

ORDINARY RESOLUTION 8:

Background:

In terms of par. 13.1.6 of the Constitution, the members and associates must approve the increase/decrease and/or any change in the basis of determining the Board and Board Committee member fees for the ensuing year.

Board fees are payable only to the non-executive members of the SAICA Board. Since inception (October 2019), the basis for calculating the hourly fee of the non-executive members of the Board has been the current guideline on fees for audits and audit-related services performed by auditors in private practice on behalf of the Auditor-General of South Africa. The fee applicable in 2021 was R3 119,00. The new proposed hourly fee requires a fee increase from R3 119 to R3 201 and is a 2.6% increase.

For purposes of determining the appropriate fee for the Board Chairman, the conventional rule which was applied in the past has been applied again, which suggests that the Chairman's hourly fee should be $R3\ 201 \times 1,5$. This results in an hourly fee of R4 801,50.

For the purpose of determining the appropriate fee for the Chairmen of the Board Committees, the hourly rate was fixed at $R3\ 201 \times 1,25$. This is the formula that was applicable in the past. The result is an hourly fee of R4 001,25.

The fees will be paid based on attendance only and the following attendance fee calculation will apply which is the current basis:

- Board – meeting and preparation time assumed to be 12 hours per meeting.
- Board Committee – meeting and preparation time assumed to be 8 hours per meeting.

It must be noted that the Board has resolved to create an additional Sub-committee which will be known as the Education and Assessment Committee of the Board. This committee will assist the Board to ensure the quality, efficiency and integrity of the Institute's education and assessments, including but not limited to assessments, ITC and APC results, accreditation, and other workstreams in the initial professional development pipeline. The usual fee payable to members of "other Board Committees" will apply and the Chairman of the Committee will be paid the usual Committee Chairman fees.

RESOLUTION:

“Resolved that the Institute be, and is hereby, authorised to pay the following fees per meeting to non-executive Board members for their services as non-executive Board members for the period from the date of the passing of this special resolution, as follows:

			<i>Total fee per meeting:</i>
1	<i>Board</i>	<i>Chairman</i>	<i>R 57 618</i>
2	<i>Board</i>	<i>Non-executive Member</i>	<i>R 38 412</i>
3	<i>Other Board Committees</i>	<i>Chairman</i>	<i>R 32 010</i>
4	<i>Other Board Committees</i>	<i>Non-executive Member</i>	<i>R 25 608</i>
5	<i>Lead independent member</i>	<i>For Board meetings</i>	<i>R 48 015</i>

The proposed fees are fees exclusive of VAT and VAT may be payable in addition to the above amounts to qualifying Board members, but will have a zero net effect on SAICA.

(The current SAICA Constitution in paragraph 13.1.6 requires “approval of the increase/decrease and/or any change in the basis of determining the Board and Board Committee member fees for the ensuing year”).

