

Estate agents cannot operate unless full audits are submitted in time

Some property companies are in the process of submitting documentation to their auditors, to be sent on to the Estate Agency Affairs Board (EAAB) for their yearly audits, but there have been instances where there has been difficulty in acquiring the IT3b certificate that is part of what is required by the EAAB.



© szefei – [123RF.com](https://www.123RF.com)

There is, however, an alternative, says Annette Evans, general manager of the Institute of Estate Agents of South Africa's (IEASA) Western Cape branch, and that is to include 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.

The EAAB have said that delays or difficulties in obtaining the IT3b certificates from banks should not delay the submission of audit reports within the prescribed four months after the financial year end.

It should be noted too, said Evans, that, according to a recent EAAB press release:

“The auditor’s report for estate agencies that should be submitted on the MyEAAB Auditors Portal requires the auditor to confirm whether the estate agency is registered with FIC as an accountable institution and if registered, to state the registration number. Previously this FIC registration number used to be an AI number.

With the introduction of the goAML platform by FIC, the Org ID Number replaces the AI number previously issued to estate agencies. Auditors of estate agencies are therefore required to only include the new Org ID number when submitting the audit report online, and not the old AI Number. The new Org ID number to be entered by the auditor should have been activated on the goAML system and an email from FIC confirming the activation should be used in this regard.

Estate agencies without an activated Org ID Number will therefore not be registered as accountable institutions with FIC and auditors are required to include this non-registration on the audit report to be submitted online.

Further details relating to the goAML system can be obtained on the FIC website.”

Agents will not be able to renew their Fidelity Fund Certificates (FFCs) - which means they cannot legally operate as estate agents - unless their full audits are completed and submitted in time, said Evans, so they must ensure that auditors receive the necessary paperwork with enough time to do the actual audit and submission.

The above requirements apply to companies falling within the ambit of the EAAB, this includes property managers, business brokers, holiday letting companies as well as agencies offering rentals and sales of businesses, commercial, agricultural, industrial and residential properties.

For further information contact Annette Evans at annette@cape.ieasa.org.za.

For more, visit: <https://www.bizcommunity.com>