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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 718

Mr D R Ryder (Gauteng: DA) to ask the Minister of Trade, Industry and Competition:

1) With reference to the regulations underpinning the Companies Act, 2008 (Act No. 71 of 2008), particularly in terms of the utilised scoring system and audit thresholds, when last were the scoring system and audit thresholds utilised for calculating the Public Interest Score reviewed;
2) Whether any reviews are currently underway; if not, what is the position in this regard; if so; (a) when is an announcement amending such thresholds expected, (b) when will the thresholds be reviewed and (c) what are the further relevant details? CW864E

REPLY:

1) The Public Interest Score is prescribed in terms of Section 29(4) of the Companies Act, 2008 (Act 71 of 2008) and Regulation 27 of the Companies Regulations, 2011 to set financial review and audit thresholds for companies. Public Interest Score is a statutory calculation for South African public, private, state owned and personal liability companies and close corporations to determine the level of financial accountability and reporting oversight for those companies. The calculation considers variables based on number of employees, annual turnover, third-party liabilities and number of shareholders or members. A higher score has the potential of a higher compliance and reporting requirements.

   The current Public Interest Score was implemented on 1 May 2011 by way of the implementation of the Companies Act, 2008 as well as the Companies

Regulations, 2011. The Public Interest Score has not been reviewed since the implementation of the Companies Act and the Regulations.

2) The Companies Act, 2008 has currently been amended by the Companies Amendment Act, 2024 (Act 16 of 2024). The Companies Amendment Act came into force on 27 December 2024. The process to review the Companies Regulations, 2011 to implement some of the provisions of the Companies Amendment Act is currently underway. This process is including the review of the Public Interest Score in the Regulations.

(a) The process to review the Companies Regulations including the Public Interest Score in the Companies Regulations is a legislative process which will involve publication of draft regulations for public comment, review in line with public comments and final issuing of notice by Minister and publication thereof. No date of final publication can be determined at this stage.

(b) As indicated above, the process to review the thresholds by way of amending the Public Interest Score is underway.

(c) There are no further relevant details that can be indicated.

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