

TRUST ADMINISTRATION CHECKLIST

1. Are all the trustees also beneficiaries and are all the beneficiaries related? If so, are there a truly independent trustee appointed and is he/she really acting independently?
2. Did the trustees lodge the trust deed and all amendments with the Master?
3. Was the initial donation made as required in the trust deed?
4. Are trustees acquainted with the contents of the trust deed and giving effect to/observe the trust deed?
5. Do the trustees review the trust deed regularly to establish any need to amend it?
6. Do the trustees understand the Trust Property Control Act and relevant principles established in trust court cases?
7. Do the trustees know and understand the assets, bank accounts, insurance policies (and so forth), that exist in the name of the trust, as well as how they can be dealt with?
8. Did the trustees open a bank account?
9. Did the trustees register the trust for Income Tax?
10. Did the trustees furnish their addresses to the Master after 14 days of a change?
11. Did the trustees register trust property and keep it identifiable as a trust asset?
12. Did the trustees set up an asset register in the correct format, and keep it up to date?
13. Are the trustees keeping trust property separate from their personal estates and do not refer to assets in the trust as their own assets?
14. Do the trustees keep safe custody and control of all trust documents?
15. Are the trustees acting jointly and in good faith in terms of their fiduciary obligations?
16. Are trustees acting with care, diligence and skill, which can reasonably be expected of a person who manages the affairs of another in terms of their fiduciary obligations?
17. Are the trustees acting independently/impartially, using their discretion and part-taking in decisions or is there a dominant trustee with the others as puppets?
18. Are the trustees applying their minds to the actual exercise of any power or discretion?
19. Have the trustees comprehensively inquired into matters of benefitting beneficiaries such as whether benefits are to be retained or allocated, the selection of beneficiaries, the manner in which to benefit beneficiaries and the time when to do so?
20. Does one trustee use instructive language in correspondence and emails to other trustees or trust administrators such as "I bought a property in the trust, please do the necessary"?
21. Do the trustees use the services of professionals such as accountants or lawyers as directed in the trust deed or do they abdicate their responsibilities?
22. Do the trustees sign resolutions before transactions are done in the trust or are decisions ratified at a later date?
23. Are the trustees having meetings as stipulated in the trust deed and drawing up minutes afterwards?
24. Are the trustees transferring capital and income to beneficiaries as stipulated in the trust deed, meeting any conditions for transfer?
25. Are the financial statements up to date?
26. Did the trustees submit all tax returns?
27. Are the trustees accounting to beneficiaries since the trust's origin?