

**THE FIDUCIARY INSTITUTE OF SOUTHERN AFRICA**  
**MINUTES OF THE EASTERN CAPE LOCAL BOARD MEETING NUMBER 4/2018**  
**HELD AT THE PAXTON HOTEL, ON THURSDAY, 15 NOVEMBER 2018**

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1. **Opening, welcome and attendance**

The Chairperson opened the meeting by welcoming those present. Attendance was recorded as per the register.

2. **Confirmation of minutes of previous meeting**

The minutes of the previous meeting, held on 22 August 2018, are available on the website and were taken as read and duly accepted by the meeting. Proposed by Patricia Burnand and Seconded by Norma Jones.

3. **Matters arising from previous minutes**

None.

4. **Master's Office**

**Feedback from Master's Office – Port Elizabeth**

Deputy Master, Ms E Daniels and Assistant Master, Ms Jonkers represented Port Elizabeth and informed as follows:

- 4.1 Ms. Daniels has been in and out of office on work related duties for the past 3 months.
- 4.2 The trend to submit Accounts shortly before the expiry of the Section 29 statutory period, has been identified, which contravention may result in the taxing down of executors fees going forward.
- 4.3 Ms Daniels confirmed that there is no specific rule with regard to point 4.4 of Minutes 3/2018, but that special caution should be taken by executors advertising accounts to lie for inspection prior to obtaining query sheets. Advertising would be at the risk of the executor and similarly the risk of having to re-advertise. Once queries in "A" have been complied with, executors may proceed to advertise in terms of Section 35 and need not wait for

confirmation from the Master that such queries have been deleted/complied with.

- 4.4 Magistrate's Certificates: this issue has been addressed with the Court Manager. Should the problem persist, members are encouraged to make contact with Ms Daniels in this regard.
- 4.5 J181: Following on point 5.4 of Minutes 3/2018, members are welcome to request written confirmation from the Master prior to distribution.
- 4.6 National system problems were experienced during end October/beginning November and may have, to a certain extent, caused the department not to meet its turnaround times.
- 4.7 Members have expressed concern with regard to Letters of Authority being issued by Magistrate's courts. Such appointments of Masters' representatives are issued for the purpose of i.e. allowing representatives immediate access to estate funds for funeral expenses/purposes. Once it has been established that valid Wills are kept elsewhere, the nominated Executor/s experience delays in having the Magistrate's courts' estate files transferred to the relevant Master's office. In some instances, Letters of Authority have to be converted into Letters of Executorship to allow the nominated executor to carry on with the estate administration procedure i.e. the settlement of creditors' claims and the eventual transfer of fixed properties, etc. A further risk pointed out by members is that within this period of file transfer, estate funds are partially or almost completely depleted as representatives may deal with the assets as described in such Letters of Authority, which may cause serious cash shortfalls and/or creditors being prejudiced. Members have further pointed out that where Letters of Authority have not been issued due to outstanding documents, the Master has in previous instances provided family members with letters of instruction addressed to financial institutions where deceased persons held bank accounts, instructing to release exact sums as per quotation needed for funeral/burial purposes. The Master's office has indicated that they possess of limited resources to do due diligence in this regard, i.e. access to deeds office records, etc.

## 5. **Master's Office**

### **Feedback from Master's Office – Grahamstown**

Not in attendance.

## 6. **SARS**

Represented by Mr D Adams and Ms Denise Dyer. The following matters were discussed:

- 6.1 Ms Denise Dyer to be contacted should members experience problems with the scheduling

of Monday and/or Friday [estate] tax practitioner appointments.

- 6.2. Members have raised concern about not receiving estate “exit letters” (certificates of compliance). It was pointed out that members should follow the escalation route or the CMO-process (complaint procedure) on e-filing.
- 6.3 SARS will be operating with “skeleton” staff during the festive period, although business day rules will remain the same.
- 6.4 Members not to bestow any gifts on SARS officials.

## 7. **Feedback from Home Affairs**

Not present.

## 8. **Feedback from Council Meeting by Dr Eben Nel**

### 8.1 Bursary Trust Scheme

It has already been introduced to members via the Fisa-newsletter which is distributed to all members on a weekly basis. Members are encouraged to open the newsletters and read the contents thereof. The object of this scheme is to involve and allow previously disadvantaged individuals who show interest and are deserving candidates to gain entry into the profession.

### 8.2 Candidate Membership

It was established to raise awareness of the fiduciary industry to allow younger/less experienced individuals who are i.e. busy with a qualification to gain entry into the organisation by obtaining candidate membership for a period of 3 (three) years. Candidate membership fees are less than full membership fees.

## 9. **Attendance at meetings**

Membership to Fisa is not on a collective basis (societies/companies as a whole), but on an individual basis. Only individuals who are members may attend meetings. With the view of introducing or recruiting potential new members to join Fisa, members are encouraged to invite guests (non-members) practising in the fiduciary industry to meetings, which guests (non-members) may attend only once. In order to attend further meetings, these guests may apply to become members through the normal membership application procedure. Fiduciary is a

specialised field and the aim of Fisa is to professionalise this industry.

10. **Banks**

The consultative process between FISA and the major banks is still an on-going process with regards to standardising procedures.

11. **FISA Tax Practitioners Controlling Body**

The consultative processes between FISA and SARS to have the organisation accredited as a recognised, compliant and accredited tax practitioner controlling body are in progress. The requisite amendments to the FISA Disciplinary Code were made and accepted. A further requirement highlighted by SARS is the fact that FISA needs to have 1 000 active registered members.

12. **Venue**

Thank you to Shackleton Risk for their support at our local and national meetings. Thank you to The Paxton Hotel for availing their facilities and providing safe parking for members during our meeting.

13. **General**

13.1 **FISA Disciplinary Panel:** Members with a legal background are requested to confirm their availability and form of training in this field, should they wish to get involved in the disciplinary process.

13.2 **FISA Focus Weekly Newsletter:** Members are encouraged to read same. A system is in place to track whether members are reading the contents of the newsletter.

13.3 The preliminary dates and times for the FISA meetings to be held in 2019 are as follow:  
6 March : 10:00 – 13:00; 22 May: 10:00 – 13:00; 7 August: 10:00 – 13:00 ; and  
23 October: 10:00 – 13:00.

13.4 Membership fees remain the responsibility of the member, even if paid by an employer company. Members will receive individual invoices for payment of membership fees.

13.5 Visitors: Membership is encouraged and in terms of FISA policy, membership is a requirement in order to attend meetings.

The meeting closed at 11:00.

**Presentations/Guest speakers:-**

1. Dr Eben Nel (PSG Konsult)  
“The effect of the Legal Practice Act on the fiduciary industry”
2. Claude Ackermann (FNB Fiduciary)  
“Post Death Tax - Application and Processes”
3. Shackleton Risk  
“Professional Indemnity Insurance”

3 CPD points allocated: 2 for Estates and 1 for Any One Other. Members who attended are to update their CPD profiles on the website accordingly.

Meeting closed at 13:00.

Signed as a true and accurate record of proceedings.

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**CHAIRPERSON**

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**DATE**