

**THE SOUTHERN AFRICAN
INSTITUTE
OF
GOVERNMENT AUDITORS**

CONSTITUTION



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This Constitution was adopted by Special General meeting on 6 December 1999.
It replaces the previous Constitution which was adopted with
the Institute's foundation on 27 July 1988.

Signed by the
Executive President
JD Gloeck

signed by the
Secretary
H de Jager

CONSTITUTION OF THE SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS

1 NAME AND LEGAL PERSONA

- 1.1 The Institute is a body corporate not for gain established in terms of this Constitution. The Institute operates under the name: THE SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS or SAIGA.
- 1.2 SAIGA is a body corporate with perpetual succession capable of suing and being sued in its own name and performing such acts as necessary for or incidental to the achievements of its objectives and to exercise the Institute's functions, duties and powers as determined in this Constitution or by any statute of the Republic of South Africa.
- 1.3 The Institute continues to exist irrespective of changes in membership or office bearers.

2 DEFINITIONS

Unless inconsistent with the context, all words and expressions that indicate the singular also indicate the plural and *vice versa*, masculine gender also denotes the feminine, and the following words and abbreviations shall have the meanings hereby assigned to them:

“Accountability” has the same meaning as intended in the *Public Finance Management Act* (Act No 1 of 1999 as amended);

“Associates” means corporate members or persons and institutions affiliated to the Institute and subscribing to the objective of the Institute;

“Auditing” is the process of performing an audit. An audit is performed in reaction to an assignment given by a person or a group who has delegated certain responsibilities to others. The audit is performed by an independent third party (who is professionally competent to perform the assignment) on the results of an entity or an event, which results have to be in conformity with an identified set of criteria. The objective of an audit is to gather audit evidence by performing a structured process and forming an opinion on the degree to which the relevant results compare to the stated set of criteria. “Auditing” specifically includes government auditing;

“Institute” means The Southern African Institute of Government Auditors;

“member” means a person who in terms of this Constitution has been duly admitted as a member of the Institute and excludes any trainee auditor and corporate member;

“year” or “yearly” means or refers to the financial year of the Institute;

“Constitution” means the Constitution of the Institute;

“Council” means the Council of the Institute;

“Executive Committee” means the Executive Committee of the Institute;

“government auditing” means the functions performed by the Office of the Auditor-General in terms of the Constitution of the Republic of South Africa and applicable statutes and specifically the *Auditor General Act* and the *Audit Arrangements Act* as well as other legislation requiring the Office of the Auditor-General to perform an independent audit;

“office bearer” means the President or any member of Council, the Executive Committee and other committee or body of the Institute;

“Republic” means the Republic of South Africa;

3 OBJECTIVES OF THE INSTITUTE

The objectives of the Institute are to:

- 3.1. promote the interests of the members of the Institute by means other than the carrying on by the Institute of any trading or other profit-making activities, or the participation by the Institute in any business, profession or occupation carried on by any of its members, or the provision to any of its members of financial assistance or of any premises or continuous services or facilities required by its members for the purpose of carrying on any business, profession or occupation;
- 3.2. advance all aspects of accountability and auditing in both the private and the public sector;
- 3.3. advance the theory and practice of accountability and auditing;
- 3.4. promote and stimulate research and public debate in respect of accountability and auditing;
- 3.5. promote the scientific development and application of the principles and techniques of accountability and auditing;
- 3.6. promote the tuition and training of persons involved in the broader accountability framework;
- 3.7. arrange lectures, courses, workshops, conferences, study tours, congresses and other meetings in order to advance accountability and auditing;
- 3.8. collect, compile and publish information in order to advance accountability

and auditing;

- 3.9. to publish, distribute and sell journals, books, pamphlets or other publications relating to accountability and auditing to the Institute's members, corporate members and other interested members of the public;
- 3.10. provide library facilities and or access to research and other material to members;
- 3.11. to provide opportunities for an exchange of views amongst persons involved in the accountability framework and auditors in particular;
- 3.12. award prizes, grants or scholarships in the field of accountability and auditing;
- 3.13. to prescribe syllabi in respect of examinations and competency assessments for persons in the accountability framework and government auditors in particular and to make rules and arrangements in respect of these examinations and competency assessments;
- 3.14. keep a register of government auditors and other persons within the accountability framework;
- 3.15. through the advancement of accountability and auditing in general, promote the interest of members and associates of the Institute and to do all such lawful things that will be conducive to the attainment of any or all of the aforementioned objectives.

4 COUNCIL OF THE INSTITUTE

- 4.1. The Council of the Institute consists of a minimum of three members and a maximum of seven.
- 4.2. The Council of the Institute consists of the President and other members who are elected according to the provisions stated in (4.4) plus those persons who are co-opted in terms of (4.3) subject to the maximum stated in (4.1).
- 4.3. The elected Council members shall have the right at any time to co-opt a maximum of another three Council members whenever it deems such co-option necessary. Such co-opted members need not necessarily be members of the Institute. The elected Council members can at any time end the co-option of these persons.
- 4.4. Council members are elected as follows:
 - (a) Only members whose membership fees have been paid to date at the time of their nomination are eligible for election to membership of the Council of the Institute.
 - (b) Council members are elected at the Annual General Meeting of the

- Institute.
- (c) A call for nomination of members to Council has to be posted to members at least four weeks before the date of the Annual General Meeting.
 - (d) Members have to submit their nominations in writing and attach at least the information required for such purposes as determined by the President from time to time.
 - (e) Nominations have to reach the Secretariat no later than two weeks prior to the date of the Annual General Meeting.
 - (f) If the number of nominated members falls within the limits determined in (4.1) they are elected unopposed.
 - (g) Members elected as Council members hold their position for a period of three years, their term ending at the third Annual General Meeting held after the Annual General Meeting at which they were elected.
 - (h) All retiring members of the Council shall be eligible for re-election.
 - (i) Casual vacancies that occur may be filled by the President and such appointees will hold office for the unexpired portion of the term of office of the member who is replaced.
- 4.5. An elected member of the Council vacates his office by any of the following:
- (a) he retires at the end of his term of office;
 - (b) he submits his resignation from office in writing to the Secretariat;
 - (c) he is absent for two consecutive meetings of the Council without its leave;
 - (d) his estate is sequestrated or he surrenders his estate for the benefit of his creditors or makes an offer of compromise to his creditors;
 - (e) he is declared insane or incapable of managing his affairs;
 - (f) he is convicted in the Republic or elsewhere of any criminal offence which, in the opinion of the Council, is of a disgraceful or dishonourable nature;
 - (g) he ceases to be a member of the Institute.
- 4.6. Three members of the Council constitute a quorum at any Council meeting.
- 4.7. The President of the Institute shall preside as chairman at every Council meeting. If he is not present at the meeting or unable or unwilling to act as chairman, the Vice-President will preside, provided that in the latter's absence or unwillingness to act as chairman the members present shall elect one of their numbers to be chairman at that meeting.
- 4.8. Matters and questions arising at a Council meeting shall be decided by a majority of votes of members present and the Chairman, whether on a show of hands or on a poll, shall have a second, casting vote in addition to his deliberative vote. All members of Council are entitled to vote and the vote will be decided by a show of hands unless, with the approval of the Chairman, the members decide to vote by poll.
- 4.9. The Council shall meet at least once a year. The President may call a Council

meeting and the Secretary shall call a Council meeting, whenever requested to do so in writing by three members of the Council, within thirty days after receipt of such request.

- 4.10. The Secretary shall post written notice to members of the Council regarding the place, date and hour of a meeting at least fourteen days prior to such meeting. It is the responsibility of each Council member to ensure that the Secretariat is in possession of the member's latest current postal address.
- 4.11. With the consent of the majority of Council members, a meeting can be held of which less than fourteen days prior notice has been given.
- 4.12. The Secretary shall keep proper minutes of all meetings and submit such minutes to the Council for approval and signing by the Chairman at the next Council meeting.
- 4.13. The Council is responsible for the strategic planning of the Institute and shall formulate and approve an annual strategic plan and prioritise matters in the strategic plan.
- 4.14. The Council shall elect at least one of its members to serve on the Executive Committee.
- 4.15. The Council shall interpret or decide any matter for which provision has not been fully made in this Constitution or in respect of which dispute or uncertainty exists as to its meaning, such interpretation being binding on the members.
- 4.16. The Council shall consider matters brought to its attention by office bearers and advise the President, the Executive Committee, office bearers and any other committee or body of the Institute on request.
- 4.17. The Council is entitled to appoint any person who rendered special services to the Institute, or for any other reason, as an Honorary Member of the Institute.
- 4.18. The Council shall, if necessary, recommend the dissolution of the Institute.

5 EXECUTIVE COMMITTEE

- 5.1. Unless specifically stated otherwise, the following paragraphs apply *mutatis mutandis* to the Executive Committee: (4.7), (4.8) and (4.12).
- 5.2. The Executive Committee of the Institute consists of the following members; the President, a Secretary (who does not have to be a member of the Institute and who is appointed by the President), and a minimum of one and a maximum of two Council members elected by Council.

- 5.3. A member of the Executive Committee appointed by Council shall hold his position until he vacates his office in terms of paragraph (4.5).
- 5.4. The Secretary may submit his resignation in writing to the President.
- 5.5. There shall be a quorum whenever a meeting of the Executive Committee is held.
- 5.6. The Executive Committee meets as matters of operational nature necessitate it. The President may call an Executive Committee meeting and the Secretary shall call an Executive Committee meeting, whenever requested to do so in writing by two members of the Council.
- 5.7. Notice of meetings of the Executive Committee are given in a manner determined by members of the Executive Committee from time to time.
- 5.8. In managing the affairs of the Institute, the Executive Committee shall be entitled to exercise all the powers of the Institute except such powers as are specifically reserved by the provisions of this Constitution to the Institute's Council, Annual General Meeting or Special General Meeting.
- 5.9. Without in any way limiting the powers of the Executive Committee as described in the preceding paragraph and in addition to powers given to it elsewhere in this Constitution, the Executive Committee shall have the following powers in the name of and on behalf of the Institute:
 - (a) to determine the address of the Institute;
 - (b) to apply and to use the income and the funds of the Institute to advance the objectives of the Institute;
 - (c) to receive and accept donations, grants and other moneys;
 - (d) to decide on all applications for membership and the category of membership to be awarded to an applicant;
 - (e) to prescribe the form on which an application for membership is to be submitted, provided that an application form shall not be required in the case of the awarding of special categories of membership such as Patron, Honorary President or Honorary Member;
 - (f) to issue certificates in respect of the various categories of membership;
 - (g) to issue, supplement, amend, apply and repeal by-laws and domestic rules which are binding on all members, provided that such by-laws and rules are not inconsistent with this Constitution;
 - (h) to temporarily suspend or expel a member or take other appropriate disciplinary steps if that member, in the opinion of the Executive

Committee, is guilty of misconduct or by means of acts and omissions prejudices the esteem of the Institute, and the Executive Committee shall not be obliged to give reasons for its findings or the disciplinary measures instituted;

- (i) may grant monetary loans and advances or make donations to a Regional Interest Committee or any other committee or body of the Institute or may receive such therefrom;
- (j) shall keep proper accounts and financial records of all money received and paid out on behalf of the Institute and, in so far as it may be required by the advancement of the objectives and administration of the Institute, shall have the authority to:
 - (i) to prescribe requirements for forms used for the Institute's affairs, including the application for membership, proxy, any examination and any other form used to conduct the affairs of the Institute;
 - (ii) employ, contract or remove any person (who may be a member of the Institute) as an official or employee to render services to the Institute on a full-time, part-time or casual basis and to pay them reasonable salaries, wages, honorariums, fees and travelling and other expenses according to the conditions which the Executive Committee may determine in each particular case;
 - (iii) purchase, or otherwise acquire, lease, sub-lease, hire, exchange, improve, sell, mortgage, pledge, let, dispose, or otherwise deal in property of any description whatsoever;
 - (iv) incur expenses in connection with meetings, seminars, lectures, syllabi, examinations, dinners and other social functions and activities which are incidental to the affairs of the Institute and necessary for the advancement of the objectives of the Institute;
 - (v) pay reasonable travelling subsistence and other expenses incurred in connection with the affairs of the Institute by any members of the Institute or its Council, or any officer or employee of the Institute;
 - (vi) enter into contracts and to authorise the settling of the terms and conditions and the signature of any contract or any other document as required;

- (vii) invest the funds in excess of immediate requirements with any registered financial institution or in the form of government securities or with any stock or shares listed on a registered Stock Exchange in the Republic;
- (viii) to raise or borrow or secure any sum of money or to secure the performance of any obligation in such manner and upon such terms and conditions as it deems fit and, in particular, by the execution of mortgage or notarial bonds or the issue of debenture or debenture stock charged upon all or any of the property of the Institute;
- (ix) enter into the necessary agreements and contracts in the name of the Institute and to provide or require securities in connection with any of the aforementioned transactions.
- (k) to institute legal proceedings on behalf of the Institute or its officials, employees or members in any competent court or arbitration court and may defend, withdraw or settle any litigation or legal proceedings;
- (l) to exercise any other power that may be entrusted to it by a duly constituted Annual or Special General Meeting;
- (m) to determine the amount of, manner payable and conditions relating to all subscriptions, membership fees and other fees payable, taking into account the financial position of the Institute and the strategic plan approved by Council;
- (n) to decide on the founding and composition of Regional Interest Committees or any other committee or body of the Institute which the Executive Committee deems necessary to achieve the objectives of the Institute in an effective and efficient manner and to decide on the rules that will be applicable to these committees or bodies and may supplement, amend or revoke such rules at any time and to dissolve any such committee, provided that members of committees do not have to be members of the Institute;
- (o) at its discretion, but subject to the provisions of this Constitution, take steps or let steps be taken for the advancement or attainment of the objectives of the Institute.

6 THE PRESIDENT

- 6.1 The President is a member of the Institute and shall be elected according to the provisions in this Constitution.

- 6.2 The President is elected by the members of the Institute and holds his term for a period of five years.
- 6.3 Without in any way limiting the powers and responsibilities of the President as described elsewhere in this Constitution, the President shall have the following powers and responsibilities in the name of and on behalf of the Institute:
- (a) to be responsible for the Institute's Secretariat and to appoint a Secretary;
 - (b) to prescribe the duties of the Secretary;
 - (c) to appoint a Vice-President from the members of the Council or Executive Committee;
 - (d) to convene meetings of the Council as necessary for the strategic planning of the Institute's affairs and to conduct matters which are the responsibility of the Council as described in this Constitution;
 - (e) to convene meetings of the Executive Committee as necessary for the efficient and effective running of the Institute's affairs;
 - (f) to determine the manner in which meetings of the Council and Executive Committee are held;
 - (g) to attend any of the Institute's meetings, take part in the discussions and vote on issues before the committees;
 - (h) use his powers to ask other office bearers, employees and members of the Institute to perform certain duties and tasks if needed;
 - (i) to prepare or arrange for the preparation of the financial statements of the Institute;
 - (j) to generally supervise and keep a check on the Institute's affairs;
- 6.4 The procedure and rules for the election of the President are as follows:
- (a) Only members whose membership fees are duly paid up at the time of their nomination are eligible to be elected as President of the Institute.
 - (b) A call for nomination of members to be elected as President has to be posted to members and members be given three weeks from the date the call for nomination was posted to them to submit their nomination.
 - (c) The nomination for President has to be in writing, signed by the Presidential Candidate and two members and contain at least the following information:

- (i) the full name, title, address, qualifications and professional experience of the Presidential candidate;
 - (ii) a strategic plan drawn up by the Presidential Candidate which indicates matters which will be prioritised during his term of office;
 - (iii) arrangements which have been made to accommodate the Secretariat of the Institute;
 - (iv) plans which indicate how the Presidential Candidate will ensure that the affairs of the Institute carry on uninterrupted by his taking office as President.
- (d) No member may be nominated as President unless he is a current member of the Council or the Executive Committee and has served on the Council or Executive Committee for a period of at least two years prior to his nomination as President.
- (e) The President is elected from the list of valid nominees by ballot.
- (f) Such ballot paper has to be posted to members and members be given two weeks from the date the ballot was posted to them to return the original ballot form to the Secretariat.
- (g) If only one nomination for President is received, that member is declared duly elected unopposed.

6.5 Unless specifically stated otherwise, the conditions of paragraph (4.5) apply *mutatis mutandis* to the President with regard to the vacating of the President's office.

7 EXAMINATION BOARD

- 7.1. The Executive Committee shall, with a view to assisting the Institute in the maintenance of academic qualifications, knowledge of and practical training in government auditing of its members or prospective members, appoint an Examination Board and may, issue by-laws pertaining to the composition and duties of the Examination Board and any other matter which the Executive Committee may deem necessary for its efficient functioning.
- 7.2. Members of the Examination Board need not be members of the Institute.
- 7.3. The Examination Board shall as the need arises and subject to the final approval of the Executive Committee:
- (a) compile syllabi for registered government auditors;
 - (b) compile syllabi for other training courses and programmes in accountability, auditing and government auditing in particular for persons who are taken up in any register administered by the Institute;
 - (c) when necessary, present or arrange for the presenting of accredited

courses in accountability, auditing and government auditing in particular;

- (d) evaluate courses by means of which persons may qualify for membership of the Institute;
- (e) evaluate courses in accountability, auditing and government auditing in particular by means of which persons may qualify to have their names entered for membership of the Institute;
- (f) conduct examinations in accountability, auditing and government auditing in particular or have such examinations conducted;
- (g) evaluate the training in government auditing provided by training bodies.

8 REVENUE OF THE INSTITUTE

- 8.1. The Institute shall obtain its revenue from membership fees, levies, donations, legacies, interest or dividends or other returns on investments, proceeds from the sale or leasing of assets and the conducting of lectures, seminars, conferences, examinations, meetings, syllabi, dinners and other social functions and activities which are incidental to the affairs of the Institute and necessary for the advancement of the objectives of the Institute and from any other source which is compatible with the principle that the Institute is a corporate body not for gain, provided that the Executive Committee shall take into account the autonomous and independent character of the Institute when considering the acceptance of donations and legacies.
- 8.2. The income or property of the Institute may not be distributed to its members or office bearers except as reasonable compensation for services rendered or to enable an office bearer to perform his duties as specified in this Constitution
- 8.3. No member or office bearer has any rights in the property or other assets of the Institute solely by virtue of being a member or office bearer.

9 ACCOUNTABILITY AND FINANCIAL CONTROL

- 9.1. The financial year of the Institute extends from 1 April of a particular year to 31 March of the following year.
- 9.2. The Executive Committee may apply any system of accounting provided that accounts and statements shall at all times be a fair reflection of the financial position of the Institute and the result of its operations for the period under review and that:

- (a) all receipts and payments, together with particulars identifying a transaction, are shown in the books;
 - (b) the Institute's financial transactions are conducted by means of a bank account held with any registered financial institution;
 - (c) the assets and liabilities of the Institute are clearly indicated;
 - (d) financial statements are prepared as at 31 March of each year.
- 9.3. The Executive Committee shall have the accounts and statements of the Institute audited as soon as possible after 31 March and before the Annual General Meeting of each year.
- 9.4. No person, except the Executive Committee or persons duly authorised thereto by the President or the Executive Committee and acting within the limits of such authorisation, shall have authority to accept moneys or goods or to issue receipts or sign cheques or bills on behalf of the Institute or to enter into agreements which entail liabilities for the Institute.
- 9.5. With the exception of any member of the Executive Committee, no member of the Institute or other person, unless expressly authorised thereto by the Executive Committee, shall have access to or have the right to make extracts of any of the accounts of the Institute, provided that this provision is not applicable to the audited and published financial statements.
- 9.6. The Executive Committee shall develop and maintain efficient and effective accounting controls to safeguard the assets of the Institute and prevent unauthorised liabilities.
- 9.7. The Executive Committee or its authorised nominees shall receive all moneys due to the Institute and deposit such moneys into the Institute's account at a registered financial institution.

10 MEMBERSHIP

- 10.1. Membership of the Institute shall be awarded by the Executive Committee in the following categories:
- (a) Members with franchise:
 - (i) full members;
 - (ii) honorary members.
 - (b) Members without franchise:
 - (i) corporate members;
 - (ii) trainee auditors
- 10.2. Membership shall be considered by the Executive Committee as set out in this section.
- 10.3. Corporate membership may be granted to any corporate body, firm, institution

and government body which subscribes to the objectives of the Institute. Corporate membership may also be granted to any person who does not qualify as a full member but who subscribes to the aims and objects of the Institute.

10.4. The membership of a corporate member is terminated by any of the following:

- (a) he fails to pay any moneys payable in respect of his registration and membership as corporate member;
- (b) if, in the opinion of the Executive Committee, the corporate member is no longer fit to be such member.

10.5. Trainee auditors are persons who are in the process of education and training to qualify as full members of the Institute. Trainee auditor membership may be granted if such person fulfils the following requirements:

- (a) has applied on the prescribed form to be registered as trainee auditor;
- (b) has paid the prescribed fees and subscriptions as determined by the Executive Committee;
- (c) has stated, in writing, his intention to become a full member of the Institute and to educate himself and study towards mastering the common body of knowledge and skills generally required of government auditors or described in the syllabi published by the Institute;

10.6. The membership of a trainee auditor is terminated by any of the following:

- (a) he fails to pay any moneys payable in respect of his registration and membership as trainee auditor;
- (b) he fails to provide the Secretariat with an annual progress report on his academic achievements and professional and practical experience gained in the manner required by the Executive Committee;
- (c) if the Executive Committee is satisfied that the member has discontinued his studies and/or practical training, or if he does not, in the opinion of the Executive Committee, make satisfactory progress in this regard;
- (d) he submits his resignation as trainee auditor in writing to the Secretariat;
- (e) his estate is sequestrated or he surrenders his estate for the benefit of his creditors or makes an offer of compromise to his creditors;
- (f) he is declared insane or incapable of managing his affairs;
- (g) he is convicted in the Republic or elsewhere of any criminal offence which, in the opinion of the Council, is of a disgraceful or dishonourable nature;
- (h) on the date of his death.

- 10.7. Nothing in this Constitution or in any by-laws shall be construed as conferring upon a student or corporate member any rights reserved for full, enfranchised members.
- 10.8. Full membership (enfranchised member) may be granted to any person who fulfils all of the following requirements;
- (a) has obtained a qualification equal to the syllabus as prescribed by the Institute;
 - (b) has fulfilled the examination requirements of the Institute;
 - (c) is able to apply the principles and techniques of government auditing efficiently;
 - (d) has for at least two years performed work which reflects his proficiency in government auditing;
 - (e) has been proposed and seconded by two enfranchised members to whom the candidate is well known;
 - (f) promotes the objects of the Institute.
- 10.9. A person shall cease to be a member by any of the following:
- (a) within one month after he fails to pay any subscription or moneys payable in respect of his membership and registration as government auditor;
 - (b) he fails, after receiving reasonable notice thereof in writing, to provide the Secretariat with his latest qualifications and record of practical experience or other necessary information in the manner required by the Executive Committee;
 - (c) if he fails to provide the Institute with his latest postal address, provided that should his post be returned undelivered for a period of six months, the Executive Committee be entitled to terminate his membership;
 - (d) if, in the opinion of the Executive Committee, it is clear that he has no longer any interest in advancing auditing and accountability;
 - (e) he submits his resignation as member in writing to the Secretariat;
 - (f) his estate is sequestrated or he surrenders his estate for the benefit of his creditors or makes an offer of compromise to his creditors;
 - (g) he is declared insane or incapable of managing his affairs;
 - (h) he is convicted in the Republic or elsewhere of any criminal offence which, in the opinion of the Council, is of a disgraceful or dishonourable nature;
 - (i) on the date of his death.
- 10.10. The Executive Committee shall issue to such a member a membership certificate, signed by the President and Secretary. A member to whom full membership is granted in terms of this Clause, is entitled to the designation "Registered Government Auditor" (RGA) and to indicate his membership of the Institute by writing the letters RGA after his name.
- 10.11. On termination of his membership, the membership certificate becomes null

and void and the member shall return his certificate to the Secretariat.

10.12. The Council may from time to time appoint any person who rendered special services to the Institute, or for any other reason, as an Honorary Member of the Institute.

10.13. The Council may honour persons of respect on account of their standing, knowledge or interest in the objectives of the Institute by appointing them to the offices of Patron and/or Honorary President.

11 ANNUAL GENERAL MEETING

11.1. An Annual General Meeting shall be held annually within four months of the end of every financial year at a time and place stipulated by the Executive Committee.

11.2. All members as well as the current auditor of the Institute have the right to attend an Annual General Meeting. Corporate members of the Institute are entitled to send one person who may attend as observer to an Annual General Meeting. Trainee auditors are allowed to attend as observers.

11.3. Every enfranchised member has one vote which may be cast in person or by proxy. The Executive Committee shall determine the manner in which voting by proxy takes place.

11.4. The Annual General Meeting will be held for the purposes of transacting the following business:

- (a) the consideration of the annual financial statements;
- (b) the consideration of a report by the President;
- (c) the consideration of a report by the auditors in respect of the annual financial statements;
- (d) the appointment of the Institute's auditors who may be a member of the Institute but not a member of the Council or Executive Committee, for the following year

11.5. All matters provided for in this Constitution may be dealt with at an Annual General Meeting if notice thereof has been duly given.

11.6. Notice of the place, date and hour of an Annual General Meeting shall be given in writing by the Secretary at least twenty-one days in advance.

11.7. The Secretary of the Council shall keep proper minutes of an Annual General Meeting and submit such minutes for approval and signing by the Chairman at

the next meeting.

- 11.8. No resolution passed at an Annual General Meeting shall be annulled because of the fact that a member has unintentionally not been notified of such meeting or because of the fact that he has not received such notice.
- 11.9. No business shall be transacted at an Annual General Meeting unless a quorum is present.
- 11.10. Three enfranchised members constitute a quorum at an Annual General Meeting.
- 11.11. If, within half an hour after the stipulated time for the Annual General Meeting, no quorum is present, the meeting shall adjourn to a place and date as stipulated by the members present. The enfranchised members present at such an adjourned meeting shall constitute a quorum. No notice of an adjourned meeting or of the business to be transacted at an adjourned meeting is required.
- 11.12. The President of the Institute shall preside as Chairman at every Annual General Meeting. If he is not present at the meeting or unable or unwilling to act as chairman, the Vice-President will preside, provided that in the latter's absence or unwillingness to act as chairman the members present shall elect one of their numbers to be chairman at that meeting.
- 11.13. Matters and questions arising at an Annual General Meeting shall be decided by a majority of votes of members present and the Chairman, whether on a show of hands or on a poll, shall have a second, casting vote in addition to his deliberative vote. All enfranchised members are entitled to vote and the vote will be decided by a show of hands unless, with the approval of the Chairman, before the announcement of the result of the show of hands, voting by ballot is demanded.
- 11.14. If a vote by ballot is demanded it shall be taken in a manner as directed by the Chairman, and the result of the vote by ballot shall be deemed to be a resolution of the meeting at which the vote was demanded. A demand for a vote by ballot may be withdrawn at any time.
- 11.15. The Chairman may, with the permission of each Annual General Meeting where there is a quorum, adjourn the meeting from time to time and from place to place, and he shall do so if the meeting requests him to do this. No business other than that which is not settled when the original meeting is adjourned may be transacted at an adjourned meeting. No notice of an adjourned meeting or of the business to be transacted at an adjourned meeting is required.

12 SPECIAL GENERAL MEETING

- 12.1. The President may call a Special General Meeting of members and shall call such a Meeting if petitioned to do so by the Council, Executive Committee or at least five percent of enfranchised members.
- 12.2. Notice of the place, date and hour of a Special General Meeting shall be given in writing by the Secretary at least twenty-one full days in advance. The notice shall indicate the general nature of the special business of the meeting.
- 12.3. Except in the event of a stipulation to the contrary, the provisions relating to minutes, resolutions, quorum, chairmanship and voting as provided for in this Constitution in respect of Annual General Meetings, will *mutatis mutandis* also apply to Special General Meetings.

13 LIABILITY AND INDEMNITIES

- 13.1. The Institute shall be legally bound by an act or agreement if such act is carried out or if such agreement is entered into in the name of the Institute and permission therefore has been granted by the Executive Committee and, in the case of a written agreement, such agreement has been signed by at least two members of the Executive Committee.
- 13.2. The liability of a member is limited to the payment to the Institute of any outstanding subscriptions, fees and settlement of any debt to the Institute which he may have incurred.
- 13.3. The Institute's office bearers are not personally liable for any loss suffered by any person or organisation as a result of an act or omission which occurs in good faith while the office bearers are performing functions for or on behalf of the Institute
- 13.4. Every office bearer and employee of the Institute shall be indemnified by the Institute against claims made against him in or about the execution of his duties, except claims, losses or expenses arising from his own fraud or wilful default.
- 13.5. No member or corporate member or trainee auditor shall have any claim against the Institute or against any member of the Council, Executive Committee or any committee appointed by it, or against any office bearer or employee of the Institute in respect of anything done *bona fide* by them or it in the execution of their duties.

14 DISSOLUTION OF THE INSTITUTE

- 14.1. Should the Council consider it necessary to recommend the dissolution of the Institute it shall call a Special General Meeting to consider the matter. The notice convening the Meeting shall set out the proposed resolutions of the Council, with reasons therefore. If these resolutions are accepted, the

following steps shall be taken:

- 14.2. A report notifying members of the decisions taken at the said Special General Meeting, shall be posted by the Auditor to the registered address of each member. A ballot paper calling for a mandate to dissolve the Institute shall accompany such report and shall be returned to the Auditor, within a period of sixty days from date of posting by the Auditor.
- 14.3. The Auditor shall advise the Council in writing of the results of the ballot and shall retain all ballot papers in safe custody.
- 14.4. The proposal to dissolve shall fall away unless the result of the said ballot indicates that at least two-thirds of the enfranchised members of the Institute are in favour of dissolution.
- 14.5. Should the required majority for dissolution be obtained, the Council shall proceed forthwith with the dissolution of the Institute.
- 14.6. The Council may, subject to the written approval of the Auditor in each case, realise the assets of the Institute and use the funds to meet the liabilities of the Institute.
- 14.7. Any funds and/or other assets remaining after all liabilities and commitments of the Institute had, upon dissolution, been met shall be distributed to or amongst such kindred or related associations, bodies, institutes or institutions with objects similar to those of this Institute, including educational institutions but excluding individual members or firms or companies controlled by members, as the Council shall determine.
- 14.8. In all matters not specifically provided for in this Clause, the Council may take such lawful actions as are conducive or incidental to the dissolution of the Institute.

15 AMENDMENTS TO THE CONSTITUTION

- 15.1. Any provision contained in this Constitution, with the exception of the Clause on the Dissolution of the Institute, may be amended by an ordinary majority of votes of members at an Annual General Meeting or a Special General Meeting provided that the proposed amendment and, if necessary, the reasons therefore and the implications thereof are set out in full in the notice that convenes the meeting.
- 15.2. The acceptance by an Annual General Meeting of an amendment on a proposed amendment of the Constitution shall not be precluded and such amended proposal may be brought to a vote at the same meeting, if, in the opinion of the Chairman whose decision in this regard shall be final, the proposed amendment does not in a material respect raise matters which had not been involved in the original proposal.
- 15.3. The Council shall not be compelled to put a proposed amendment to the Constitution on the agenda of an Annual General Meeting unless the proposed amendment has been submitted to the Council at least ninety days before such meeting.

16 INTERPRETATION OF THE CONSTITUTION

- 16.1. Any matter for which provision has not been fully made in this Constitution or in respect of which uncertainty exists as to the interpretation thereof, shall be decided by the Council.

17 TRANSITIONAL ARRANGEMENTS

- 17.1. To ensure the continued and uninterrupted operations of the Institute the current office bearers shall hold their positions as members of the Council and Executive Committee as if duly elected or appointed for a full term of office in terms of the provisions of this Constitution, provided that the office of President shall be filled in accordance with the provisions of Clause 6 as soon as possible after the Constitution is accepted.
- 17.2. For purposes of determining the period for which current Council members hold their office, the Annual General Meeting referred to in Clause 4.3 shall be construed as being the last Annual General Meeting held on 23 July 1999.
- 17.3. This paragraph is for transitional purposes only and can be removed from the Constitution if no longer applicable or necessary without following the provisions of Clause 15.