



ESTATE AGENCY AFFAIRS BOARD
OF SOUTH AFRICA

22 August 2014

SUBMISSION OF AUDITOR'S REPORTS TO THE ESTATE AGENCY AFFAIRS BOARD

In terms of section 32(4) of the Estate Agency Affairs Act, auditors are required to submit the audit reports within the prescribed time-frame of four months and transmit the audit report to the Estate Agency Affairs Board in the form determined by the EAAB from time to time.

In compliance with the provision of this section, the format of the audit report to be submitted can be downloaded in the link below. In addition, EAAB has determined the manner of transmission of the audit report to EAAB by the auditor to be the MyEAAB Auditors Portal, accessible through this website. All auditors are required to register on the MyEAAB Auditors Portal and they will receive a password once they have registered. The auditors will then be required to log-in on this portal and electronically submit the audit report online. Once the audit report has been completed and submitted online, it will in real time update the EAAB system and a confirmation email is sent to the auditor and the principal estate agent of the firm.

Estate agencies and auditors are therefore discouraged to submit the auditor reports through email as they will be requested to ask their auditor to submit the same audit report online through the MyEAAB Auditors Portal on this website.

In submitting auditor reports, estate agencies and auditors are to note that receipt of the auditor report does not constitute acceptance of the auditor report as being compliant in respect of the provisions and requirements, as set out in the revised form and read with the provisions of Sections 29 and 32 of the Estate Agency Affairs Act, 112 of 1976 ("the Act").

Principals and auditors are advised that EAAB only accepts audit reports in the format determined by EAAB and that the audit should cover the following accounting records, as stipulated by section 29(b) of the Estate Agency Affairs Act:

- a. All monies received and expended by the estate agent, including monies deposited to a trust account referred to in section 32(1) or invested in a savings or other interest-bearing account referred to in section 32(2)(a);
- b. All assets and liabilities of the estate agent; and
- c. All financial transactions and the financial position of the estate agent's business.

The EAAB has been receiving numerous requests for the extension of the period for the submission of the audit report. Please note that the Estate Agency Affairs Act prescribes the manner and time-frame within which the audit reports are to be submitted and EAAB has no discretion to grant extensions and consequently, such requests for extensions will not be entertained.

The EAAB has also been receiving correspondence from estate agents and auditor requesting an exemption from submitting the audit report in the required format on the basis that the estate agent was dormant or had no transactions during the financial year and therefore no audit could be done. The requirement to have an audit performed on the trust account and business and submit the audit report to EAAB in the required format remains irrespective of the level of activity on the trust account or the business and as long as the estate agency firm is not deregistered with EAAB. EAAB has no discretion in terms of the Estate Agency Affairs Act to grant exemptions from the audit requirement to a registered estate agency firm.

The EAAB reserves the right, at its sole discretion and in addition to any administrative penalty having been levied, to institute formal processes relating to any non-compliance with the provisions of the Act.

AUDIT COMPLIANCE DEPARTMENT
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