



# **COMPANIES TRIBUNAL (CT) PRESENTATION TO THE PORTFOLIO COMMITTEE ON TRADE AND INDUSTRY**

**1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Performance Report  
2021/22**



## CT EXECUTIVE TEAM

1. Dr. Mohamed Alli Chicktay  
Chairperson: Companies Tribunal
2. Ms 'Maletlatsa Monica Ledingwane  
Chief Operations Officer
3. Ms Bridget Ramugadi  
Chief Financial Officer

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# 1. BACKGROUND AND MANDATE

## 1.1 Establishment:

- a) Companies Tribunal (CT) was established in under section 193 of the Companies Act, 2008,
- b) Started operating in September of 2011.

## 1.2 Independence: Subject to constitution and law.

## 1.3 Mandate in terms of Section 195:

- a) adjudication,
- b) dispute resolution through ADR and Perform,
- c) any other function assigned by Act or in Schedule 4

## 1.3 Vision: The preferred adjudicatory and alternative dispute resolution forum that contributes to the promotion of fair and ethical business practices

## 1.4 Members: Required=11.Current is 8 Chair & Members

## 1.6 Staff Compliment:

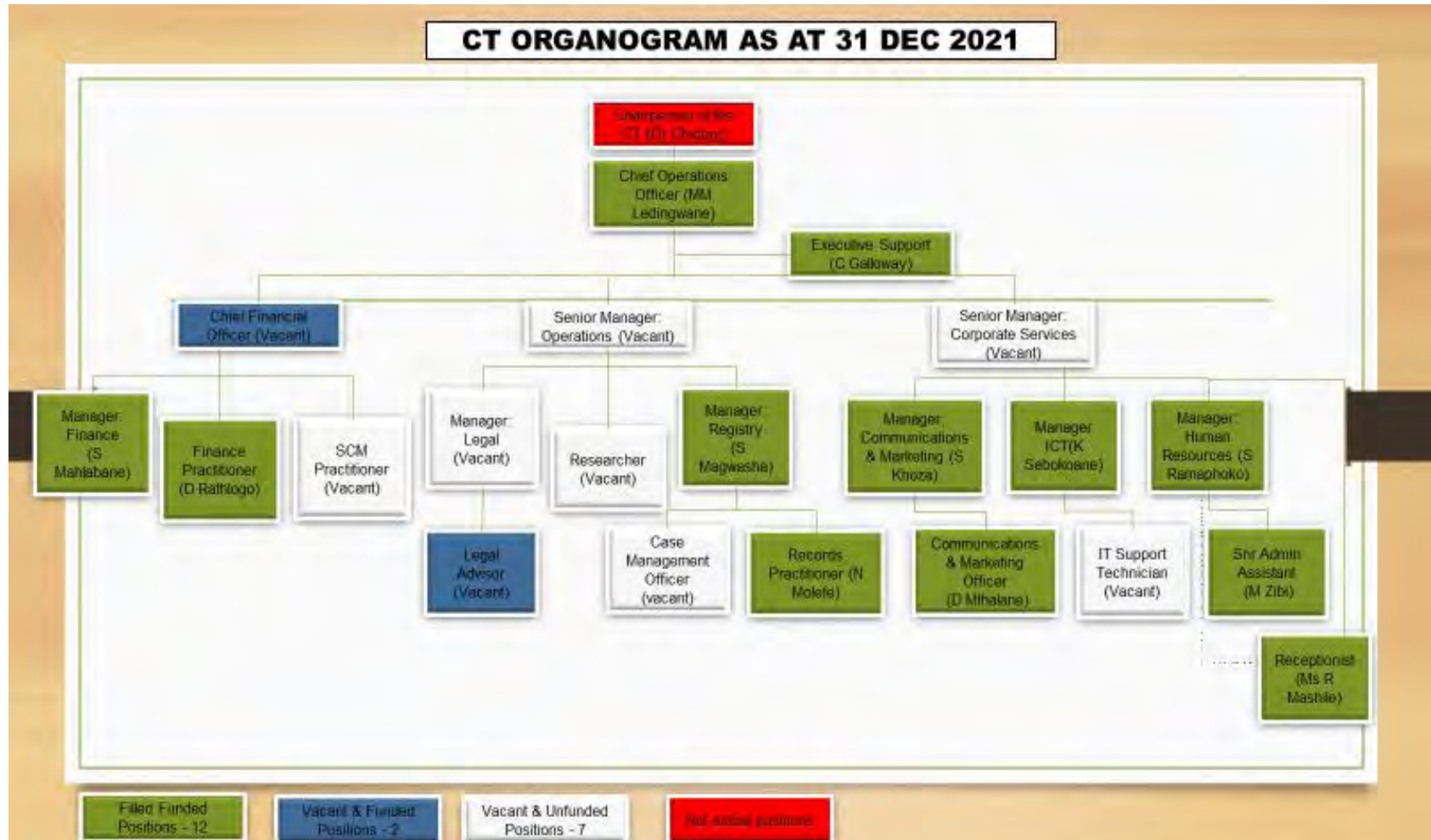
**Approved = 21** (per organogram)

**Funded = 14**

**Current = 12.**

# 2. ORGANOGRAM

**CT ORGANOGRAM AS AT 31 DEC 2021**





## 3. BENEFITS OF THE TRIBUNAL'S SERVICES

1. Cost effective compared to litigation - No cost & no need for legal representation
2. Informal and flexible
3. Advantages of ADR:
  - a.) Preserve business relationship that are critical to sustain business operations- not acrimonious
  - b.) Parties control the outcome of the case and thus limit financial risk and the risk of uncertain outcomes associated with litigation
  - c.) Manage reputational risks - confidential
  - d.) Mutually beneficial settlement agreement – not imposed
  - e.) Settlement can be made an order of court- save time and cost

## 4. TOTAL AND NATURE OF CASES HANDLED

Nature of cases	2016/17	2017/18	2018/19	2019/20	2020/21
Access to records	0	0	0	0	0
Change to the financial year end	0	0	0	0	0
Company restoration	0	0	0	0	0
Review of compliance notice	9	8	2	5	1
Directors' dispute	27	30	35	54	39
Extension of time to prepare Annual Financial Statements	3	0	0	0	0
Extension of time to convene AGM	14	9	4	14	39
Holding of an AGM	0	1	1	0	0
Name disputes	180	178	168	123	105
Outstanding information	0	0	0	0	0
Review of CIPC decision	6	2	6	2	1
SEC (S 72) (5)	29	24	28	24	34
S 2(3) exemption	1	0	0	0	3
S 6(2) exemption	2	2	0	0	0
Substituted service	1	0	0	1	0
Variation of an order	0	0	0	0	2
<b>TOTAL</b>	<b>272</b>	<b>254</b>	<b>244</b>	<b>223</b>	<b>224</b>

## 5. ANNUAL PERFORMANCE PLAN 2021/22 OUTPUTS

Achieve set targets of:

1. Programme 1: Adjudication
  - 1.1 Issuing of decisions within 40 and 30 days
  - 1.2 Finalisation of disputes within 25 days
  - 1.3 Increase user uptake of the Case Management System (CMS)
  
2. Programme 2: Administration
  - 2.1 Capacity building
  - 2.2 Stakeholder Engagements
  - 2.3 Seminar
  - 2.4. Research
  - 2.5 Procurement to promote transformation and empowerment of designated groups.



## 6. KEY HIGHLIGHTS OF THE QUARTER 3

### 1) On Programme 1 Adjudication:

#### a) Targets:

- i. 100% of opposed cases were finalized within the planned 40 days (Target=93%)
- ii. 95% unopposed cases were finalized within the planned 30 days (Target=93%)
- iii. All (100%) ADR cases were finalized within the planned 25 days (Target=95%)

**b) Legal Representation:** of the 61 application received only 15 application were filed through attorneys.



# KEY HIGHLIGHTS (continued)

## 2) On Programme 2: Administration

- Discussions on assignment of more functions in terms of Companies Act (Schedule 4)
- Stakeholder Engagement: Webinar held with B-BEE Commission and CIPC

## 3) Financial Management

- a) Achieved clean audit report for the fifth consecutive year
- b) 100% compliance with Cost Containment Instruction of National Treasury
- c) Strategic risks identified and properly managed
- d) No irregular expenditure incurred
- e) 100% Suppliers paid 30 days

## 7. MANAGEMENT OF CASES QUARTER 1, 2 AND 3

<b>i. NEW Vs OLD</b>	<b>Q 1</b>	<b>Q 2</b>	<b>Q3</b>	<b>Total YTD</b>
<b>Applications brought forward</b>	112	121	145	N/A
<b>New applications received</b>	65	65	61	191
<b>Total applications: Quarter end</b>	177	186	206	N/A

<b>i. Per Application Type (New)</b>	<b>Q 1</b>	<b>Q 2</b>	<b>Q3</b>	<b>Total YTD</b>
<b>Extension of time to convene AGM</b>	6	3	4	13
<b>Directorship disputes</b>	8	18	16	42
<b>Name disputes</b>	39	31	27	97
<b>Review of CIPC decisions</b>	1	5	1	7
<b>Rescission</b>	0	-	0	0
<b>Compliance notice</b>	2	2	5	9
<b>Exemption from establishing SEC</b>	9	6	5	20
<b>Extension of time to prepare annual financial statement</b>	0	0	1	1
<b>Substituted service</b>	0	0	2	2
<b>Total applications: Quarter end</b>	65	65	61	19

# MANAGEMENT OF CASES QUARTER 1, 2 AND 3

<b>iii. PER APPLICATIONS STATUS</b>	<b>Q 1</b>	<b>Q 2</b>	<b>Q3</b>	<b>Total</b>
<b>Pending finalisation</b>	116	122	138	N/A
<b>Decided</b>	28	29	47	104
<b>Postponed sine die</b>	1	3	3	N/A
<b>In settlement discussions</b>	2	2	2	N/A
<b>Withdrawn</b>	2	2	1	5
<b>Closed</b>	8	8	3	19
<b>Allocated (pending-with members)</b>	19	20	11	N/A
<b>In deregistration process</b>	1	1	1	N/A
<b>Reinstated cases</b>	0	0	-	N/A
<b>Total</b>	177	187	206	N/A

# MANAGEMENT OF CASES QUARTER 1, 2 AND 3

## Alternative Dispute Resolution (ADR)

<b>NEW VS OLD</b>	<b>Q 1</b>	<b>Q 2</b>	<b>Q3</b>	<b>Total</b>
<b>Applications brought forward</b>	11	13	21	N/A
<b>New applications received</b>	8	9	10	27
<b>Total applications</b>	19	22	31	72

<b>PER APPLICATIONS STATUS</b>	<b>Q 1</b>	<b>Q 2</b>	<b>Q3</b>	<b>Totals</b>
<b>Finalised</b>	2	2	4	8
<b>Withdrawn</b>	0	0	0	0
<b>In settlement discussion</b>	0	0	0	0
<b>Awaiting final dates from parties</b>	16	20	22	58
<b>Closed</b>	1	-	5	6
<b>Total</b>	19	22	31	N/A



# 8. PROGRESS AGAINST MILESTONES

## 8.1 ADJUDICATION

Output	Output Indicator	Annual Target	Quarterly Target	1 <sup>st</sup> Qtr Achieved	2 <sup>nd</sup> Qtr Achieved	3 <sup>rd</sup> Qtr Achieved
<b>Adjudicated Applications</b>	Percentage of decisions and orders issued within <b>40</b> working days after the final date of the hearing or final submission by parties, whichever is applicable	<b>93%</b> of decisions and orders issued within <b>40</b> working days after the final date of the hearing or final submission by parties, whichever is applicable	93%	100% (24/25)	100 (6/6)	100% (6/6)
	Percentage of decisions and orders issued within <b>30</b> working days after the date of the allocation or final submission by parties, whichever is applicable	<b>93%</b> of decisions and orders issued within <b>30</b> working days after the date of the allocation or final submission by parties whichever is applicable	93%	100% (3/3)	96% (22/23)	95% (39/41)
<b>Resolved Disputes</b>	Percentage of cases finalised in terms of Alternative Dispute Resolution (ADR) within <b>25</b> working days after the date of final hearing or final submission by parties, whichever is applicable. <b>Finalised</b> refers to instances where certificate of failed ADR has been issued, consent order issued of withdrawal of the matter by either party, settlement agreement reached by both parties or mediation report issued by the Tribunal Member(s)	<b>95%</b> of cases finalised in terms of ADR within <b>25</b> working days after the date of final hearing or final submission by parties whichever is applicable	95%	100% (2/2)	100% (2/2)	100% (4/4)
<b>Functional, efficient and user-friendly electronic Case Management System to assist in ease of doing business</b>	Percentage of user uptake of the electronic Case Management System	50%	50%	31% (20/80)	28% (16/58)	39% (17/44)

## 8. PROGRESS AGAINST MILESONES

### 8.3 HUMAN RESOURCES

	Quarter 1	Quarter 2	Quarter 3
Approved and funded	14	14	14
Filled	14	12	12
Vacant and funded	0	2	2

# 8. PROGRESS AGAINST MILESTONES

## 8.3 STAKEHOLDER ENGAGEMENTS

Engagements	Quarter 1 (April – June)	Quarter 2 (Jul – Sep)	Quarter 3 (Oct – Dec)
Target	2	2	2
Marketing of CT Services especially ADR & CMS	<ul style="list-style-type: none"> <li>1) Engagement with uMlalazi Local Municipality</li> <li>2) Engagement with uMhlathuze Local Municipality</li> <li>3) Online adverts on Business Day,</li> <li>4) Financial Mail &amp; Times Live</li> <li>5) Billboard on N1 North (New Road &amp; Olifantsfontein) highlighting Tribunal services</li> </ul>	<ul style="list-style-type: none"> <li>1) Harvey Nortje Wagner &amp; Motimele Attorneys, Nkangala (MP)</li> <li>2) Neumann Van Rooyen Attorneys, Lejweleputswa (FS)</li> <li>3) Nyapotse Inc, Lejweleputswa (FS)</li> </ul>	<ul style="list-style-type: none"> <li>1) 1.BLC Attorneys, Nelson Mandela Bay (EC)</li> <li>2) 2.Padgens Attorneys, Nelson Mandela Bay (EC)</li> <li>3) 3.Matlala Inc, Sekhukhune District, (LP)</li> <li>4) 4.Mr Angelo De Villiers, Nkangala, (MP)</li> <li>5) 5.IoDSA, (GP)</li> <li>6) 6.UFS Guest Lecture (FS)</li> <li>7) 7.Joint Webinar with CIPC and BBBEE Commission</li> </ul>
Total	5	3	7





# STAKEHOLDER ENGAGEMENTS (CONT.)

## Media Engagements

Radio Activities	Q 1	Q 2	Q3
<b>Target</b>	N/A for Q1	One Radio activity	N/A for Q3
<b>Achievements</b>	28 Live reads: SAFM Two radio interviews conducted on SAFM	Two interviews held on SAFM & Power FM. One Live reads on SAFM	One radio interview on You FM
	28	3	1

## Seminar

Seminar	Q 1	Q 2	Q 3
<b>Target</b>	Draft a detailed proposal (approved)	Incorporate inputs, obtain approval of proposal/topics/speakers	Send Invites to all stakeholders & confirm venue
<b>Achieved</b>	Achieved	Achieved UJ agreed. Awaiting confirmation.	Not achieved Only venue booked.

## Research

Research	Q 1	Q 2	Q 3
<b>Target</b>	Creating and gathering of milestones	Meeting relevant stakeholders and producing the first draft	Consolidation of inputs and further consultation & first draft
<b>Achieved</b>	Not Achieved	Not Achieved	Not achieved (Q1& 2 Milestones achieved)



# STAKEHOLDER ENGAGEMENTS (CONT.)

## Quarterly Bulletins

Quarterly Bulletin *Not part of APP*	Q1	Q2	Q3
	1 bulletin	1 bulletin	1 bulletin
<b>Total</b>	1	1	1

## Media Engagements

Statements (LinkedIn/ Twitter)	Q 1	Q 2	Q3
<b>Target</b>	1 Media statement released	N/A for Q2	1 Media statement released
<b>Achievements</b>	One article published on social media	Published: <ol style="list-style-type: none"> <li>Name disputes case highlights on website &amp; social media</li> <li>Virtual meeting with H. Nortje Attorneys</li> <li>A video clip on reasons for establishment of CT</li> <li>Power FM interview</li> </ol>	Published: <ol style="list-style-type: none"> <li>Benefits of Tribunal to attorneys: website &amp; social media</li> <li>Joint webinar invitation</li> <li>Co. Amendment Bill,</li> <li>Online advert on social media</li> <li>Video clip on who CT services on social media</li> </ol>



## 9. FINANCIAL SUMMARY

- The Companies Tribunal spent 74% of the budget by end of third quarter
- Forecast to spend the remaining budget in the forth quarter
- Increased baseline to improve support and maintenance of the case management and also enhance marketing and communication initiatives
- Insufficient funds to fill vacant positions

## 10. BUDGET SPENT PER PROGRAMME

Per Programme	Budget	Budget	Quarter 1	Quarter 2	Quarter 3	Total	(Over)/under expenditure
	Annual	To-date	Actual	Actual	Actual	Actual	
	000	000	000	000	000	000	000
Administration	20 001	15 001	4 539	4 632	4 956	14 127	- 874
Adjudication	2 532	1 899	822	878	1 087	2 787	888
	<b>22 533</b>	<b>16 900</b>	<b>5 361</b>	<b>5 510</b>	<b>6 043</b>	<b>16 914</b>	<b>14</b>

## 11. REVENUE COLLECTION PER QUARTER

Source of revenue	Budget	Budget	Quarter 1	Quarter 2	Quarter 3	Total	(Over)/under collection
	Annual	To-date	Actual	Actual	Actual	Actual	
	000	000	000	000	000	000	000
Government grant	17 313	17 313	-	6 925	6 925	10 388	
Interest received	420	120	33	12	45	75	
Other income	4 801	1 529	510	510	509	1 529	-
	<b>22 534</b>	<b>18 962</b>	<b>510</b>	<b>543</b>	<b>7 446</b>	<b>8 499</b>	<b>10 463</b>



# 12. EXPENDITURE PER QUARTER

EXPENDITURE							
	Budget	Budget	Quarter 1	Quarter 2	Quarter 3	Total	
	Annual	To-date	Actual	Actual	Actual	Actual	(Over)/under
	000	000	000	000	000	000	000
<b>Employee related cost</b>	14 958	11 221	2 826	3 009	3 060	8 895	2 326
<b>Operating expenses</b>	3 190	2 499	1 279	860	1 006	3 145	- 646
<b>Administrative expenses</b>	1 102	882	499	630	232	1 361	- 479
<b>External Audit fees</b>	515	471	-	513	-	513	- 42
<b>Depreciation and Amortisation</b>	277	208	48	48	56	152	56
<b>Tribunal Members fees</b>	2 492	1 869	709	823	1 045	2 577	- 708
	<b>22 534</b>	<b>17 150</b>	<b>5 361</b>	<b>5 883</b>	<b>5 399</b>	<b>16 643</b>	<b>507</b>

# 13. FINANCIAL PERFORMANCE

## Q1 – Q3

	2021/2022	Budget		2021/2022	2021/2022	2021/2022	
	Budget for	Available for		Actual	Budget	Variance	Percentage
	the full year	rest of the year		December 2021 YTD	December 2021 YTD	December 2021 YTD	Variance
	R	R		R	R	R	%
DTI grant received	17 313 000		- 000	17 313	17 313 000	-	0%
Revenue in kind	5 539 274	819	4 009	456 1 529	1 529 456	-	0%
Interest received - Current account	140 000	906	137	094 2	105 500	406 -103	-98%
Interest received - Investment account	280 000	353	162	647 117	205 000	353 -87	-43%
<b>TOTAL REVENUE</b>	<b>23 272 274</b>	<b>078</b>	<b>4 310</b>	<b>196 18 962</b>	<b>19 152 956</b>	<b>759 -190</b>	<b>-1%</b>
Employee related cost	14 958 234	789	5 533	560 8 895	11 220 926	366 -2 325	-21%
Operating expenses	3 189 922		43 828	094 3 146	2 498 881	212 647	26%
Administrative expenses	1 101 502	577	-529	079 1 631	881 936	144 749	85%
External Audit fees	515 137	000	2	137 513	470 570	567 42	9%
Depreciation and Amortisation	277 000	814	124	186 152	207 750	564 -55	-27%
Computer equipment	160 000		46 893	107 113	120 000	893 -6	-6%
Tribunal Members fees	2 492 432	145	-84	577 2 576	1 869 324	253 707	38%
<b>Total Expenditure</b>	<b>22 534 227</b>	<b>709</b>	<b>5 090</b>	<b>633 16 914</b>	<b>17 149 387</b>	<b>754 -234</b>	<b>-1%</b>

## 14. FINANCIAL MANAGEMENT SUMMARY

CATEGORY	QUARTER 1	QUARTER 2	QUARTER 3
Budget spent (cumulative)	24%	50%	74%
Irregular, fruitless and wasteful expenditure	Nil	Nil	Nil
Payment of suppliers	100% within 30 days	100% within 30 days	100% within 30 days





## 15. CHALLENGES

- a) Funding/Budgetary Constraints
- b) Declining number of cases
- c) Limited Mandate challenges
- d) Facilities
- e) External dependencies



Companies Tribunal

a member of **the dti** group

**Thank you!**