



**ESTATE AGENCY AFFAIRS BOARD
OF SOUTH AFRICA**

2018 AUDIT REPORTS SUBMISSION REMINDER

1 June 2018

The submission deadline of 30 June 2018 for estate agency firms with a financial year-end of 28 February 2018 is imminent and this notification serves as a reminder to auditors of these estate agency firms.

In order to ensure compliance with section 29(b), 32(3)(b) and 32(4) of the Estate Agency Affairs Act (the Act), auditors are reminded to take note of the following information and also bring it to the attention of the principals of their estate agency clients:

- a. No extensions/exemptions are granted by the Estate Agency Affairs Board (the EAAB) on the submission deadline of 30 June 2018 for estate agency firms with a 28 February 2018 financial year end.

Auditors should therefore plan their audits of estate agents to allow sufficient time to have the audits finalised within the prescribed four months and the relevant audit reports submitted before the deadline of 30 June 2018.

- b. The sole manner of submission of audit reports determined by the EAAB in terms of section 32(4) of the Act is the MyEAAB Auditors Portal, accessible on www.eaab.org.za/myaudit . Emailed, hand-delivered, posted or faxed audit reports will not be accepted as having been received.
- c. All information that auditors may require in relation to the audits of estate agents is accessible on the MyEAAB Auditors Portal landing page, available on www.eaab.org.za/myaudit.

- d. The South African Institute of Chartered Accountants (SAICA) held the 2018 Estate Agents Trust Accounts Information Session on 12 April 2018, which was presented by Thomas Makupo, the Audit Compliance Manager at the EAAB. The recording of this information session can be accessed by SAICA members on this link on the SAICA's Click2Start E-learning platform at http://results.antfarm.co.za/saica/April_2018_02/.

Written answers to questions raised by members who participated in the above-mentioned information session can be accessed on the SAICA website at [http://www.saica.co.za/Portals/0/documents/SAICA Estate Agents Information Session 2018 Questions and Responses.pdf](http://www.saica.co.za/Portals/0/documents/SAICA_Estate_Agents_Information_Session_2018_Questions_and_Responses.pdf).

In 2016, SAICA also held an information session where detailed information was shared by the EAAB on how to use the MyEAAB Auditors Portal to submit an estate agent audit report online. The webinar for that information session can be accessed on the SAICA website at http://results.antfarm.co.za/saica/March_2016_01/.

The EAAB also prepared a short guide on the statutory legalities on practising as an estate agent and the auditing and accounting aspects of an estate agency business. That guide can be accessed on the EAAB website at <https://www.eaab.org.za/myaudit> or at the SAICA website at <https://www.saica.co.za/Technical/Assurance/AuditofEstateAgents/tabid/534/language/en-US/Default.aspx>.

- e. In instances where estate agencies experience delays in obtaining IT3b certificates for trust accounts from the banks, it will be acceptable for the auditor to attach a covering letter (in place of the IT3b certificate) explaining the reasons why the IT3b certificate could not be obtained and attached when submitting the audit report online. 3 The delays or difficulties in obtaining the IT3b certificates from banks should not delay the submission of the audit reports within the prescribed four months after the financial year end.
- f. In order to avoid the last minute request of Firm PIN Numbers required to submit an audit report, auditors are required to get this Firm PIN Number, which starts with the letter "F", well in advance of the submission deadline from the estate agency firm's Fidelity Fund Certificate.

Alternatively, this can be requested directly from the EAAB Call Centre at 087 285 3222.

- g. The consequences of late submission of audit reports or failure to submit the audit reports are severe and results in the commencement of processes for the disqualification of, not only the estate agency firm itself, but also all the principals, full status estate agents and intern agents operating under the disqualified estate agency firm from being issued with Fidelity Fund Certificates. The commencement of processes for the disqualification will occur on 1 July 2018 if the audit report is not submitted on the Auditors Portal by 30 June 2018 for those estate agency firms with a 28 February 2018 financial year-end.

Auditors of estate agencies should therefore be guided accordingly to avoid disqualifications of their estate agency clients from being issued with Fidelity Fund Certificates as a result of failure to submit the audit report within the prescribed timeframe.

Issued by:

**ESTATE AGENCY AFFAIRS BOARD
AUDIT COMPLIANCE DEPARTMENT
Email: audit@eaab.org.za**