



# DRD CONSULTING E-MAIL NEWSLETTER

1 JUNE 2017

[www.drdconsulting.co.za](http://www.drdconsulting.co.za)

Where do you want to spend time;

**HERE?**



*"Are your company records up to date?"*

*The Companies Act 71 of 2008 requires ALL companies to maintain their company records. Contact us for more information; [leon@drdconsulting.co.za](mailto:leon@drdconsulting.co.za)*

Or

**HERE?**

ROELAND STREET PRISON



## SHARE CERTIFICATE

Certificate Number: 1  
Number of Shares: 500

Company Name: Company Name (Pty) Ltd  
Registration Number: 2015/00000000

The above share is registered in the books of South Africa.

Company Street address: Company Street address  
1 Linder Street, Johannesburg, 2008  
PO Box 100, Johannesburg, 2008

This is to certify that John Doe  
with ID number: 000000000000000000  
at street address: 2 St John Street, Johannesburg, 2008

is the registered holder of 500 fully paid common shares with no par value.

200 shares are reserved and recorded in the company's share register on every occasion, subject to the memorandum of incorporation and the laws and regulations of the company.

Date of issue: 11 May 2015  
Place of issue: Johannesburg

Signed as authority:

DIRECTOR \_\_\_\_\_ DIRECTOR \_\_\_\_\_

COMPANY SECRETARY \_\_\_\_\_





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## TAX FREEDOM DAY

### HOW MANY DAYS ARE YOU WORKING FOR SARS

In the last few years in particular we have been aware of tax increases. The Free Market Foundation measures how many days in a year it takes to pay our taxes (taking total taxes over total earnings – obviously in reality we pay taxes monthly, or twice-yearly for provisional taxpayers).

Compared to last year, it will take us two more days to pay tax – on 22 May we will have settled our owing to SARS and only from the 23rd will we work for ourselves. That's 142 days (4 months and 22 days) we've worked for the taxman.

"Tax Freedom" Day gets later every year ...

Since 1994, the number of days taken to pay tax has risen by 29 days – if we stick with the current trends, it means that each successive generation will work one extra month to pay tax.

Is this good or bad?

It depends how government is spending its money. If the money is going on infrastructural projects that will increase productivity, this will increase economic growth over the medium term. In South Africa's case the major trend has been the increase in the number of civil servants employed. Since 2009 our debt to Gross Domestic Product (GDP) has doubled which has put the country under unnecessary pressure and is one of the factors that alarms rating agencies.

Where to now?

### **Shares and Share Registers**

Non-Listed companies are required to keep a register of Shares issued and all transactions relating to the transfer or sale of shares.

**"Are your Share Registers up to date?"** For more information, contact us at [leon@drdconsulting.co.za](mailto:leon@drdconsulting.co.za) or [dot@drdconsulting.co.za](mailto:dot@drdconsulting.co.za)





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One of the issues that worried former Finance Minister Gordhan was the sudden decline in “tax buoyancy” which measures how revenue collections respond to changes in national income. For example, tax buoyancy would be positive if GDP rose by 1% and revenue collections increased by 2%. In the 2016/17 year SARS fell R30 billion short of its collection target for the first time since 2009.

Potentially this can mean that taxpayers are taxed to the hilt (remember 4% of the population pay the bulk of our tax) or perhaps more worryingly, what amounts to a tax revolt is beginning. The people who pay most of our tax have the resources to avoid tax (remember that whilst “tax evasion” is illegal, “tax avoidance” using tax laws legally is allowed) or to find work in another country.

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### **Scam! Alert! Fraud!**



Dont Become A Fraud Statistic

### **FRIGHTENING FRAUD STATISTICS – PROTECT YOUR BUSINESS NOW!**

A global organisation which focuses on internal (i.e. management, owners and staff) fraud, recently released some sobering findings. **Understanding them is your first step in protecting your business from serious loss.**



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### ***In Sub-Saharan Africa***

- Over 60% of frauds were committed by people with a degree (in view of the large number of fake degrees consider carefully checking qualifications when hiring).
  - 82% of perpetrators were male with an average age of 38.
- 18% came from the accounting department, 17% from operations and 11% from purchasing.

### ***In global terms***

- 5% of revenues are lost due to fraud. This applies to large and small entities but clearly will have a greater impact on small entities.
- The best method of fraud detection is by tip-off (approximately 30% of cases), followed by management review (15%), internal audit (12%) and account reconciliation (just under 10%). If you don't have a tip-off or whistle blower policy, now is the time to do it. Most of the other detection methods come from active management control.
- Most frauds come from asset theft and the largest (by value) from financial mis-statement.
  - 90% of background checks did not pick up any indication of malfeasance and 82% of fraudsters had not been punished by their organisations. Something also to consider – and check with previous employers – when recruiting.
- Fraud losses were detected much faster and the loss was 34% less in entities with strong controls.
- Those committing fraud typically showed some of these characteristics:
  - “Wheeler dealer” personalities
    - Financial problems
    - Living beyond their means
      - Control issues
    - Strong relationship with a vendor
    - Family difficulties such as divorce.

**Don't become a “fraud statistic” – analyse the risk factors listed above and take preventative action now!**



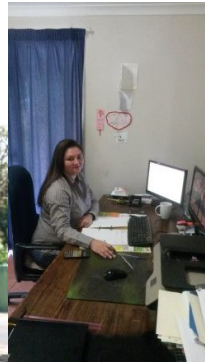
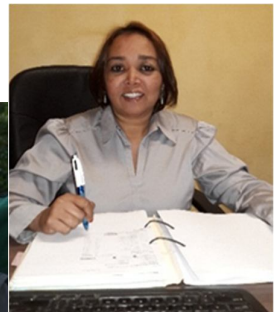
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## *The Team*

*Linda, Dot, Angela, Ferial, Sam, Leon and Shannon*



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Next Month:

*We have a look at  
the setting up of a  
Non-Profit Company*



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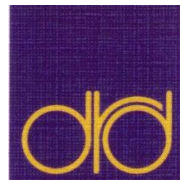
### **Deceased Estates/Trusts/Mediation/Legal**

Leon Terblanche: [leon@drdconsulting.co.za](mailto:leon@drdconsulting.co.za)

### **Web links**

[www.drdconsulting.co.za](http://www.drdconsulting.co.za)

[www.paralegalpractice.co.za](http://www.paralegalpractice.co.za)



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