

Australian Capital Territory

# Unit Titles (Management) Amendment Regulation 2020 (No 2)

Subordinate law SL2020–43

made under the

Unit Titles (Management) Act, Dictionary (definition of *audit*)

## EXPLANATORY STATEMENT

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Under Schedule 2.1(1)(g) of the *Unit Titles (Management) Act 2011* (the Act), the executive committee of an owners corporation is required to arrange for the financial records of the units plan to be audited before each annual general meeting. The requirement for an audit only applies to owners corporations as prescribed under Schedule 2.1(1)(g)(i) and (ii). The Dictionary definition of *audit* under the Act includes the ability to prescribe by regulation the qualifications required for a person who can conduct an audit.

Section 12 of the *Unit Titles (Management) Amendment Regulation 2020 (No 2)* sets out the persons deemed to be qualified to audit the financial records of the owners corporation, including:

- (a) a chartered accountant who is a member of Chartered Accountants Australia and New Zealand holding a Certificate of Public Practice;
- (b) a member of Certified Practising Accountants holding a Public Practice Certificate;
- (c) a member or fellow of the Institute of Public Accountants;
- (d) a registered company auditor as registered by the Australian Securities and Investments Commission (ASIC) under the *Corporations Act 2001* (Cwlth), who holds current professional indemnity insurance.

These qualifications are the same qualifications as those defined under the *Agents (Qualifications for Auditors) Determination 2017*. The prescribed qualifications for an auditor aim to ensure that the financial records are audited by a suitably qualified person, independent of the owners corporation.