



CMEFS MONTHLY NEWSLETTER

25/06/2024

Welcome aboard Chris • Nathan and Nozipho study leave • The “Two-Pot” system revisited • It’s tax season • Routine audit by the FSCA

In this business, time does not just fly by, it moves at the speed of light. I have so often wondered why this is, but so far have not come up with any satisfactory answer other than “it is simply the nature of the beast.”

This is by way of apology, again, for not getting this Newsletter out to you as regularly as I would like to, being once a month, hence the header, *monthly* newsletter.



Chris Du Plessis CFP®
Certified Financial Planner

But we will keep on trying until we get it right.
 But first the very big and very good news!

Welcome aboard Chris! Although I am certainly not going anywhere in the foreseeable future, time does not stand still, and at some point, it will be necessary for me to hand the financial planning reigns over to a successor. This is easily said but most certainly not easily done, although it could be.

What I mean by this is that I could, when the time comes, put the business up for sale and simply accept the best offer made.

This is all well and good, but it does not speak to who I am as a person and the values that I hold most near and dear, that being to put your needs ahead of all other considerations. Neither does it speak to people skills, empathy, understanding, and all the other qualities that matter in both life and business. Finally, it also goes almost without saying that my successor would not only need to be as qualified in the industry as I am, but also much younger, for obvious reasons.

I have been on the lookout for such a person for at least the last 10 years, but without success. And then my beautiful wife, Nine, needed to go for a haircut. And that is where I met Chris, who is the son-in-law of the lady who takes care of my and Nine's hair. What a fortuitous moment it was when, on discovering that Chris had just passed his CFP exam, I asked if he was available for me to congratulate him in person. From there, the rest is proverbial history. Chris has now been with us since January of this year and is exactly the person I was looking for to succeed me as both a financial planner, and stakeholder in the business.



And yes, he is a tad younger than me, in that he celebrated his 32nd trip around the sun just last year, so he has many more trips to make before he, too, needs to start looking for someone to succeed him, in turn.

So please rest assured that the business will remain independent and continue in its present shape, form, and fashion along with embracing the same set of values as it always has, for many, many more years to come. Even when I am no longer here, which, as I said at the outset, is not likely to happen any time soon.

Oh, and Chris is fully conversant in both English and Afrikaans.

Please let me know if you have any questions or queries in the above regard. I will be more than happy to answer them.



Nozipho and Nathan. Study and exam leave. Both Nozipho and Nathan need to write what is known as their RE:5 exam early in July. The RE stands for REGULATORY, so it is not a choice they can make whether they wish to write it, or not. They **MUST** write and pass it, or exit the industry altogether. So, no stress! 😊 So, between now and mid-July, and

maybe even later if either or both need to do a re-write, neither of them is going to be readily available.

And as I will be very involved with their training, I, too, will be quite difficult to get hold of during this time. My apologies for any inconvenience caused, in advance. As their correspondence will be re-directed automatically during this time, please continue to use their contact details for any questions

or queries you might have, and then either they, Chris or I, will get back to you with a reply.



The “two-pot” rule change for retirement funds is almost upon us. Please don't let this change scare you. It is not as complicated as it sounds. In essence, when Covid hit and people were without jobs, and hence income,

but had retirement savings, they found that they could not access any of these retirement savings to help them through the difficult period they found themselves in. Out of this, the idea of making some retirement funds available before the retirement date (the two-pot system) was born. So, from 1 September of this year, all members of retirement funds will have two retirement savings “pots”. The first pot, into which 1/3 of your retirement savings will go, being the “savings” pot, will allow you, on a





once-per-year basis, access to these savings to help you through those tough times financially, such as what happened with COVID-19.

The second pot, into which 2/3 of your retirement savings will go, being the “retirement” pot, will be preserved for your

eventual retirement, and you will NOT, under ANY circumstance (bar one, emigration) have access to these savings UNTIL you retire. For those of you who already have a retirement fund in place, you will in fact have three “pots”.

The two spoken of above, plus your “legacy” pot, being your *existing* retirement savings to which all existing laws will apply until you retire or exit from the fund. Please, everyone, there is NO NEED to panic. It is all good. No one, and most certainly not the government, is out to steal your money. If anybody in our industry tells you this, please end your business relationship with them right away as they most certainly do not have your best interests at heart.

Of course, like everything in life, the devil is in the detail. So, although we view the above changes to be in your best interests, should you need to take any sort of decision going forward regarding your retirement savings, please seek professional advice, as you could otherwise end up losing a lot of money unnecessarily.

It’s tax season again.

The dates for the 2024 Filing Season are:



- Individual taxpayers (non-provisional): 15 July 2024 to 21 October 2024
- Auto-assessment notices: 1 – 14 July 2024
- Provisional taxpayers: 15 July 2024 to 20 January 2025
- Trusts: 16 September 2024 to 20 January 2025



Regarding the auto-assessments that SARS will be sending out, please note that although the auto-assessment is generated by SARS, it does NOT mean that it is correct, as SARS is only working with the information they have to hand.

It also does NOT mean that should it be found to be incorrect in the future, SARS is going to go easy on you in so far as interest and penalties are concerned.

This is because implicit in the auto-assessment is the expectation on the part of SARS that YOU WILL go online and check ALL information that SARS have used in arriving at the auto-assessment is 100% correct. Our advice is to NOT accept the auto-assessment, unless you are an expert at eFiling and tax.

Rather have your tax practitioner file on your behalf. This way, you KNOW there will be no unpleasant surprises lying in wait for you in the future

Routine audit by the FSCA: As if July is not going to be busy enough for me, the FSCA has advised that they will be conducting a routine on-site compliance audit on our business on the 29th and 30th of July next month. There is a mountain of preparation to do ahead of this audit so again, apologies in advance if I am unable to get back to you on whatever query you have as soon as I would otherwise like to.



And that is pretty much “it” for this edition of the newsletter. It has been lovely for me to once again put the proverbial “pen to paper” to chat with you.

Until next time then, do take good care of yourself.

Kind regards Nine, Charles, and the rest of the CMEFS Team.