

SAIPA CE - Truth vs False and Misleading Narratives [OPEN LETTER]

Introduction

Since my suspension on **November 27, 2023**, 10 months ago I have refrained from commenting to avoid contravention of my suspension conditions. However, I will now clarify the one-sided narrative. From 26 **September 2024**, I am prohibited from responding to any further communication from the SAIPA Board regarding the outcome of the disciplinary process and my dismissal as SAIPA's Chief Executive. My legal team has been fully apprised of the situation and is reviewing the entire matter. Both the disciplinary process and the dismissal itself will be challenged. This document serves to provide an outline of key facts, events, and irregularities that have taken place since the SAIPA Board's appointment which will be expanded upon in future legal proceedings.

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Board Irregularities: A Detailed Timeline

This timeline highlights specific irregularities, unconstitutional conduct, and breaches of governance by the SAIPA Board. These actions are significant not only for their procedural failings but also because they represent a broader pattern of misconduct and failure to act in accordance with SAIPA's constitution and ethical standards, most of it included in my Protected Disclosure submission to the Board that has been disregarded.

Audit Committee Chair - Doris Dondur (DD)

- **19 January 2023:** During a Special Board Meeting, the Board allocated its members to various sub-committees. Doris Dondur (DD) was appointed Chair of the Audit Committee. Upon her appointment, she made an alarming statement, declaring that she intended to "frustrate management."
- **15 March 2023:** At the first Audit Committee (AC) meeting, DD offered compliments to MANCO for its performance and the thoroughness of its reporting. This positive feedback is well-documented in the meeting minutes and the recording.
- **23 March 2023:** DD presented her report of the AC meeting to the Board. In this report, she misrepresented key elements of what transpired during the meeting, specifically regarding the "**internal control statement**". MANCO raised strong objections to this misrepresentation and demanded that the report be amended to reflect the true nature of the discussion. Following this, DD was forced to make changes to her report.
- **May 2023:** Throughout May, there were an adversarial engagements from DD and on three separate occasions, I, as CE, had to intervene to correct inaccuracies and misrepresentations in her Annual Audit Committee Report. Furthermore, DD manually made handwritten changes to the AIR, the vast majority of which were unsuitable and did not contribute to the integrity of the report.
- **14 July 2023:** DD resigned with immediate effect from her position as Audit Committee Chair following the submission of my **30-page Protected Disclosure Submission**, which included 154 pages of supporting evidence.

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- **July 2023:** Despite DD's resignation, the Board **unconstitutionally** reappointed her as Audit Committee Chair in direct violation of SAIPA's constitution. **DD was therefore NOT a Board Member properly appointed and not in a position to make and vote on decisions**
- **11 October 2023:** During the SAIPA Board Strategic Training Session, DD misled the Board by presenting her MBA thesis on strategy, which she completed more than 30 years ago and stated that "nothing has changed ever since"
- **12 October 2023:** DD misled the Board by falsely stating that MANCO was required to submit a "financial rationale" before the Board could consider the proposed strategy. MANCO objected, but eventually conceded to provide the requested financial rationale. Despite this, when MANCO submitted the rationale for approval, the Board did not engage with it and summarily rejected the strategy without considering the financial rationale, a move that further demonstrated the Board's disregard for due process.
- **03 May 2024:** The Board issued a "Call for Nominations" for the position of Independent Board Member and Chairperson of the Audit Committee. This was a highly irregular action, as there was no vacancy for the Audit Committee Chair position at that time. The position was still occupied by DD, albeit unconstitutionally.
- **24 June 2024:** At the SAIPA AGM, DD continued to serve unconstitutionally on the Board and, in her capacity as Audit Committee Chair, responding to members' questions. The Board Chair, in an attempt to legitimise DD's reappointment, informed the membership that only one nomination had been received in response to the **May 3rd Call for Nominations**, which was for DD. However, this assertion was misleading as there was technically no vacancy for the position. The process was an attempt to cover up the unconstitutional actions taken by the Board in July 2023.
- **AGM Outcome:** During the AGM, the members voted against DD's reappointment. Arising out of her conduct and the manner in which she attempted to answer questions displaying her limited understanding of technical accounting and auditing standards. Following the vote, DD stormed out of the meeting, audibly swearing as she left. The Board Chair tried to appease and pacify DD as she exited the room singing her praises for her contribution to the Board and its functioning, This behaviour was witnessed by members present, who expressed their concern over how a Board member acted in decorum yet members who were warned of acting with decorum prior to the AGM.
- At the AGM, Chairperson promised members to have an SGM, to date nothing happened.
- Despite her resignation in **July 2023**, DD was a signatory to the **suspension notice** for the CE and COE, which was issued on **November 27, 2023**, further exacerbating concerns about her role and conduct within the organization.
- **PS. The two bullets re the 2024 AGM was shared with me by a number of members present at the AGM.**

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CE Protected Disclosure Submissions to the Board (these are available)

On 14 **July 2023**, I submitted a comprehensive **30-page report** detailing numerous irregularities committed by the SAIPA Board. This submission was supported by **154 pages of evidence**, which

included documented instances of ethical misconduct, breaches of constitutional governance, and examples of professional misrepresentation by key members of the Board, including DD.

As part of my professional work, I was honoured by the **Institute of Chartered Accountants of India (ICAI)** to serve on their **2023 Annual International Research Awards**, and subsequently, I was **appointed as the Chairman of the Panel**. This panel has been active since **1951** and represents one of the most prestigious roles in the accountancy profession. Furthermore, I was invited to present on the topic of **“Embracing Generative AI in Accounting and Finance”** at ICAI’s inaugural **Global Professional Accountants Convention (GloPAC)**, which took place in **November 2023**.

While in India for the GloPAC convention, I sent my second CE Protected Disclosure Submission on **26 November 2023** - a day before a scheduled SAIPA Board Meeting. This Submission consisted of a **10-page report**, supported by **20 pages of evidence**, documenting further irregularities and unethical conduct by the Board. Less than 24 hours later, on **27 November 2023**, I, along with the COE, was suspended based on a report from **Malatji & Associates Attorneys**. To date, neither I nor the COE have been provided with access to this report, despite multiple formal requests.

Malatji & Associates were originally mandated to provide an independent opinion on my first CE Protected Disclosure Submission and the **Boardvisory Report**. However, at no point were either I or the COE approached by Malatji & Associates for clarification, nor were we interviewed during the preparation of their opinion report.

SAIPA SEC Instructions to the Board

Late in the afternoon on **14 July 2023**, the SAIPA Board Chair requested a **Special Board Meeting**, which was scheduled for **15 July 2023**, at 08:00. This meeting was called specifically to address the CE Protected Disclosure Submission, and after extensive deliberations, the Board resolved that the matter should be referred to the **SEC oversight sub-committee** for advice and guidance. The SEC at the time was chaired by a highly respected SEC professional with a proven track record of competence and integrity.

The SEC convened an urgent meeting and submitted its report to the Board on **20 July 2023**. The SEC resolved that **Boardvisory** should handle the CE Protected Disclosure Submission as part of their assignment. The SEC further resolved, that if Boardvisory failed to adequately address the issues raised in my CE Protected Disclosure Submission, then the Board must appoint an independent firm to conduct a forensic investigation into the matter. This recommendation was ignored, and the forensic investigation was never implemented.

On **1 September 2023**, without any consultation with myself or the COE, the Board decided to send both my CE Submission and the Boardvisory Report to a legal firm for an opinion, rather than conducting the forensic investigation recommended by the SEC. The Board appointed **Malatji & Associates** for this task without following SAIPA SCM policy and procedures. To date, the opinion has been withheld from me, despite my requests for access.

Whistleblowing and Professional Conduct Committee

The SAIPA SEC serves as the custodian of the organization's **Whistleblowing Policy**, with the SEC Chair overseeing all whistleblowing cases. The SEC Chair is a highly competent professional who has

conducted his duties with integrity throughout his tenure. I wish to formally acknowledge and commend the SEC Chair for his leadership and ethical handling of whistleblowing cases within SAIPA.

However, in **December 2023**, the SEC Chair resigned following my suspension, citing concerns about the Board's actions, particularly regarding the suspension of the CE. Furthermore, at the AGM (June 2024) the SAIPA Chair was asked specifically for the reason why the independent SEC had resigned and her response to the members was "due to reputational risk and as a result of the suspension of the CE". – ***This was shared with me by a number of members present at the AGM.***

Following his resignation, I became aware of two whistleblowing cases that had been submitted against the SAIPA Board. Additionally, I was made aware of several **Professional Conduct cases** that had been filed against Board members who are also SAIPA members. Of the nine non-executive directors (NEDs) on the SAIPA Board, seven are members of SAIPA, and thus subject to its professional conduct oversight.

Despite these complaints, the whistleblowing process within SAIPA has been severely compromised under the leadership of the Acting CE and COE. This failure has undermined the integrity of the process and has allowed serious allegations to go unaddressed.

The SAIPA Chair in one of her many update communications to SAIPA members made specific mention that the BOARD was reported to DSD and SAQA. Therefore, in terms of clause 3.4.18.1 of the SAIPA Constitution, the Board is not in Good Standing.

Operational and Staff Matters

- Since 27 November 2023, six senior staff members are suspended.
- Since my suspension, several SAIPA staff members have confidentially contacted me to express concerns about the toxic work environment, reports on intimidation, bullying, and heavy handedness under the Acting CE and COE. Three staff members filed grievances with the Chairperson of the Board. To date, none of these grievances have received a response.
- Three senior staff members resigned, citing harassment and mistreatment as well as valuing their mental health as priority as the primary reasons for their departure.
- The CPD service offering has been severely disrupted, with CPD sessions being cancelled at the eleventh hour, creating chaos and confusion.
- Several service providers were not paid for their work. In one instance, a service provider temporarily shut down one of SAIPA's systems due to non-payment, leaving staff unable to perform their duties for several hours. However, the message from the SAIPA chair is that its business as usual.

Additionally, despite being a **member in good standing**, I was refused entry to a SAIPA CPD session and was escorted out of the building by security.

Other Matters

In **April 2023**, a current SAIPA Board member approached me privately to borrow money. Out of kindness, I agreed to lend the funds, and it was promised, it would be repaid promptly. To date, the loan remains outstanding.

On **08 June 2024**, I received a letter from the SAIPA Board Chair threatening to bar me from attending the SAIPA AGM on **24 June 2024**. The letter went so far as to state that if I attempted to attend the AGM, I would be escorted out by security. This threat was made despite the fact that I was, and remain a **member in good standing** with SAIPA.

Conclusion

I reserve all legal rights regarding these matters and will provide additional information as appropriate during the course of future legal proceedings.