

"Today's Accomplishments Were Yesterday's Impossibilities." – Robert H. Schuller

June 2018

NON-COMPLIANCE MAY RESULT IN TURNOVER LESS 10%

A company's conduct must at all times be aligned with the 'spirit' of the Companies Act, 71 of 2008 (the "**Act**"), being *"high standards of corporate governance and high levels of transparency"*.

The Companies and Intellectual Property Commission (the "**CIPC**") received a number of irregularity reports from the Independent Regulatory Board for Auditors.

A number of companies were reported by their auditors for failure to prepare (and lodge with the Regulator, where applicable) its annual financial statements, within 6 (six) months of the end of its financial year. The **CIPC** consequently issued 'Compliance Notices' to such non-compliant companies (and their directors), to no avail.

As a result, legal action was taken by the **CIPC** against the errant companies. In each instance the Court found against such companies and imposed a fine equal to 10% (ten percent) of the company's turnover during the period for which it was non-compliant.

Findings such as these should encourage companies to comply with the provisions of the **Act** and to align their conduct with the spirit of the **Act**.

PHYSICAL ADDRESS:
Die Klubhuis, Corner of Pinaster
Avenue and 18th Street, Hazelwood,
Pretoria, South Africa, 0081

POSTAL ADDRESS:
Postnet Suite 360
Private Bag X06
Waterkloof, 0145

CONTACT DETAILS:
TEL: +27 12 349 2306
FAX: 086 615 1183
www.vanhuysteens.co.za

Van Huyssteens appreciates your feedback:

For more information or editorial contributions, please email: commercial@vanhuyssteens.co.za

If you would like to subscribe to this service, please send a blank e-mail to: commercial@vanhuyssteens.co.za with the word 'Subscribe' in the subject line. To unsubscribe send a blank e-mail to commercial@vanhuyssteens.co.za with the word 'un-subscribe' in the subject line. As a subscriber, your name will not be released to any third party, but you may receive research surveys and similar communications about activities relating to Van Huyssteens and your fields of interest.

Van Huyssteens Commercial Attorneys disclaims all liability for any loss, damage, injury or expense however caused, arising from the use of, or reliance upon, in any manner or form, the information provided through this newsletter. It does not, in any form or manner, warrant, or purport to warrant, the truth, accuracy and/or completeness of the information provided. Should any of the information provided herein be applicable to (or interest) you, please consult with a legal professional for comprehensive advice and guidance thereon. The publisher's prior written permission is required to reproduce, publish, use and/or display the contents hereof in any form or manner and/or for any reason whatsoever.