

AMENDMENTS: STATUTE

This document highlights the changes made to the Statute effective from 5 October 2023.



General Changes

- (a) Where applicable the term “Member” was substituted by the terms “Member or Member Firms” or “Member and Member Firms” or “Member and/or Member Firms”.
- (b) Where applicable the term “person” was substituted by the term “individual”.

Article 1 – Definitions

- (a) Introduced definitions for “Accountancy Board”, “Member Firm/s” and “Registration Number”.
- (b) Clarified that Annual General Meetings and Extraordinary General Meetings are meetings of Member and Member Firms.
- (c) Revised the definition of “Member” (changes in blue):

“Member/s” means those individuals persons who ~~have been admitted as members of the Institute in accordance with the~~ satisfy the eligibility criteria in terms of the Members’ Bye-Law and who have been admitted as members of the Institute.”

Article 6 – Vision and Principal Objectives of the Institute

- (a) The paragraph that relates to the vision of the Institute was updated as follows (changes in blue):

“The vision of the Institute is to lead, train, support and promote its Members and Member Firms, having regard to professional and ethical standards for the benefit of the accountancy profession and the general public.”

- (b) All applicable objectives of the Institute were amended to include Member Firms.

Article 8.1 – Admission, Re-admission and Resignation of Member and Member Firms

- (a) Article was updated as follows (changes in blue):

“Member and Member Firms whose membership ceases as a result of disciplinary proceedings, may only be re-admitted to membership by unanimous approval of Council members.”

- (b) Article was updated as follows (changes in blue):

“Council may, at its absolute discretion, refuse membership to any Member or Member Firm.”

- (c) Council has the right to publish the name of Members resigning from the Institute. It was clarified that:
 - the identification details of such persons and the reason(s) for such publication are **also** published; and
 - the time-period for which such information shall be made publicly available shall be at the discretion of Council.

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- (d) Introduced that in the case of Member Firms:
- Council shall have the right to publish the name and relevant Registration Number of such firms along with the reason(s) for such publication; and
 - the time-period for which such information shall be made publicly available shall be at the discretion of Council.

Article 8.2 – Honorary Members

- (a) Article was updated as follows (changes in blue):

*“Council may, by unanimous approval of Council members, decide to bestow upon any **person Member** who has distinctively contributed to the Institute or the profession, honorary membership of the Institute.”*

- (b) The following was introduced:

“The withdrawal of such honorary membership does not automatically imply the loss of membership status.”

Article 9.1.3 – Notices of the Annual General Meeting

- (a) This Article was revised to specify that the Preliminary Notice and Notice of the AGM are issued to both Member **and Member Firms**.

Article 9.2.1 – Notice of the EGM

- (a) This Article was updated to specify that such notice is issued to both Member **and Member Firms**.

Article 10.2 – Members of Council

- (a) These clauses were updated as follows (changes in blue):

*“The term of office of **maximum of** seven (7) members of the Council shall expire at each Annual General Meeting of the Institute. The term of the **remaining seven** ~~seven (7)~~ members shall expire in the subsequent year.*

*The **maximum of** seven (7) members of the Council whose term will be expiring shall be eligible for re-election ...”*

Article 10.5 – Nominations for election to Council

- (a) This clause was updated as follows (changes in blue):

*“The pool of nominations to fill the **maximum of** seven (7) vacant posts of members of the Council may be composed of ...”*

- (b) The following proviso was included following the list of the eligibility criteria in order to be able to form part of Council:

“Provided that, despite the fulfilment of the above criteria, where a Member is a member of an organ, equivalent to the Council of the Institute, of any body, be it professional or regulatory or

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otherwise, the said Member must disclose such appointment at the time of his nomination to Council. Council may, at its sole discretion, decide to disallow the said Member from nominating himself for Council. In the eventuality, that such Member fails to disclose the said appointment and the said appointment comes to the attention of the Institute, Council may, at its sole discretion, request the said Member to withdraw his nomination."

Article 10.6 – Election of members to Council

- (a) This clause was update as follows (changes in blue):

*"Election to fill the **maximum of** seven (7) vacant posts ..."*

- (b) This clause was update as follows (changes in blue):

*"Provided that where there is an equality of votes between two (2) or more candidates for the **seventh (7th) last** vacant post, a second (2nd) ballot shall be taken on such candidates."*

Article 10.7 – Disqualification of members from Council

- (a) This article was updated as follows (changes in blue):

"The office of a member of the Council is vacated if:

(a) he ceases to be a member of the Institute, including cases where membership is suspended or excluded by the Institute itself in line with the Statute and Bye-Laws; or

(b) he is the subject of disciplinary action taken against him by the Institute in accordance with its Statute and Bye-Laws; or

(c) he has failed to act in the manner prescribed in Article 10.11.1; or

~~(d) he is absent from the meetings of the Council for more than two (2) consecutive meetings, or is absent from the meetings of the Council for more than fifty percent (50%) of Council meetings called during the Council's term; or~~

(e) it transpires that ~~he an elected member of the Council~~ had declared untruthful or inaccurate information when submitting his nomination for election which would have made him ineligible to stand for election had the information been true and correct.

~~Provided that the Council may, at its discretion, waive the application of clause 10.7(d) if a member of the Council fails to attend the meetings because he is absent from the country or because he is indisposed."~~

- (b) The following provisos were introduced:

"Should a Council member, during his tenure of office, become a member of an organ, equivalent to the Council of the Institute, of any body, be it professional or regulatory or otherwise, the said Member must disclose such appointment to Council. Council may, at its sole discretion, oblige the said Member to vacate his seat on Council. In the eventuality, that such Member fails to disclose the said appointment to Council and the said appointment comes to the attention of the latter, and the two roles are deemed by Council to be conflicting, Council may, at its sole discretion, proceed to oblige the said Member to vacate his seat on Council."

"Provided that any such disqualification shall be preceded by a notice in writing issued by the Chief Executive Officer to such person stating the alleged reasons for such

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disqualification/removal and providing such person with a reasonable opportunity to defend himself and rebut the allegations.”

- (c) This clause was updated as follows (changes in blue):

“Provided further that a Council member who is disqualified from office in accordance with points (a) to (d) above, shall not be eligible for re-nomination to Council. ~~whose office is vacated in line with clause 10.7(d) shall not be eligible for nomination to the Council for the next two (2) consecutive elections.~~”

Article 10.8 - Removal of members from Council

- (a) This article was revised as follows (changes in blue):

“A Council member may be removed from office by Council if he is absent from the meetings of the Council for more than two (2) consecutive meetings or is absent from the meetings of the Council for more than fifty percent (50%) of Council meetings called during the Council’s term.

Provided that such removal shall be preceded by a notice in writing issued by the Chief Executive Officer to such person stating the alleged reason for the removal and providing such person with a reasonable opportunity to defend himself before Council and rebut the allegations.

Provided further that the Council may, at its discretion decide not to remove such member from Council should such member fail to attend the meetings due to the fact that he was absent from the country or because he was indisposed.

Provided further that a Council member who is removed from office in accordance with this article shall not be eligible for re-nomination to Council for the next two (2) consecutive elections.”

~~“Members of the Institute may, by resolution passed by secret ballot at a specially convened EGM remove any member of the Council from office, provided that, such a resolution requires not less than two thirds majority of the voting members present.”~~

Article 10.11.1 – Principles to be upheld by Council members

- (a) The following clause was introduced:

“Council members are considered to be bound by the fiduciary obligations towards Members and Member Firms when exercising their duties.”

Article 10.12 – Delegation of Powers

- (a) The term “shall” was replaced by “may”: “Council ~~shall~~ *may* delegate any of its powers, authorities and discretions to the Officers’ Committee, the CEO and any other Committees...”
- (b) This article was updated as follows (changes in blue):

“Save as provided in article 5 of this Statute, all payments on behalf of the Institute shall be authorised by any two (2) of the following: the President, the Vice-President, the Secretary, the Treasurer and the Chief Executive Officer. Council may also delegate such power to an employee

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to authorise any payments on behalf of the Institute jointly with any one of above persons by means of a written resolution or a written power of attorney. All other legal documents or deeds shall be authorised as stipulated in article 5 of this Statute."

Article 12 – Chief Executive Officer

- (a) This Article was updated as follows (changes in blue):

"The Officers' Committee shall assume the role of the Chief Executive Officer should the post become vacant in order to ensure that the daily operations of the Institute are not impeded until such time as a new Chief Executive Officer assumes office."

Article 14.5 – The Disciplinary Committee

- (a) The following clarification was made:

"For the avoidance of doubt, the Disciplinary Committee shall remain so constituted even though its term expires."

Article 14.7 – The Appeals Board

- (a) The following clarification was made:

"The Chairperson has the discretion to appoint a new Appeals Board for every appeal request received and an Appeals Board shall remain so constituted until the appeals proceedings before such Appeals Board are concluded, irrespective of the duration of such disciplinary proceedings. For the avoidance of doubt, the Appeals Board shall remain so constituted even though its term expires."

Article 16.4 – Auditor's right to attend the meeting

- (a) This Article was updated as follows (changes in blue):

"The auditor shall be entitled to attend all Annual General Meetings and receive all notices related to such meetings which any Member ~~is~~ and Member Firms are entitled to receive."