not open</i>. If the file is open on your machine or device, close it and try again.</p> <p>Check that the filename is less than 72 characters long. If the filename is too long, rename it and try again.</p> <p>Check that the file conforms to the requirements outlined in the <i>Attaching Supporting Information and Evidence</i> section above.</p>
I am unable to complete an audit due to factors outside of my control	<p>You should abandon the audit. From the dashboard, choose More action > Abandon audit.</p>

Problem	Suggestions
I do not wish to proceed with an audit for a client or for a specific trust account	<p>You should abandon the audit. From the dashboard, choose More action > Abandon audit.</p> <p>Note - you should notify NSW Fair Trading if you are abandoning an audit because of duress.</p>
How do I print an audit checklist for an audit that is in progress?	<p>Choose the Download link in the top right of any checklist page. A pdf file will be created for you to save or print.</p> <p>You can then open, save or print the pdf file according to your browser's method. The pdf file will contain client details, trust account details, checklist questions, and responses as at the time that you chose the Download link.</p> <p><i>Note: the pdf file is clearly marked as a draft report. It is not the submitted Auditor's Report.</i></p> <p>After you submit the audit, a summary pdf report will be emailed to you and your client.</p>
I have made a mistake with a response	<p>You can check and edit your responses before submitting.</p> <p>Go to the relevant section of the checklist and change your response.</p> <p>You can remove an attachment by choosing the red Delete button displayed next to the file name and upload a new attachment.</p> <p>A summary of any legislation breaches and attachments that you have uploaded will be displayed before you are required to make the declaration. Choose edit if you need to make any changes.</p>
I have accidentally uploaded or dropped the wrong attachment to a response	<p>Go to the relevant section of the checklist, remove the attachment by choosing the red Delete button displayed next to the file name.</p> <p>Upload or drop the correct attachment.</p> <p>A summary of any legislation breaches and attachments that you have uploaded will be displayed before you are required to make the declaration. Choose edit if you need to make any changes.</p>

3.4.3 FURTHER ASSISTANCE

For general enquiries about auditing requirements, contact NSW Fair Trading:

Phone 13 32 20

Online enquiry <https://www.fairtrading.nsw.gov.au/contact-us>

For assistance with Auditor's Report Online, or to provide feedback, contact Rental Bonds Online Security and Support:

Phone 1800 990 724

Email audits@customerservice.nsw.gov.au

4 GUIDE TO COMPLETING THE 2020/2021 AUDITOR'S REPORT

4.1 LEGISLATION

Auditor's reports are required for trust funds operated under the following legislation:

Conveyancers	Conveyancers Licensing Act 2003 (CLA)	Section 75
Agents*	Property and Stock Agents Act 2002 (PSAA)	Section 111

*For the purposes of Auditor's Report Online, real estate agent includes:

- a real estate agent
- a stock and station agent
- a strata managing agent
- a community managing agent
- an on-site residential property manager.

4.2 OBTAINING THE AUDIT REPORT

From 2019, Audit Reports must be lodged using Auditor's Report Online. Do not use the Auditor's Report form obtained from the NSW Fair Trading website in previous years.

4.3 WHO IS QUALIFIED TO CARRY OUT AN AUDIT?

A person is qualified to act as an auditor for the purposes of the Act if the person:

- ✓ is a registered company auditor within the meaning of the Corporations Act, or
- ✓ is an authorised audit company within the meaning of the Corporations Act, or
- ✓ is a member of a professional accounting body within the meaning of the Australian Securities and Investments Commission Act 2001 of the Commonwealth (i.e. CPA Australia, Chartered Accountants Australia and New Zealand and Institute of Public Accountants) and holds a Public Practice Certificate or Certificate of Public Practice issued by the body, or
- ✓ is a person who has been nominated by the person whose records and documents are to be audited and who has been approved by the Secretary by order in writing

and **NOT**

- ✓ at any time within 2 years before the last day of the period in respect of which the audit is to be made,
 - ✓ an employee or partner of the person whose records or documents are to be audited, or
 - ✓ engaged in the business carried on by the person whose records or documents are to be audited, other than as an auditor for the purposes of this Act, or
 - ✓ a licensee, or a shareholder in a corporation that is a licensee and that has not more than twenty shareholders.

4.4 IMPORTANT INFORMATION FOR THE ENGAGED AUDITOR

INDEPENDENT AUDITOR'S REPORT

Go to NSW Fair Trading's website [page for auditors](#) for information on auditor responsibilities and audit testing.

An Independent Auditor's Report template for real estate and conveyancer trust account audits may be downloaded from the [page for auditors](#). You may use these templates but are not obliged to do so.

IDENTIFY WHO THE AUDIT REPORT IS ABOUT

Under Licensee Entity details, list the name of the sole trader or corporation that held trust money and carried on business during the period.

Under Entity Licence Number, list the licence number related to the Licensee Entity details.

Important: For a sole trader, list the licensee name and licence number under both Licensee-in-charge details and Licensee entity details.

Licence particulars can be checked using the *Property services licence check* or *Conveyancers licence check* available on the NSW Fair Trading website.

GUIDE TO COMPLETING THE AUDITOR'S REPORT

1. All audits are required to be lodged with NSW Fair Trading through Auditor's Report Online.
2. The Auditor's Report must contain the Licensee Entity Name and Licensee Entity Number.
3. Audit reports are for the annual audit period ended 30 June. Where an audit is less than the full audit period, the audit period applicable for that licensee is to be entered.
4. The report provided by you pursuant to the provision of section 75 (CLA) or section 111 (PSAA) would be an engagement to examine the accounting records and internal controls and procedures of the Licensee Entity during the audit period, in relation to trust money and other matters designated by Part 7 Trust Accounts of the Act, and report those matters in terms of the generally accepted auditing standards and practice.
5. This Guide provides a list of trust accounting requirements to guide you through designing the scope of your audit and in respect of these requirements makes reference to the appropriate provisions that are applicable under the *Conveyancers Licensing Act 2003* and its associated *Conveyancers Licensing Regulation 2015*, or the *Property and Stock Agents Act 2002* and its associated *Property and Stock Agents Regulation 2014*.

6. This Guide has been prepared to assist auditors in their examination of the books, records, accounts and documents maintained by licensees in respect of trust moneys and to assess the compliance of those records with the appropriate legislation.

Any trust accounts, which held trust moneys during the audit period, form part of the examination.

This includes the general trust accounts held at any time during the year, and all separate trust accounts i.e. accounts held exclusively for the client, such as for a vendor & purchaser and the accounts maintained for strata plans or community title associations.

7. You should obtain direct written confirmation from the financial institution(s) as to the balance(s) of the trust account(s).
8. You must use appropriate examination and sampling techniques and make appropriate inquiries during your examination to form an opinion as to whether the accounting records have been maintained in accordance with the Act and the Regulation.

Note: The auditor's declaration of the Auditor's Report requires the auditor to provide an opinion based on "appropriate examination" and "sampling techniques", rather than a one hundred per cent check of transactions.

9. Where there are audit qualifications of a financial nature, the auditor must attach a copy of the trust bank reconciliation statement and the trial balance (incorporating the list of ledger accounts of the principals that moneys are held for), for the applicable accounting periods, and of the end of audit year period, as prescribed under clause 28 or clause 29 of the associated Regulation, in respect of the trust account(s) affected.

If applicable and not provided, attach your explanation.

10. Where there is a finding that may be a breach, supporting evidence must be attached.
11. You must discuss all breaches with the Licensee-in-charge for appropriate correction action to be taken.

Important: Auditors are not to wait for the breaches to be rectified before lodgement.

12. The Act and the Regulation can be accessed at www.legislation.nsw.gov.au
13. Any audit not submitted in Auditor's Report Online by midnight on the due date will be regarded as a failure to lodge by the due date.

Important: All existing alternative audit year approvals are rescinded. All auditor's reports must be lodged by the due date.

14. Licensees are required to hold a copy of their trust account audit at their registered place of business, for at least three years, and make it available to Fair Trading inspectors for examination if required.

15. NSW Fair Trading no longer handles unclaimed trust money (held for more than 2 years or held in a trust account by a former licensee or the personal representative of a deceased licensee). Refer to The Unclaimed Money Act 1995 – Part 2A Trust money under *Property and Stock Agents Act 2002* at www.legislation.nsw.gov.au
16. *Conveyancer Statutory Declaration* - if a licensed corporation or an individual licensee has not held any trust money during the audit period (1 July 2020 – 30 June 2021), a statutory declaration must be lodged. Conveyancer licensees can obtain the Statutory Declaration from the Trust accounts and audit requirements page of the NSW Fair Trading website. The licensee has an obligation to make and lodge such a declaration within the 3 months of the end of the applicable audit period.

4.5 TRUST ACCOUNTING REQUIREMENTS

The trust account auditing requirements checklist that you will need to complete for each trust account is contained in Appendix A – Audit Checklist Questions.

Reference is made to the appropriate provisions that are applicable under the legislation to assist you designing the scope of your audit.

5 APPENDIX A – AUDIT CHECKLIST QUESTIONS

The Auditing Requirements Checklist that you need to complete in Auditor's Report Online is contained in the following table. The table indicates the questions that require supporting documentation for a negative response and a reference to the relevant legislation.

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
1 Trust Records - General	1.1	Are trust records and book entries made in English?	No	C20 (1) C33	C33
	1.2	Are trust records kept at the registered office?	No	C20 (2)	C16 (2)
	1.3	Are there any branch offices?	No	C20 (4)	C16 (2)
	1.4	Does the branch office/s operate a separate trust account?	No		C16 (3)
	1.5	Are trust accounts in the name of the licensed entity?	No	S86 (2)	S53 (2)
	1.6	Do the words "Trust Account" appear in the name of the trust account?	No	S86 (3)(b)	S53 (5)(b)
	1.7	Do the words "Trust Account" appear in the description of the trust account in the books and records?	No	S86 (3)(b)	S53 (5)(b)
	1.8	Have the appropriate Licensee entities' records been provided for purposes of undertaking the audit of the trust accounts?	No	Reg Parts 4&5 S103 / S104	Reg Parts 5&6 S69
	1.9	Has the Licensee entity completed and/or submitted trust audit for the previous year?	No	S111	S75
	1.10	Did the business entity hold a valid licence for the full audit period? <ul style="list-style-type: none"> • 1-12 weeks • 13 weeks or more 	No	S9	S6
2 Computer System Controls	2.1	Does the Licensee entity maintain any trust records by means of a computer system?	No	C22 (1)	C18 (1)
	2.2	What is the name of the computer system software/s and version/s used?	No		
	2.3	Does the computer system software/s and version/s used comply with system controls as prescribed in the relevant clause? <ul style="list-style-type: none"> • No audit trails • Non-complying journals • Allow debit ledgers • Allow deletion of ledgers • No chronological sequence • Reports not sequential • No backup 	No	C22 (2) C22 (3) C22 (4) C22 (5) C22 (6) C22 (7) C22 (10)	C18 (2) C18 (3) C18 (4)

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
3 Statements of Account/Disbursements/Expenses	3.1	Do the statements of account contain particulars of the money received, disbursed and the balance remaining with the Licensee Entity?	No	C29	C19
	3.2	Are the commissions disbursed, costs incurred and sums reimbursed in accordance with client instructions?	No	C8 S86 (1) S37	C20 S53 (3)
	3.3	Are the disclosure of rebates, discounts and commissions received from other parties (where occurring) contained in the agency agreements?	No	S57	Regs Sch 3-R15(4)(b) S40
4 Deposits	4.1	Is trust money banked in accordance with the clause?	No	C18	C21
	4.2	Is a bank deposit book, or other written bank record, produced to the financial institution when the deposit is made?	No	C25 (1)(a)	C24 (1)(a) C17 (b)
	4.3	Is the bank deposit book, or other written bank record, produced to the financial institution in compliance with the clause? <ul style="list-style-type: none"> • No date of deposit • No amount of deposit • No form of deposit – cheque or cash • No details of cheque deposit 	No	C25 (1) (a) C25 (1) (b)(i) C25 (1) (b)(ii) C25 (1)(b)(iii) C25 (1)(b)(iv)	C24 (1) C24 (1)(b) (i) C24 (1)(b) (ii) C24 (1)(b) (iii) C24 (1)(b) (iv)
5 Trust Account Receipts	5.1	Are trust receipts prepared immediately when the Licensee Entity receives the trust money?	No	C23 (1)	C22 (1) C17 (a)
	5.2	Do trust receipt records comply with all provisions of the clause? <ul style="list-style-type: none"> • Duplicate of receipt not kept • Not simultaneous in cashbook • No date of issue • No number or out of sequence on receipts • No name of licensee • No words "Trust Account" • Does not identify payer • No name and/or ledger reference of person on behalf of whom payment made • No particulars of transaction • No sum received • No form of payment received 	No	C23 (1) C23 (2)(a) C23 (2)(b) C23 (3)(a) C23 (3)(b) C23 (3)(c) C23 (3)(d) C23 (3)(e) C23 (3)(f) C23 (3)(g)	C22 (2) C22 (6)(c) C22 (3) C22 (2)(a) C22 (2)(b) C22 (2)(c) C22 (2)(d) C22 (2)(e) C22 (2)(f) C22 (2)(g)

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
	5.3	Were there deposits banked into the trust account that were not receipted into the system? <ul style="list-style-type: none"> • \$0 - \$5,000 • Greater than \$5,000 	Bank statement highlighting transaction. (<i>Deposits Template</i>)	C23 S86	C22 S53
6 Trust Cheques & Electronic Payment Transfers	6.1	Are there any cash withdrawals from the trust account? <ul style="list-style-type: none"> • \$0 - \$5,000 • Greater than \$5,000 	Bank statement highlighting transaction. (<i>Deposits Template</i>)	C24 (1)	C23 (1)
	6.2	Are all cheques drawn in accordance with the clause? <ul style="list-style-type: none"> • Not machine numbered • Not 'not negotiable' • Cashed cheques • Not show legal entity • Not show words 'Trust Account' • Not correctly authorised • Pre-signed cheques 	No	C24 (2) C24 (2)(a) C24 (2)(b) C24 (2)(c) C24 (2)(d) C24 (2)(e)	C23 (2) C23 (2)(a) C23 (2)(b) C23 (2)(c) C23 (2)(d) C23 (2)(e)
	6.3	Are all cheques drawn in the numerical order of the series to which they belong?	No	C24 (3)	C23 (3)
	6.4	Are the details in the cheque butts in accordance with the clause? <ul style="list-style-type: none"> • No date/payee/amount • No ledger account identifier • No reason for drawing 	No	C24 (3) C24 (3)(a) C24 (3)(b) C24 (3)(c)	C23 (3) C23 (3)(a) C23 (3)(b) C23 (3)(c)
	6.5	Are all EFT payments made in accordance with the clause? <ul style="list-style-type: none"> • No name of person effecting transfer • No particulars to identify transfer • No identifying accounts to be debited • No reason for transfer 	No	C24 (5) C24 (5)(a) C24 (5)(b) C24 (5)(c) C24 (5)(d)	C23 (4) C23 (4)(a) C23 (4)(b) C23 (4)(c) C23 (4)(d)
7 Daily Receipts and Payment Transaction (Cash Book) - Manual and Computer Systems	7.1	Does the Licensee Entity maintain a record of trust account transactions that records daily receipts and payment transactions in accordance with the clause? <ul style="list-style-type: none"> • Cashbook not kept • Entries numbered consecutively • Receipts not entered as per clause (PSBA 23 / CLA 22) • Payments not entered as per clause (PSBA 24 / CLA 23) • Cashbook not balanced monthly • No EOM reconciliation prepared 	No	C 26 C26 (1) C26 (2) C26 (3) C26 (4) C26 (5) C26 (6)	C17 C25 (1) C25 (2) C25 (5) C25 (7) C25 (8)
8 Trust Account Ledger	8.1	Does the Licensee Entity maintain a separate ledger account for each person on behalf of whom the agent acts?	No	C28 (1)	C27(1)

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
	8.2	Are those ledger accounts in accordance with the requirements of the clause? <ul style="list-style-type: none"> No name of person No reference number No particulars of each transaction No date of transaction No description of transaction No particulars of originating transaction No amount of transaction No running balance 	No	C28 (2) C28 (3)(a) C28 (3)(b) C28 (3)(c) C28 (3)(d) C28 (3)(e)	C27 (2) C27 (3)(a) C27 (3)(b) C27 (3)(c) C27 (3)(d) C27 (3)(e)
9 Trust Account Journal	9.1	For each trust account, has the Licensee Entity recorded in a journal all transfers between accounts that are not effected by cheque or EFT?	No	C27 (1)	C26 (1)
	9.2	Are the journal records of all transfers maintained in accordance with the requirements of the clause 27 (2)? <ul style="list-style-type: none"> No date of transfer No amount transferred No names of ledger accounts debited/credited No relevant reference number No particulars/reason of transfer Not numbered consecutively 	No	C27 (2) C27 (2)(a) C27 (2)(b) C27 (2)(c) C27 (2)(d) C27 (2)(e) C27 (3)	C26 (2) C26 (2)(a) C26 (2)(b) C26 (2)(c) C26 (2)(d) C26 (2)(e) C26 (3)
10 Additional Record Keeping Requirements for Strata Managing Agents and Community Managing Agents <i>(applies to strata managers only)</i> Note: "Owner's corporation" refers to an owner's corporation, community association, precinct association or neighbourhood association.	10.1	Does the strata/community managing agent maintain a single trust account ledger that is in a form permitting each account for an owner's corporation to be physically removed from the ledger?	No	C21 (1)(a)	
	10.2	Does the strata/community managing agent maintain a separate trust account ledger for each owner's corporation?	No	C21 (1)(b)	
	10.3	Does the strata/community managing agent ensure that each ledger kept for an owner's corporation contains sufficient information to enable the name of the owner's corporation to be identified?	No	C21 (2)	
	10.4	Has the strata/community managing agent (relating to the management of each fund) prepared, signed and forwarded a report within 1 month of the date of the report to the treasurer of the owner's corporation?	No	C37	
11 Trust Reconciliations	11.1	Does the Licensee Entity prepare monthly reconciliations?	Bank statement for offending months and or cashbook. <i>(Reconciliation template)</i>	C26 (6)	C25 (8)

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
	11.2	Does the trial balance accurately reflect the bank reconciliation of the trust account? <ul style="list-style-type: none"> Deficiency of \$0 - \$5000 Deficiency of greater than \$5000 Surplus 	Bank statement and reconciliation report. (<i>Reconciliation</i> template)	C29 (2)(d)	C28 (2)(d)
	11.3	Are the reconciliations reviewed by the Licensee in Charge?	No	S32 (4) Secretary's Guidelines	S21 (3)
12 Trust Account Position / Trial Balances / Overdrafts	12.1	Have trust trial balances been prepared within 21 days after the end of each month and in accordance with the clause? <ul style="list-style-type: none"> Have they provided a reasonable explanation - No Have they provided a reasonable explanation - Yes 	No	C29 (1)	C28 (1)
	12.2	Does the trust account show debit balances on the trust bank statements or otherwise indicate a deficiency of trust funds at any time throughout the audit period? <ul style="list-style-type: none"> \$0-\$5,000 Greater than \$5000 	Bank statement, reconciliation report, trial balance, cashbook etc. (<i>Debit Balance</i> Template)	S86 (1)	S53 (1)
	12.3	Have any debit balances, or apparent deficiencies identified, been rectified as soon as practicable?	Bank statement showing rectification of debit balances, documents illustrating how the debit balances were rectified. (<i>Debit Balance</i> Template)	S86 (1)	S53 (1)
	12.4	Have all debit balances identified, been notified to NSW Fair Trading within five (5) days of the licensee becoming aware of the overdraft?	No	S89	S56
	12.5	Do the reconciliations show any balancing adjustments that were not reasonably explained? And if so do the adjustments indicate a trust account deficiency or surplus? <ul style="list-style-type: none"> Deficiency greater than \$5000 Deficiency \$0-\$5000 Surplus \$0-\$5000 Surplus greater than \$5000 	Adjustment list, bank statement, reconciliation report. (<i>Adjustments</i> template)	S86 (1)	S53 (1)
	12.6	Are there any trust monies held in the creditors ledger(s) for a significant period, that can't be reasonably explained? If yes, do they represent a trust account deficiency or surplus?	Copy of the suspense and or, unidentified ledgers	S86 (1)	S53 (1)

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
		<ul style="list-style-type: none"> Deficiency greater than \$5000 Deficiency \$0-\$5000 Surplus \$0-\$5000 Surplus greater than \$5000 			
	12.7	<p>Are there any unrepresented cheques (greater than 3 months old) that can't be reasonably explained?</p> <ul style="list-style-type: none"> \$0-\$5,000 Greater than \$5,000 	Copy of unrepresented cheques list, relevant cheque butt from the trust account cheque book. (<i>Adjustments</i> template)	C26	C25 (6)
	12.8	<p>Is there any undrawn commission/s retained in the trust account that can't be reasonably explained?</p> <ul style="list-style-type: none"> \$0-\$5,000 Greater than \$5,000 	No	S86 (1)	C25 (6)
13 Written Procedures & Checklist	13.1	If applicable, are there the required written procedures, checklist/s or review system in place?	No	S32 (4) S32 Secretary's Guidelines	S21
14 Rental Bonds <i>(applies to Real Estate Agents only)</i>	14.1	Has the agent remitted all bonds received to NSW Fair Trading within 10 working days after the end of the month?	Relevant records	S32 S162 (RTA)	
15 Stock and Station Agents Records <i>(applies to Stock & Station agents only)</i>	15.1	<p>Does the agent maintain a written record of livestock purchases, in accordance with the clause?</p> <ul style="list-style-type: none"> Date and place of purchase Mode of purchase Person for whom the livestock was purchased Person from whom the livestock was purchased Total number of livestock purchased Lot number of livestock Name supplied pursuant to section 83 Price of livestock purchased per kilogram Details of the live weight of livestock purchased Total price for livestock was purchased Description of the livestock purchased 	No	C34 C34 (2)(a) C34 (2)(b) C34 (2)(c) C34 (2)(d) C34 (2)(e) C34 (2)(f) C34 (2)(g) C34 (2)(h) C34 (2)(i) C34 (2)(j) C34 (2)(k)	

Checklist section	Num	Question	Doc'n required?	PSAA Ref	CLA Ref
	15.2	<p>Does the agent maintain a written record of livestock sales, in accordance with the clause?</p> <ul style="list-style-type: none"> • Name of the owner • Number of livestock • Description of livestock • Date and place of the sale • Name of the purchaser • Price sold per kilogram • Details of the live weight • Total price for livestock sold 	No	C35 C35 (2)(a) C35 (2)(b) C35 (2)(c) C35 (3)(a) C35 (3)(b) C35 (3)(c) C35 (3)(d) C35 (3)(e)	
16 Supporting Documentation	16.1	Do you have any additional supporting documents that you would like to attach to this audit report prior to submitting it?	Any additional supporting documentation		
	16.2	Auditor's memorandum. Enter any supporting comments if required	Any supporting comments		

The Act and the Regulation can be accessed at www.legislation.nsw.gov.au

