

July 2008

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HALF YEARLY TRUST ACCOUNT REPORT

Regulation 28 of the Property Agents and Land Transactions Regulations 2006 provides that general auctioneers, property managers and real estate agents must, within one month after 30 June complete and give to the Property Agents Board a written report on the trust account in accordance with that regulation.

Therefore, real estate

agents, property managers and general auctioneers are required to lodge with the Board by 31 July a Trust Account Report for the six months ended 30 June 2008.

That form may be accessed on the Board's website or a hard copy available on request.

Please note that this form does not need to be referred

to the auditor as it is for completion by each Real Estate Agent Part 1 Division 1, Property Manager Part 2 Division 1 and General Auctioneer Part 3 of the Board's Register.

Real Estate Agents, Property Managers and General Auctioneers should note that there is a late fee payable if the report is received by the Board later than 31 July.

ANNUAL AUDIT REPORT

Regulation 31 of *Property Agents and Land Transactions Regulations 2006* provides that Real Estate Agents Part 1 Division 1, Property Managers Part 2 Division 1 and General Auctioneers Part 3 of the Board's Register must, within three months after 30 June of each year, cause an audit to be made by an auditor of the trust accounts and accounting records kept by that real estate agent, property manager or general auctioneer in respect of the audit year.

"Audit Year" means a period of 12 months ending on 30 June.

Consequently, it should be clear that real estate agents, property managers and general auctioneers must provide their trust account records to their auditors within sufficient time for the audit to be completed and the report lodged with the Board by 30 September.

The Audit Report forms, including Audit Check Lists and Information for Auditors, can be accessed on the Board's web site www.propertyagentsboard.com.au or hard copy available on request.

The new Act provides that auditors no longer need to be a registered company auditor, but only need to be a member of one of the three professional accounting bodies and be a practicing public accountant.

Regulation 32 provides for an exemption to real estate agents, property managers and general auctioneers from having to lodge an audit report if they lodge a declaration stating that they did not receive, or hold, any trust money during the audit year. That exemption declaration, or Form 10, is also available on the Board's web site.

REGISTERS

Real estate agents and property managers are required under the Act to maintain an employee register.

The employee register is a record of employed real estate agents, property managers, property consultants and assistant property managers.

Section 13(6) states "the agent must make the register available to the Board at any time upon request". Therefore please forward a copy of your Employee Register to the Board by 31 August, 2008. The details which must be included are stated in Sections 13 and 14 of the Act.

FEES

As per the Fees Unit Act 1997, all fees will increase from 1 July 2008. Details on the web-site and application/renewal forms be updated from this date.

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SLOWING MARKET

All the indications are that the real estate market has slowed down considerably and is continuing that trend.

The Board's experience is that when this trend occurs property agents are tempted to behave in a manner which they would not even think about in a good market, because they are under pressure to achieve results or lose their jobs.

The Board recommends to all employing agents that they supervise their property consultants more closely than they may have previously just in case the consultants may be doing, or saying, things which could result in them and their agent appearing before a Tribunal Inquiry.

REGISTRATION NUMBERS

I am aware that some agents are interested in the numbers of registrations granted each year. Set out below are the numbers of registrations (and previous licenses) renewed and granted for 2004-07, together with the numbers of registrations renewed and granted to 30 June 2008: -

	2008 to date	2007	2006	2005	2004
Real Estate agent Part 1 Division 1					
Renewal	154	153	150	149	143
Grant	17	28	19	24	25
Real Estate Agent Part 1 Division 2					
Renewal	264	273	236	213	199
Grant	12	26	39	24	31
General Auctioneer					
Renewal	22	13	10	10	13
Grant	1	7	2	1	-

ADDITION TO OFFICE STAFF

Karina Richardson has been appointed as Administrative Assistant in the Board's Office.

The role is not unfamiliar to Karina as she was employed previously by the Auctioneer's and Real Estate Agent's Council in a similar role.

She is "re-learning the ropes" so property agents are asked to be understanding and patient when seeking information because as you would all be aware the new legislation has meant considerable changes.

Included with Information Bulletins will be a special section to reminder property agents of the items which need to be attended to and the deadline applicable:-

- Half Year Trust Account Report (Form 7) - completed by agent in charge - return by 31 July (late fees apply)
- Audit or Declaration—completed by agent's auditor - return by 30 September (late fees apply)
- Employee Register - forward by 31 August (penalties apply)

BOARD'S INSPECTOR

Mr Rick Bogus has been appointed by the Board as its inspector of trust accounts and other statutory records.

Mr Bogus has commenced his program of inspections for 2008 and as previously, real estate agents, property managers and general auctioneers are obliged under the Regulations to cooperate in full with him in his inspection duties.

COMPLAINTS

The Board office continues to receive by telephone every day complaints from the public, many of whom wish to remain anonymous, about their dealings with property agents who they prefer not to name.

In these circumstances it is very hard to give advice, but we usually recommend that they speak to the office principal in an endeavour to have the matter resolved. Alternatively, we may recommend that they obtain advice from their solicitor as to whether the complaint is a matter for the Board, civil proceedings before a magistrate, or possibly even the police.

What these telephone complaints tend to emphasis is that property agents need to be better communicators and explain to their clients what is happening, what is not happening, what they are doing and what they are not doing, because the lack of information can and does lead to misunderstandings.

Many members of the public have had no previous experience with signing legal documents, such as an agency agreement, or a sales contract, so it is essential that the people, who deal with these documents every day, do not become "blasé" about what they are asking people to sign, but instead provide detailed explanations.

Think of it this way. A few extra minutes devoted to detailed explanations can create a wealth of goodwill!!!

CONTINUING EDUCATION

Do not overlook the requirement for agents and managers to complete eight (8) hours of continuing education within their registration year. In previous years a number of people have left it until the last minute only to find the courses were not available.

Alicia Hutton
Executive Officer

WHAT DO YOU HAVE TO DO?