



Auctioneers & Valuers Association of Australia (Inc.)

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TRUST ACCOUNT & AUDIT CRITERIA

1. Rule 10.1 of the AVAA Constitution requires Corporate and Sole Trader Auctioneer members who conduct auctions and hold monies on behalf of their clients, maintain a Trust Account.
2. The Trust Account is subject to an annual audit.
3. Rule 11.6 of the AVAA Constitution allows the Board:

‘on the written request of a member, (to) waive the requirement for a member to provide an audit certificate from a registered company auditor and allow that member to provide an audit certificate from a nominate person.’
4. The Board has determined that the Nominate Person in this instance be a member of a Professional Accounting Body as defined under the Australian Securities and Investments Commission Regulations 2001 (ie. CPA Australia, Institute of Chartered Accountants in Australia and National Institute of Accountants) and holds a Public Practice Certificate with one or more of those bodies.
5. The Nominate Person is required to provide an opinion based on “appropriate examination” and “sampling techniques”, rather than a one hundred per cent check of transactions.
6. The Nominate Person must be independent of the business being audited to promote the integrity of the audit.
7. The Nominate Person after conducting general tests as considered appropriate and in accordance with accepted accounting practices must establish that:
 - a. The Trust Account was not overdrawn during the year or period, and
 - b. No commissions were claimed or withdrawn prior to a Settlement Account being issued to the Client/Vendor.

