

Disciplinary Report for Q2 of 2020

1. Overview of the Disciplinary Process:

All member complaints received by SAICA are referred to the Designated Officer and allocated to the Legal and Discipline Unit staff for case management. All cases in which SAICA has jurisdiction are prepared for submission to the Professional Conduct Committee (PCC). The PCC is an independent committee, chaired by either an advocate or an attorney and also consisting of members of SAICA who volunteer their services to form part of the Disciplinary Panel. The PCC decide on how all complaints should be dealt with.

The SAICA Legal and Disciplinary staff prepare the complaint documentation for submission to the PCC. The bundle submitted to the PCC for consideration comprises of a complaint affidavit; sufficient evidence to support the complaint; the written explanation from the accused person; any further responses required by the Complainant; an analysis of the complaint in light of the SAICA By-laws and Code of Conduct together with recommendations in terms of merits and sanctions.

The PCC has the authority to call on the accused person to appear before the committee to give any additional evidence and the PCC may decide not to proceed further with the complaint or to refer the matter as a formal complaint to the Disciplinary Committee for a public hearing. Alternatively, the PCC may find the accused person guilty of misconduct and impose a sanction of either a caution; a reprimand; a fine not exceeding R250 000 (two hundred and fifty thousand rand) per charge or a suspension from membership; associateship or traineeship not exceeding a period of 12 (twelve) months.

In the event that an accused person is unsatisfied with the outcome of their matter, they may elect to request that the matter be heard anew by the Disciplinary Committee.

The PCC also considers the ethical component of Fit and Proper Inquiries in order to decide whether persons meeting the academic and experience requirements are fit and proper for acceptance into membership and whether former or prospective Trainee Accountants should be allowed to register/re-register training contracts with SAICA.

Where a matter is referred to the Disciplinary Committee (DC) for a formal hearing, the accused person is allowed legal representation and may lead witnesses and introduce documentary evidence. In the event that the accused person is found guilty of improper conduct, the Disciplinary Committee may impose the following sanctions: a caution; a reprimand; a fine not exceeding

R500 000 (five hundred thousand rand) per charge; suspension; exclusion or disqualification from membership; associateship or traineeship.

2. **Report on Case Management**

2.1 **Professional Conduct Committee (PCC)**

The PCC met 4 (four) times during Q2 and considered 37 (thirty-seven) cases. 22 (twenty-four) cases were finalised with 13 cases requiring further investigation.

Trends	
Fit and Proper (Trainee)	1
Fit and Proper (CA/AGA)	3
Integrity	11
Competence	0
Objectivity	2
Prof. Behaviour	2
Confidentiality	2
Tax Practitioner Non-Compliance	4
Training Officer Misconduct	0
Exam Regulations	2
Trainee Misconduct	10
Failure to Respond	0
Total	37

Professional Conduct Committee- Sanctions Imposed	
Fit and Proper for new Traineeship	1
Fit and Proper for Membership/Associateship	2
NOT Fit and Proper for Membership/Associateship	1
Fines imposed	2
No Improper conduct found	14
On-going/part heard	13
PCC ordered investigation in absence of formal complaint	0
Penalty period imposed on Training Contract	4
Total	37

3. **Publishing of Rulings in Finalised Cases where PCC or DC have ordered Publication – Q2 of 2020**

Matter One

Mr. Teffo Tebatjo was found guilty of improper conduct, by making use of his first name and surname in his submitted answer book/script for the Initial Test of

Competence (“ITC”) January 2020 Assessment, instead of using his unique identifier as per the terms of examinations regulations. This amounted to a breach of the Disciplinary Code and Procedures, paragraph 4.1.7 in that he performed an act of misconduct in accordance to ITC Exam Regulation 14.1. read with 14.4 and 14.5 which constituted improper conduct and a breach of Section 100.5 (e) read with Section 150.1 of the SAICA Code of Professional Conduct by failing to comply with the fundamental principle to maintain Professional Behaviour.

The Professional Conduct Committee imposed a fine R 1 500 (one thousand five hundred rand).

Matter Two

Ms. Banele Thabethe was found guilty of misconduct in that as a Trainee Accountant she breached the requirement of Professional Behaviour in that she did not comply with her previous Training Office employment contract. She resigned with immediate effect despite her contract providing for two weeks’ notice.

The Professional Conduct Committee reprimanded Ms. Thabethe, added a penalty of an additional 6 (six) months to the new training contract and also ordered her to attend a SAICA accredited ethics course.

Matter Three

In April 2020, a trainee was found guilty of improper conduct, in that she altered a date of an email and forwarding same to a Senior Manager. This amounted to a breach of Section 100 of the Code of Professional Conduct read with Section 110.1 A1(a) and (e) of the Code, which constituted as an offence under By-Law 35.1.12 and By-Law 35.1.13.

The Professional Conduct Committee reprimanded the trainee and added a penalty of an additional 3 (three) months to the new training contract and also ordered her to attend a SAICA accredited ethics course.

