



To All Stakeholders

Monday , 15 August 2022

2022 TRUST ACCOUNT AUDIT REPORT TEMPLATE CHANGES

The Property Practitioners Regulatory Authority (PPRA) issued a communique dated 25 May 2022 titled "[2022 Audit Reports On Trust Accounts](#)". According to that communique, reference was made to the final [Guideline on Audit, Accounting Records And Trust Accounting Requirements for Business Property Practitioners](#) "the Guideline".

The Guideline includes Annexure 2, which is the revised format of the audit report on property practitioners trust accounts aligned to the new Property Practitioners Act (PPA) that came into effect on 1 February 2022. The PPRA hereby advises the principals and auditors of business property practitioners that they have been unforeseen delays in effecting the changes envisaged on the revised format in the Guideline on the MyPPRA Auditors Portal. Consequently, the audit report format on the MyPPRA Auditors Portal still reflects the old format and is therefore not aligned with the new audit report format in the Guideline.

Due to the imminent deadline of 31 August 2022 for the submission of audit reports on trust accounts for business property practitioners with a financial year end of 28 February 2022 and the unforeseen delays experienced in changing the audit report format on the Auditors Portal, the PPRA advises as follows:

- a. Audit reports on trust accounts submitted using the existing old format available on the MyPPRA Auditors Portal will be accepted until such time the new changes are effected on the Auditors Portal;
- b. The submission deadline of audit reports on trust accounts for business property practitioners with a financial year end of 28 February 2022 remain 31 August 2022;
- c. Only interest earned on trust accounts before 1 February 2022, which must be accounted for in terms of the Estate Agency Affairs Act, must be reported on the existing audit report format available on the Auditors Portal;

- d. Interest earned on trust accounts on or after 1 February 2022 must not be reported on for purposes of the audit report on trust accounts for the financial year ended 28 February 2022 due to the unforeseen delays in effecting the changes to the audit report format. Instead, interest earned on trust accounts for the month of February 2022 will form part of the audit report for the financial year ending 28 February 2023, which will account for interest earned for the 13-month period from 1 February 2022 to 28 February 2023 in accordance with the provisions of the Property Practitioners Regulations; and
- e. Reporting on unclaimed or unidentified trust monies will not be required for purposes of the audit report on trust accounts for the financial year ended 28 February 2022 due to the unforeseen delays in effecting the changes to the audit report format. Instead, unclaimed or unidentified trust monies held by the business property practitioner in the trust account for longer than three years will need to be reported for audit reports to be submitted for financial years ending 28 February 2023.
- f. Auditors who have already submitted the 2022 audit reports on trust accounts on the Auditors Portal prior to this communication are not required to resubmit the audit reports and further information, if any, that may be required will be requested by the PPRA Audit Compliance Department from the specific auditors through email, if necessary.

Except for the changes indicated in this communication, the requirements included in the communique dated 25 May 2022 and the Guideline remain applicable. Auditors may email any further questions they may have to the PPPRA Audit Compliance Department at audit@theppra.org.za

Issued by:

PROPERTY PRACTITIONERS REGULATORY AUTHORITY