



**THE SOUTHERN AFRICAN INSTITUTE FOR BUSINESS ACCOUNTANTS NPC REGISTRATION
NUMBER: 1990/005364/08**

(“SAIBA”)

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE MEMBERS OF SAIBA HELD VIA VIDEO
CONFERENCE ON MONDAY, 6 APRIL 2020 AT 17H00**

Attendance and Apologies:

Directors and office bearers:

1. Prof DR Thakhathi (DT), Mr NF van Wyk (NvW) (Chief Executive Officer), Ms C Booyens (CB) (Chief Financial Officer), Mr PC de Jager (PdJ) (Non-executive director), Mr. R Ngobeni (RN) (Non-executive director), Mr SR Corrigan (SC) (Non-executive director),
2. An apology was received on by Ms LLS Legadima (LL) (Non-executive director).

Members:

3. The particulars of the members in attendance are recorded in the attendance register(s) for the meeting.
4. One valid proxy was received from Akofang Kgomo (8053).

Others:

5. Ms A Jones (AJ) (Truter Jones Inc. – Company Secretary) (Chairperson).
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1 WELCOME

DT was unable to connect on the microphone. Accordingly, in terms of clause 4.9 of Article 2 of SAIBA’s memorandum of incorporation (“MOI”), the meeting was chaired by AJ in her capacity as company secretary.

With a quorum present, the Chairperson opened the AGM and declared the meeting duly constituted.

2 NOTICE AND QUORUM

2.1 Notice

It was recorded that due notice of the AGM and the proposed resolutions was given to members in accordance with the requirements of clause 5.3 of Article 2 of SAIBA’s MOI. No objection was raised and the notice convening the AGM was noted and taken as read.

For record keeping purposes, the proceedings of the meeting were recorded.



2.2 **Quorum**

The members present at the AGM constituted a quorum as per the requirements of clause 6.2 of Article 2 of SAIBA's MOI.

3 **APPROVAL OF THE MINUTES OF THE PREVIOUS AGM**

The minutes of the AGM, held on 14 November 2018 (agenda item 3) and published on the SAIBA website for information and noting purposes, were taken as read and noted.

4 **PRESENTATION OF THE CHAIRPERSON'S REPORT**

The Chairperson's report (agenda item 4) as published on the SAIBA website was noted and taken as read.

5 **PRESENTATION OF THE CEO'S REPORT**

NvW expressed his gratitude for DT's service, leadership and guidance for more than 6 years. NvW, on behalf of DT, thanked all the members of SAIBA for their loyalty and support.

The CEO's report (agenda item 5) will form part of SAIBA's Annual Report which will be made available soon on the SAIBA website. NvW proceeded to address the members on selected aspects of the CEO's Report. No material matters following from the presentation of the CEO's Report were highlighted for further discussion during the AGM.

6 **PRESENTATION OF THE COMMITTEE REPORTS**

6.1 **Social and Ethics, Remuneration and Nomination Committee Report**

PdJ proceeded to address the members on selected aspects of the Social and Ethics, Remuneration and Nomination Committee ("SEC"). The SEC is a statutory committee of the board of directors ("the Board") responsible for monitoring SAIBA's performance in terms of legislative requirements. The SEC is satisfied that it fulfilled its duties during the previous year.

No material matters following from the presentation of the Social and Ethics, Remuneration and Nomination Committee Report were highlighted for further discussion during the AGM.

6.2 **Audit and Risk Committee Report**

PdJ proceeded to address the members on selected aspects of the Audit and Risk Committee ("ARC"). ARC is satisfied that it fulfilled its duties during the previous year

No material matters following from the presentation of the Audit and Risk Committee Report Committee Report were highlighted for further discussion during the AGM.

7 **COMPANY SECRETARY REPORT**

7.1 **Nomination of Directors**

SAIBA submitted a call for nominations for candidates for election to the Board prior to the AGM. However, no nominations were received from the members.

Given that DT and SC will be stepping down as directors after the AGM, the Board will have to co-opt directors to fill these vacancies in accordance with clause 1.6 of Article 3 of SAIBA's MOI. The



SEC has commenced interviews with prospective candidates and is in the process of formulating its recommendations to the Board.

7.2 **Proposed Amendments to SAIBA's MOI**

In terms of clause 4.6 of Article 1 of SAIBA's MOI, read with section 16 of the Companies Act 71 of 2008 (the "Companies Act"), amendments to the MOI require the prior written approval of members in terms of a special resolution. The proposed amendments were made available to members by way of a link contained in the notice of the meeting in the form of a comparison document indicating the proposed amendments in markup for ease of reference and secondly a clean version of the amended MOI which will be filed with the Companies and Intellectual Property Commission, if adopted.

The majority of the amendments relate the strengthening of SAIBA's disciplinary function in accordance with the requirements communicated by SARS pursuant to SAIBA's application for recognition as a controlling body in terms of section 240A of the Tax Administration Act 28 of 2011, including to enable SAIBA to:

- investigate complaints lodged by SARS as well as other professional bodies;
- notify SARS the outcome of any complaint;
- refuse to admit a prospective member to membership if that person's membership and status as a tax practitioner has been terminated by another professional body;
- if SAIBA determines that the conduct of a member warrants termination, publish the identity of such member on its website; and
- terminate memberships in instances where members continue to fail to pay membership fees but continue to hold themselves out as (a) being members of SAIBA and (b) holding a designation.

The proposed amendments to the MOI also relate to the constitution of the Nominations Committee, which oversees the election of directors. Currently, the Nominations Committee is required to comprise 4 independent external parties who are not directors of SAIBA. However, in practice, the Board has found it difficult to find suitable appointees to the Nominations Committee. Accordingly, it is proposed that this be simplified to merely require the Nominations Committee to comprise one independent non-executive director to oversee the appointment process and one executive director to coordinate SAIBA's efforts in this regard. In any event, the recommendation of the Nominations Committee will have to be put before the full Board for approval.

Lastly, the provisions of the current MOI pertaining to the election of directors do not allow sufficient time for the Nominations Committee to conclude its assessment of persons nominated for election to the Board prior to the AGM. It is therefore proposed that the MOI be amended to extend the deadline for delivery of the notice calling on members to submit nominations to at least 30 business days before the AGM. In turn, such nominations will be required to be delivered to SAIBA within 15 business days of the date of such notice.

The remainder of the amendments are typographical, such as changing the numbering and inserting a table of contents.

8 **ADOPTION OF THE PROPOSED RESOLUTIONS**

The Chairperson explained that at a meeting of members, voting may either take place by a show of hands or by poll. Since the AGM was held by electronic communication, voting will be conducted by online poll, using an online ballot form.



The members were appraised of the requirements for passing of an Ordinary Resolution and a Special Resolution.

8.1 Ordinary resolution number 1 - Approval of the minutes of the previous AGM

The minutes of the previous AGM of SAIBA held on 14 November 2018 were made available to members on SAIBA's website at the link provided in the notice of meeting.

Members resolved that the minutes of the previous AGM of SAIBA held on 14 November 2018 be and are hereby approved.

8.2 Ordinary resolution number 2 – Presentation of the audited annual financial statements

In terms of section 30(3) of the Companies Act read with clause 4.1 of Article 4 of SAIBA's MOI, the annual financial statements of SAIBA are required to be presented to members after the statements have been approved by the Board. A copy of the complete audited annual financial statements of SAIBA for the financial year ended 30 June 2019 was made available to members on SAIBA's website at the link provided in the notice of meeting.

Members resolved that the audited annual financial statements of SAIBA, incorporating the directors' report and the independent auditor's report, for the financial year ended 30 June 2019 be and are hereby presented to members of SAIBA.

8.3 Ordinary resolution number 3 – Appointment of auditors

SAIBA is required each year at its AGM to appoint an auditor which complies with the requirements of section 90(2) of the Companies Act. The Audit and Risk Committee is satisfied that SizweNtsalubaGobodo complies with the requirements of section 90(2) of the Companies Act and has nominated SizweNtsalubaGobodo for reappointment as the auditors of SAIBA for the 2020 financial year

Members resolved that SizweNtsalubaGobodo be re-appointed as the auditors of SAIBA until the conclusion of the next AGM.

8.4 Ordinary resolution number 4 – Confirmation of appointment of R Ngobeni as a Director

In terms of clause 1.7 of Article 3 of SAIBA's MOI, if the number of directors of SAIBA together with any ex-officio directors, falls below eleven, but provided at least three directors still remain in office, then the remaining directors shall be entitled to appoint directors to the Board to fill the vacancies so arising. The directors so appointed shall remain in office as determined during their appointment or until the first meeting of members of SAIBA, whichever event is the earliest.

In the light of the fact that no candidates were put forward for election to the Board at the previous AGM, the Nominations Committee interviewed, determined the eligibility of and recommended that Mr. Russel Ngobeni be appointed to the Board. In this regard, on 4 July 2019 the Board approved the appointment of Mr. Ngobeni as per the Nominations Committee's recommendation. A copy of Mr. Ngobeni's CV was made available to members on SAIBA's website at the link stipulated in the notice.

Members resolved that the appointment of Mr. Russel Ngobeni as a director by the Board in terms of clause 1.7 of Article 3 of SAIBA's MOI be and is hereby confirmed.

8.5 Ordinary resolution number 5 & 6– Election of Pieter de Jager and Russel Ngobeni as members of the Audit and Risk Committee

The Board is satisfied that Messrs. de Jager and Ngobeni are eligible to be elected to the Audit and



Risk Committee in terms of section 94(4) of the Companies Act, in that none of the candidates are (a) involved in the day-to-day management of SAIBA or have been so involved during the previous financial year; (b) a prescribed officer or full-time employee of SAIBA or have been such an officer or employee during the previous 3 financial years; or (c) a material supplier or customer of SAIBA such that a reasonable and informed third party would conclude in the circumstances that the integrity, impartiality or objectivity of that director is compromised by that relationship; and (d) are not related to any such persons. Accordingly, the Board recommends the election of Messrs. de Jager and Ngobeni to the Audit and Risk Committee.

Members resolved that:

- Mr. Pieter de Jager be and is hereby elected as a member of the Audit and Risk Committee of SAIBA until the next AGM; and
- Mr. Russel Ngobeni be and is hereby elected as a member of the Audit and Risk Committee of SAIBA until the next AGM.

8.6 **Ordinary resolution number 7 – Endorsement of SAIBA’s Remuneration Policy**

A copy of SAIBA’s Remuneration Policy was made available to members on SAIBA’s website at the link stipulated in the notice.

Per principle 14 of the King Report on Corporate Governance for South Africa, 2016, SAIBA’s Remuneration Policy should be tabled to members for a separate non-binding advisory vote at the AGM. This vote enables members to express their views on the remuneration policies adopted and on their implementation. Accordingly, the members were requested to endorse SAIBA’s Remuneration Policy, by way of a non-binding advisory vote.

Members resolved that SAIBA’s Remuneration Policy be and is hereby endorsed.

8.7 **Special resolution number 1 – Amendments to SAIBA’s MOI**

In terms of clause 4.6 of Article 1 of SAIBA’s MOI, read with section 16 of the Companies Act, amendments to the MOI require the prior written approval of members in terms of a special resolution.

Members resolved by way of special resolution that SAIBA’s MOI be and is hereby replaced in its entirety with the MOI marked “A” in terms of section 16(1)(c) of the Companies Act.

9 **GENERAL**

Questions were received from members in relation to the following:

9.1 **The Gauteng Department of Education not recognising accounting officers.**

The process is still ongoing, and SAIBA will notify members in the next couple of weeks about our approach to the Gauteng Department not wanting to recognise accounting officers.

9.2 **SETA Funding**

SAIBA applied for SETA funding but we have not heard anything back.

9.3 **SAIBA’s RCB Status**

Following the approval of the amended MOI, SAIBA will resubmit the final application to SARS.



9.4 **Members Signing Off Financials**

Business Accountants in Practice can assist clients with preparing financial statements but cannot issue opinions on financials.

9.5 **Plan for Increased Engagement with Universities**

SAIBA has established an Education Committee which is represented by people from Universities and Tania Lee, SAIBA's Projects Director. SAIBA has also recently, with the help of Wendy Mutshena, SAIBA's Membership Manager, signed two MOU's with colleges in the Northern South Africa.

9.6 **Banks accepting Independent Reviewers Reports and IAP Reports**

SAIBA will request a meeting with the banking council to ensure that banks know about independent reports and the role SAIBA members can play in assisting the banks.

10 **CLOSING**

With there being no further business to transact, the Chairperson thanked the members for their attendance and contribution and declared the AGM closed.

Signed as a correct recording of the meeting.

CHAIRPERSON

DATE