

Update on SAICA disciplinary matters

27 May 2020

Dear SAICA members,

Following the announcement of our [revised by-laws](#) on 21 May 2020, and in an effort to be transparent about SAICA's disciplinary matters and processes, I share the following update.

The information below includes cases that were reported on by the media and involves SAICA members. These matters are all in different phases of the disciplinary process.

Anoj Singh, formerly of Eskom and Transnet

SAICA's Disciplinary Committee (DC) has progressed well with the public hearings of Mr. Singh following his [suspension](#) from SAICA membership in July 2019. The DC is scheduled to meet on 16 July 2020 for closing arguments.

Two cases related to Steinhoff

In these two matters, the investigation by SAICA has been seriously hampered by the refusal of the Steinhoff board to share information and the relevant forensic reports. Based on information that is available at this stage, SAICA is finalising two charges against one of the two members implicated.

Acting in the public interest, and in an effort to obtain information for additional charges, SAICA is supporting a PAIA Application for the release of the Steinhoff forensic report. The application is currently on hold due to court closures during the COVID-19 lockdown period.

Regarding this matter, SAICA [suspended](#) Markus Jooste from membership in July 2019.

Six complaints relating to VBS Mutual Bank

SAICA is currently still attending to six complaints related to the VBS Mutual Bank matter. SAICA only received substantiating evidence in the form of a forensic report at the end of 2019.

- Tshifhiwa Matodzi, former Chairman of the VBS Mutual Bank Board, was [excluded](#) from membership in 2019 as a result of being sequestered;
- One matter is ongoing at the DC. The finalisation of this matter is dependent on the outcome of an appeal to the Judge President of the Supreme Court of Appeals to set aside a sequestration order.
- One matter was dismissed as no improper conduct could be proven against the member.
- Two matters have been referred to the IRBA as per the by-laws.
- Two additional draft charges went to the Professional Conduct Committee (PCC) in April 2020 and they are ongoing.

- Based on a further complaint received, an additional charge sheet is being drafted against one member.

The Ntsebeza Inquiry

Some matters related to the Ntsebeza Inquiry Recommendations are still ongoing. The Inquiry report recommended disciplinary action against seven members and the feedback is as follows:

- Jacques Wessels was [excluded](#) from membership by the DC in May 2019;
- Two further cases against members of the KPMG audit team have been finalised by the PCC but the members have exercised their right to have the matter referred to the Disciplinary Committee for hearing;
- Two cases are ongoing before the PCC;
- Two cases are with the IRBA for finalisation.

The matter against Pamela Bosman, previously with the Eastern Cape Development Corporation

This matter is ongoing before the Disciplinary Committee.

Three matters against members employed by the Public Investment Corporation (PIC)

We are investigating three complaints against members employed by the PIC. These members have been implicated in a Forensic Report related to the PIC matter and charge sheets will be tabled at the PCC.

A member previously employed at executive level at Old Mutual

This matter is currently under investigation and SAICA awaits the outcomes of the underlying Court processes to inform the SAICA disciplinary process.

Matters relating to Tongaat Hulett

We are investigating four complaints against members related to the Tongaat Hulett matter. SAICA has liaised with Tongaat Hulett management and was advised that their insurers have prohibited them from providing SAICA and other stakeholders with the PWC Forensic Report. Tongaat Hulett's management has however agreed to assist SAICA in finalising charge sheets with the information that they may share and draft charge sheets have been completed. These matters will be referred to the PCC.

A member linked to the National Lotteries Commission forensic investigation.

The PCC has ordered an investigation at its meeting in February 2020 against a member linked to the National Lotteries Commission forensic investigation. This is an ongoing matter and charges are being formalised.

A UK Court judgement implicated a SAICA member who is currently an EY UK employee

The member is alleged to have given misleading evidence to the court and concealed the existence of certain documentation. SAICA has contacted the Institute for Chartered Accountants England and Wales' (ICAEW) Discipline Unit to confirm jurisdiction in order to determine if ICAEW or SAICA will proceed with the investigation.

Press reports regarding a dispute between Deloitte and Eskom

While the IRBA is attending to the investigation in respect of Deloitte, SAICA has also initiated its own investigation by engaging with stakeholders regarding information on any SAICA members implicated.

2015 APC Examination Confidentiality Breach

332 matters were considered by the PCC and/or DC and these matters have now been finalised.

In addition, there is a matter involving the former SAICA CFO. This matter is with the PCC and is ongoing.

SAICA expects all members of the chartered accountancy profession to uphold the highest ethical standards and to adhere to the [SAICA Code of Professional Conduct](#).

As a matter of principle, SAICA does not comment publicly on the details of any ongoing investigations or disciplinary matters to avoid compromising the fairness of the process. Disciplinary hearings are, bar exceptional circumstances, open to the public. For more information on the SAICA Code of Professional Conduct and the disciplinary process, please visit the [SAICA Governance website](#).

Kind regards,

Freeman Nomvalo
Chief Executive Officer