

This report must be completed by a Chartered Professional Accountant. The accountant shall be guided by the Tables of Recommended Minimum Examination Guidelines (Page 4 of the Engagement Letter between Accountant and Client)

To: The Real Estate Council of Alberta c/o Registrar

At the request of \_\_\_\_\_ being the broker for

\_\_\_\_\_ (the brokerage) we have conducted certain procedures on the books, records, and the accounts maintained by the brokerage for their fiscal year ended \_\_\_\_\_, \_\_\_\_\_

To make this report, we have

- 1) read sections 20 and 25 of the *Real Estate Act* and part 3, Accounting Records, of the Rules and Regulations<sup>1</sup>,
- 2) obtained a signed copy of the **Real Estate Brokerage's Representation to the Real Estate Council of Alberta**, and
- 3) signed an **Engagement Letter Between Accountant and Client**, dated \_\_\_\_\_, \_\_\_\_\_.

Our examination was guided by the Table of Recommended Minimum Examination Guidelines (on page 5 of the Engagement Letter). We have conducted the agreed-upon procedures engagement in accordance with the Canadian Standard on Related Services (CSRS) 4400, Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Brokerage, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures. In completing this report, certain procedures set out below were carried out on a month selected by us. The month of \_\_\_\_\_ (hereinafter referred to in this as the "selected month") was used for the purpose of completing procedures 2, 3, 4, 6, 7, and 8 below. Based on the limited procedures carried out, and with respect to each particular procedure, we report as follows:

1. We reviewed the brokerage's trust depository statements, trust bank reconciliation and trust liability reconciliation (to determine whether there are sufficient funds in the depositories to meet the trust liabilities) for each of the twelve (12) months in the fiscal \_\_\_\_\_

<sup>1</sup> The *Real Estate Act* and Rules may be found at [RECA's website](http://reca.ca).

year ended \_\_\_\_\_, \_\_\_\_\_ and observed that:

- a) each reconciliation showed there were sufficient funds to meet the liabilities,
- b) a ledger showing all amounts received and disbursed for each condominium corporation has been maintained for each month,
- c) there were no debit balances greater than \$100,
- d) there were no overdrafts,
- e) there were no unreconciled differences, and
- f) each trust bank reconciliation and trust liability reconciliation was dated within 30 days of the month being reconciled and bore the signature of the broker,

**with the following exceptions:**

2. For the selected month, we reviewed (number of) \_\_\_\_\_ Condominium management services agreements. We determined that they were entered in the brokerage's trust ledger accounts and supporting records. We report that for each transaction there was a separate trust ledger account, which along with the supporting records, indicated:

- a) a description clearly identifying the condominium corporation involved,
- b) the amount of the condominium fee or other funds to be received was consistent with the contribution schedule to the budget or other document,
- c) the amount of the brokerage's management fee or other remuneration, the name of the party paying the fee or other remuneration and that it was consistent with the signed management or other agreement, and
- d) any affiliated individuals or companies providing services is disclosed to the condominium corporation.

**with the following exceptions:**

3. We verified the information contained in the trust bank reconciliation as at the end of the selected month and found the information contained in the reconciliation to be correct, **with the following exceptions:**

4. We verified the information contained in the trust liability reconciliation (to determine whether there are sufficient funds in the depositories to meet the trust liabilities) as at the end of the selected month and found the information contained in that reconciliation to be correct, **with the following exceptions:**
  
5. We determined from the banking records with depositories as at \_\_\_\_\_ , \_\_\_\_ (fiscal year end date), the amount of \$\_\_\_\_\_ on deposit in all trust accounts related to condominium management services disclosed in the **Real Estate Brokerage's Representations to the Real Estate Council of Alberta**. We agreed the amounts with the balances recorded in the brokerage's bank reconciliation and reviewed the reconciling items to arrive at a brokerage's reconciled bank balance of \$\_\_\_\_\_  
\_\_\_\_\_.
  
6. For the selected month, we traced (number) deposits from the trust ledger to the bank deposit books, bank statements and supporting records, and found all trust money received in relation to the Condominium Property Act were deposited within three (3) banking days after the date of receipt: **with the following exceptions:**
  
7. We examined (number) \_\_\_\_\_ disbursements in the selected month from the trust accounts and found the disbursements to be in accordance with the terms of trust governing the use of that money: **with the following exceptions:**
  
8. We verified (number) \_\_\_\_\_ receipts and (number) \_\_\_\_\_ disbursements in the general account for the selected month and noted that they are not trust transactions, **with the following exceptions:**
  
9. We have forwarded a copy of the report to the broker and have discussed the contents of the report with the broker.

Additional comments, if any, can be stated here or on an attached sheet.

We have complied with the ethical requirements in the Chartered Professional Accountants of Alberta's Code of Professional Conduct.

This report is prepared solely for submission to Real Estate Council of Alberta and is not to be referred to or distributed to any person other than in accordance with the *Real Estate Act*. The procedures carried out did not constitute an audit and therefore we do not express an opinion about the accuracy or completeness of the trust books, records and financial information provided, or about whether or not there were any irregularities during the year which were not disclosed to us. However, we have reported on the results of the preceding procedures.

---

Accountant and Accounting Firm

---

Signature and Professional Designation

---

Address

Date: \_\_\_\_\_

**If you choose to prepare this form in any other format, please ensure that there are no changes in the wording.**