

THE ANNUAL REPORT

Annual newsletter of the School of Accountancy
Jaarlikse nuusbrieff van die Skool vir Rekeningkunde
Isidigimi seendaba sonyaka seSikolo soCwanganiso-mail

2021: FINDING VICTORY IN VUCA



Volatility

Uncertainty



Complexity

Ambiguity

MOVING “FOREWARD”



PROF. PIETER VON WIELLIGH

Director of the School of Accountancy
and Vice-dean: School of Accountancy (ex officio)

*“Embrace the uncertainty. Enjoy the beauty of becoming.
When nothing is certain, anything is possible.”*

– Manoy Halk

V

UCA. What on earth? For those of you who have not yet been exposed to the new “lingo”, this is the acronym for the exciting “new world” in which we live nowadays: one of **V**olatility, **U**ncertainty, **C**omplexity and **A**mbiguity.

2020 was a year during which the world in general and, of course, also the international and South African academic fraternity, Stellenbosch University (SU) and the School of Accountancy (SOA) have had to swiftly adapt to the totally unexpected, new and often scary realities of the demands of the Covid-19 pandemic on how (and perhaps also who) we are, live, work and generally exist in society. I shared my reflections on this in the 2020 edition of *The Annual Report*.

By now, times and also the recent mutations of the virus have moved on. Leading scientists anticipate that the Covid-19 virus is unfortunately not going to disappear soon, so we have to accept that we would have to live with it for a while still, going forward. This presents many challenges, but certainly also new affordances, which I would classify as rather exciting in the academic context.

In **2020**, the SOA had to quickly transition from traditional face-to-face lectures, so preferred and liked by most of our students, to “ERTLA” (emergency remote teaching, learning and assessment) for most of the 2020 academic year. We executed and survived this with exceptional grace. And we then hoped for 2021 to be a year of being “back to normal.”

But alas, then came **2021**... and we had to adapt yet again: this time to “ARTLA” (augmented remote teaching, learning and assessment). This came with its own dose of challenges, in some respects totally different from and more complicated than those posed by ERTLA, and for which we were perhaps again not 100% prepared. But once again, I am proud to say, we not only excelled, but thrived!

Against that backdrop, I can proudly say that the academic and support staff of the SOA nowadays make sure that we stay ahead of these challenges as best as we can. We capitalize on what we learned and how we developed during 2020 and 2021, to offer an even better academic and administrative offering than ever before to our current and prospective students. In other words: of course we have to acknowledge the horrible impacts of the pandemic on the work and personal lives of colleagues, students and others, but that does not preclude us from using what we learned during 2020 and 2021 to chart and redirect the road ahead to one that represents a wonderful and very positive (albeit still uncertain) trajectory.

In reflection, perhaps the pandemic has afforded the SOA the opportunity to embrace the future much faster than we ever imagined up to 2019, to achieve success and victory for our colleagues and students alike, going forward. Whereas the VUCA reality previously scared many of us, we now realise the potential of embracing its affordances.

I have no doubt that, with the support of my team (by now affectionately known as the “SO A-Team”) we shall continue to excel on this journey. On that note, I can only again echo what I said in my foreword to the 2020 *The Annual Report*: “It [was] an amazing challenge, opportunity, privilege and honour to lead the SO A-Team during the past year and I look forward to doing so for the rest of my term as Director.”

You will thoroughly enjoy the exciting and inspiring more detailed stories in this issue, so keep reading and send us your feedback!

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The Annual Report 2021 Editorial Team

(from left to right in the photo below)

Chrystal Schonken

Sher-Lee Arendse-Fourie

Cecileen Greeff

Wilmarie Grobbelaar

Photos

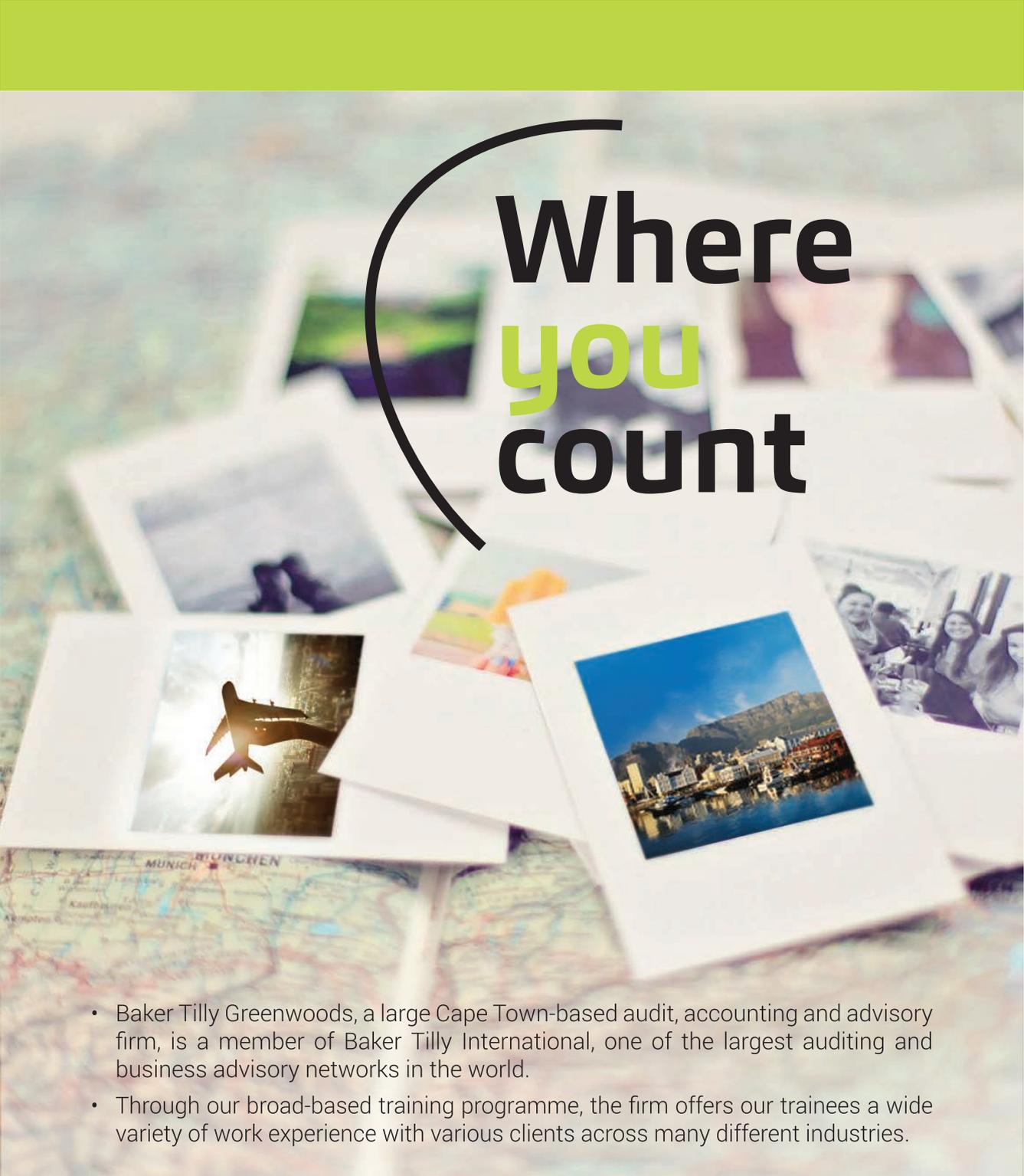
Riana Goosen and provided

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When the opportunity to become editors presented itself, we were all initially overwhelmed at the idea of taking over the reigns from our predecessors, given the outstanding job they did with previous editions of The Annual Report. We quickly realised that, with our eye for detail and creativity in common we could successfully take on this role together as a team. We really enjoyed working together to bring you the final product!



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Die skuif **vanaf ERTLA** **na ARTLA**

Die Skool vir Rekeningkunde se Adjunk-direkteure vir Leer en Onderrig, Navorsing en Sosiale Impak en Transformasie reflekteer op die skuif vanaf ERTLA in 2020 na ARTLA in 2021 en die impak op hul onderskeie portefeuljes.



PROF. KOBUS VAN SCHALKWYK

Adjunkdirekteur: Leer en Onderrig

Soos in 2020, het die Covid-19 pandemie 'n baie groot invloed op Leer en Onderrig in die Skool vir Rekeningkunde (SvR) gehad. Oor die afgelope twee jaar het daar verskeie akronieme algemene gebruikstaal by die Universiteit van Stellenbosch geword. In 2020 het “ERTLA” (“*Emergency Remote Teaching and Learning*”) die lig gesien, wat 'n baie groot invloed op die SvR en die Universiteit as geheel gehad het. Teen die einde van 2020 het 'n nuwe akroniem na vore gekom, naamlik “ARTLA” (“*Augmented Remote Teaching and Learning*”). “ARTLA” het net soos “ERTLA” 'n groot invloed op die SvR se onderrig- en leermodel in 2021 gehad en onsekerhede en in sekere gevalle angs by studente en dosente tot gevolg gehad. Die doel van “ARTLA” was om leer en onderrig onder Covid-19 omstandighede nader aan die tradisionele residensiële universiteitsmodel te bring en om te verseker dat studente gratis, betroubare internettoegang op kampus kon hê. Studente kon weens Covid-19 regulasies, klasse op 'n rotasiebasis bywoon terwyl dié wat klasse nie fisies kon bywoon nie, klasse wat via die internet gestroom word, in hul koshuise, private verblyfplekke of elders op kampus, kon volg. Soos in die verlede, het ons dosente uitstekend by die nuwe wyse van klasgee aangepas en studente het ten spyte van uitdagende omstandighede, uitstekend aangepas.

“**Ten spyte van die uitdagings wat die SvR se studente in 2020 ondervind het, het die 2020 HonsBRek kohort van die beste resultate ooit in SAIGR se “ITC” (“Initial Test of Competence”) behaal.**

Gedurende Junie en Julie 2021 het die derde Covid-19 vlaag ons getref en daar moes op kort kennisgewing oorgeskakel word na aanlyn assesserings. Op grond van ondervinding in 2020, is aanlyn assesserings binne twee weke in werking gestel en probleme was minimaal in vergelyking met 2020.

Die akademiese jaar staan einde se kant toe en daar is nog 'n paar uitdagings wat voorlê. Ek is egter oortuig dat ons aan die einde van die jaar sal kan terugkyk op nog 'n suksesvolle akademiese jaar.

Die SvR is met reg trots op sy dosente en studente wat onder uitdagende omstandighede met indrukwekkende deurstellingsvermoë presteer.



DR GEORGE NEL

Adjunkdirekteur: Navorsing

“ Alhoewel die pandemie ons almal se lewens ontwrig het, het dit ook ‘n paradigmaskuif in ons denke teweeggebring, met verskeie nuwe geleenthede, aangevuur deur tegnologie.

Een direkte gevolg van die Covid-19 pandemie was verskeie aanpassings in ons tradisionele onderrigmodel. Die impak van hierdie veranderinge is betwisbaar en verskeie dosente in die Skool vir Rekeningkunde (SvR) het gedurende die afgelope jaar navorsing gedoen en gepubliseer oor onder andere, die sosio-ekonomiese uitdagings van “ERTLA” (*“Emergency Remote Teaching and Learning”*), die rol van aanlyn mentorskap programme, asook vergelykende studies tussen ERT en ons tradisionele onderrigmodel.

Behalwe onderrig verwante navorsing, is daar tans ook navorsingsprojekte in proses wat die impak van die pandemie op die rekenmeesters- en ouditeursprofessie, spesifiek m.b.t. die afhandeling van die eksterne audit en bekendmaking van finansiële resultate te midde van die pandemie, ondersoek.

Twee voorbeelde daarvan die afgelope jaar in die SvR was ‘n aanlyn-paneelbespreking met internasionale paneellede uit onder andere Australië en Engeland wat hulle navorsingskundigheid intyds kon deel met SvR dosente, asook die aanbod van ‘n aanlyn navorsingsmetodologie werkwinkel deur ‘n internasionale kenner op die gebied van die Universiteit van Michigan.



PROF. RIAAN RUDMAN

Deputy Director: Social Impact and Transformation

“ The pandemic might have changed how people interact, however the SOA adapted its processes by keeping people central to mind.

The past two years have fundamentally changed how people interact. People sit at the centre of social impact and transformation. The Covid-19 pandemic required academia to sit back, reflect on and reconsider how to deliver on the mandate of social impact and transformation and to make an impact on people.

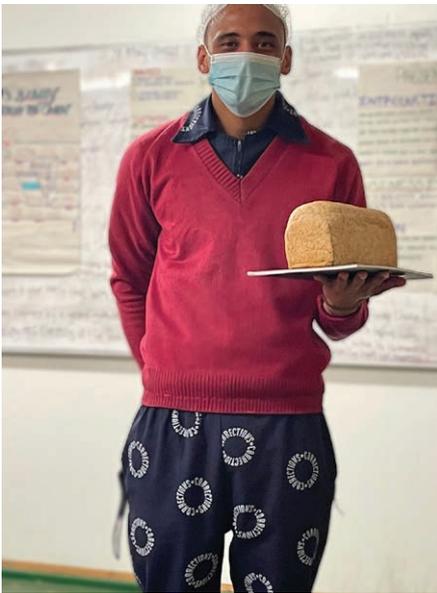
The School of Accountancy (SOA) took the time to form a departmental Social Impact and Transformation committee with the objective to assist in an advisory capacity, with matters relating to the social impact and transformation goals of the SOA and to develop a holistic social impact and transformation plan for the SOA which considers student, staff and curriculum transformation in an integrated manner. The pandemic also required us to reconsider the delivery model of how social impact projects are initialised and administered. Much of the Thuthuka support, which previously occurred face-to-face, was reconceptualized to be delivered online. So too, were the traditional face-to-face upskilling social impact projects adapted to be presented using online platforms.

The SOA also formed a Social committee, with one of the focus areas being to arrange online well-being (i.e. wellness) functions and events which included an online yoga session, mental wellness session and more.

Read more about the social impact projects of the SOA later on in the Annual Report.



Ex-Cell workshop: Empowerment behind bars



The Ex-Cell workshop initiative of the School of Accountancy at Stellenbosch University (SU) in partnership with the Drakenstein Correctional Centre near Paarl, proves that the incarcerated can be empowered to earn a living in the business world post their release from prison. The first of its kind in South Africa, the five-day workshop presented in May 2021 was attended by 20 youth offenders from the Drakenstein Centre, some of whom are eligible for parole in the near future.

Given the current downturn in the economy, with record unemployment rates, which are set to worsen with the effect

“Despite having undergone rehabilitation during imprisonment, a criminal record is retained long after release from prison.

of Covid, this workshop is a capacity building workshop exposing participants to the ideas of creating

their own businesses and or potentially looking for employment. As a result, the incarcerated often struggle to secure employment opportunities post release from prison. The Ex-Cell project therefore sought to provide the incarcerated with an opportunity to empower themselves by way of encouraging thought into their own employment opportunities through entrepreneurship. This workshop, a social impact initiative, focusses on the upskilling of the incarcerated with business and entrepreneurship skills and knowledge to be better prepared for the world of work.

This initiative continues to find ways to purposefully reduce unemployment, especially amongst the youth and in this case those who have found themselves on the wrong side of the law and in turn contributing towards provincial, national and international development goals. The workshop aids the connecting of a

“By way of providing participants with access to education and knowledge, this workshop project is aligned with the National Development Plan which attempts to find ways to reduce unemployment amongst youth as well as Stellenbosch University’s Vision 2040 which aims to provide a transformative and collaborative student experience.

higher education institution’s teaching mandate to its social impact mandate for the purpose of inclusivity and facilitating access to higher education. As both a teaching and a social impact initiative the workshop aims to bridge the gap and provides a link between teaching and social impact requirements.

The workshop aims to rehumanise learning by focusing on learning's social, ubuntu-focused dimensions – collaboration, community-building and connectedness. The educational component entails SU lecturers and incarcerated participants learning with and from each other through dialogue and the sharing of experience. The aim is to enable participants to communicate effectively within the course context, engage creatively with the course material with the aim of solving real-life problems, reflect on their own learning and attitude to learning, demonstrate learning progression and have an increased commitment to the active promotion of social justice.

The Ex-Cell workshop is a social impact initiative by Juan Ontong, Sher-Lee Arendse-Fourie and Ilse Frans, staff members at the School of Accountancy, which is based in SU's Faculty of Economic and Management Sciences. The founders have been collaborating with the Department of Correctional Services as well as staff from the Faculty of Law and the Ubuntu Learning Community. Lecturers of the School of Accountancy, Cecileen Greeff, Orlando Van Schalkwyk and Lee-Ann Pietersen also presented workshop content.

The Ex-Cell closing function took place on 1 September 2021 where all participants received certificates of participation in the workshop and the winners of the business plan projects received gifts. Photos of the closing function are shown below and alongside.





Finding Victory in **VUCA**

School of Accountancy (SOA) staff share how they managed to find Victory in VUCA.



During the pandemic and the forced isolation, I came to realise the impact of community and “koffie kuiers”, as well as to pursue other passions. At the end of 2020 my partner and I decided to combine two passions, mine for coffee and his for baking and we extended our bakery into a coffee shop. A quaint shop in the main road of Malmesbury aptly called, KOFFIE. This is my escape and weekends I work the coffee machine whilst weekdays I use it as my virtual office. Greeting the locals and other coffee shop hoppers I realised that “gang kuiers” could happen in a virtual office with colleagues from all walks of life, all searching for some free Wi-Fi.

Armand Bruwer

Gretha Steenkamp working with her lockdown co-worker (aka ‘the cat’).



A very recognisable picture to those who visited campus this year.

A beautiful cake baked by **Yadah du Toit** during lockdown.



Sher-Lee Arendse-Fourie got married during the pandemic this year.



Riana Goosen created a welcoming home garden space.



I love running, but the Cape winters are not always “supportive” so I invested in a great “fold-up” treadmill for those icy and/or rainy days. I consider this quite a victory in these VUCA times. I have never done this before and would probably never have considered it if it weren’t for what I learned about being “homebound” during lockdown.

Pieter von Wielligh



I have always been drawn to the tranquility of water and this year I have taken up swimming again, something I have always loved! Apart from the obvious benefit of exercise for well-being, the water also offers a quiet, reflective space, where I can focus on myself, without the noise of the ‘always available’ culture. No phone, no chatting, no MS Teams status; just a little time-out to breathe and be. After laps I like to get into the hot pool for a few minutes and just kind of float there, weightless and silent, it is absolute bliss!

Wilmarie Grobbelaar



It has been great having the opportunity to work from home, but sometimes one feels trapped within the four walls of your “home office” and needs a change of environment.

For me to get a perfect work/life balance, I started hiking on a Sunday. It is a great way to get rid of the week’s stress and to recuperate for the week ahead. To top it off one gets to experience breath-taking views, which is good for the mind, body and soul.

Ilse Frans



To be able to go out in nature on my mountain bike with my little boy after spending a day sleeping, living and working from home, gives me the feeling of freedom and happiness.

Arthur Bishop



Eloise de Jager and **Waldette Engelbrecht** kept sane during lockdown by doing personal training sessions.





Lize-Marie Sahn and her family headed into nature and wide-open spaces for peace, exercise and sanity!



Chrystal Schonken on her way to a lunch time walk with Malakai the Alaskan Malamute.

Bee-keeping: The Bee's Knees of hobbies!

My family are avid nature-lovers and a few years ago, my husband got a bee in his bonnet and bought an empty hive from our local co-op. A feral swarm moved in and during January 2020 (pre-Covid) we harvested our first raw honey – a full 6kg of it! *Net hier het die gogga ons gebyt!* With such a sweet reward (that apparently also alleviates your hay fever symptoms) who will decline an apiary?

Being 'locked down' forced us to spend more time at home and the garden became our playground. Becoming aware of the cape honey bee's need for pollen and nectar inevitably changed my gardening ideas and view of the landscape we live in. (*note to self: next year I'll slip some canola seeds onto unpaved sidewalks, public parks...*)

Many evenings were spent watching YouTube videos about bee-farming with the kids and this newfound fountain of knowledge enriched our conversations as well. We also took pleasure in visiting the little critters more often to follow their progress, from overcoming hive beetle infestations, fighting hornets at their entrance, to preparing to swarm! The approaching 'swarming season' however raised an alarm: we did not want our babies to leave the nest! So back to the text books and YouTube videos we went. We bought additional hives, learnt about hive-splitting, rearing queens and expansion!

Fueling the expansion of bee colonies in our backyards contribute in some small way to their survival. Bees are nowadays considered an endangered species and mostly known for their honey, but did you know that about a third of the food on your plate is dependent on these little critters? Also, next time you enjoy one teaspoon of honey, bear in mind that it's the life's work of 12 tiny bees!

So, start planting bee friendly plants and please don't poison them – we'll make a bee line to come and rescue them instead!

Being a bee-keeper really is the Bee's Knees!



Suzanne & Danie Kieviet



My biggest achievement this year was falling in love with my career path. After struggling through second and third year I was not so sure if this is what I am meant to do - especially considering that at some point I wholeheartedly wanted to be a forensic pathologist. What this career path has taught me is that tough times will force you to dig deep and it is then when some see that it's time to hang up their boots and that others see that they still have a chance at winning the game. Another thing it has taught me is that although corporate is competitive, don't let that negativity hinder you from meeting new fellow future CA(SA)'s who will carry you through the journey. Be it at the beginning, the middle or the end. The team work we are taught over the years is not just for you to learn how to function in an audit team or department, it's also for staying hopeful when CTA is not getting better, when second year feels like a huge jump or when you start questioning your intelligence in its entirety. One of my favourite quotes is along the lines of "if all you did today was survive, I'm proud of you" because a lot of the times in this degree we are in survival mode. Don't be hard on yourself if the love you had back in high school or first year seems to be fading - THIS QUALIFICATION IS NOT EASY! Stay put, keep surviving and one day you will be reminded why it is your calling to do this.

- Marona (student)



My dream came true during the Covid-19 lockdown when I got a Biewer Terrier dog!

- Nicola Ammon (student)

I find that setting clear goals and making active plans to reach them makes everything "do-able." Always try to have as much fun as possible when doing anything! Something that I am very proud of is making the Maties Netball Varsity Netball squad.

- Anne Diedericks (student)

I try to keep up with my work and not fall behind. It is important to me to be up to date and to understand my work. VUCA is a complicated situation because one never knows what will happen next. Everything now feels so up in the air. Everyone wants answers about what will happen next and it makes one nervous and concerned if nobody has answers about the current situation.

- Juanyta (student)

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“The best way to
predict
 your future
 is to create it”
 - Abraham Lincoln

CIMA - SAIPA - SAICA
ARTICLES

Thuthuka Heritage Day *cookout*



Thuthuka celebrated what makes us South African during Heritage month by arranging an online cookout for Thuthuka students from all the universities. Siyamthanda Msibi from Stellenbosch Thuthuka was one of the first students to respond to the invite and was selected to participate in the event. Herewith Siya's feedback:

It wasn't a competition; it was really just for fun. There were three chefs - me, a Wits University first-year student, and a professional chef from a catering company. We cooked simultaneously with the main host switching from camera to camera.

All in all, I had fun and I got a chance to interact with some old SAICA Camp colleagues. I even suggested to the host that we should have more inter-Thuthuka socials/events.

Siya's menu and picture of her meal:

SIYA'S BOERY-CHOW RECIPE

Ingredients:

- 1/4 Loaf of Standard uncut Bread
- 300g Boerewors chopped into chunks
- Half an onion chopped into chunks
- 1/8 of Green, Red and Yellow pepper finely chopped
- 1 Jalapeno finely chopped
- Pinch of Unchopped Curry Leaves
- 1 Tomato diced
- 1 tsp Curry Powder
- 1 Beef Cube
- 250ml Oil

SIYA'S ICED-TEA RECIPE

Ingredients:

- 2 t/bags of cooled Five Roses Mixed Berries Tea
- 375ml of boiled water
- 250ml of apple juice
- 1 thinly sliced lemon
- Fresh mint leaves
- 3 Strawberries
- Blueberries

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SIYA'S BOERY-CHOW RECIPE

- Heat stove and add oil into pot
- Once oil is hot, add onions, peppers and jalapeno and wait for these ingredients to sizzle for 5min
- Add curry powder and wait for mixture to sizzle for 2min
- Add boerewors and cook for 10min
- While waiting, place bread vertically and cut out a concave hole in the middle- do not dispose of cut-out piece (keep it for the aesthetics)
- Add beef cube in the pot and cook for another 10min
- Add tomatoes (and chutney if you want to sweeten the curry) and let mixture simmer for 5min and add curry leaves once cooked
- Pour the boerewors curry into the hole in the bread until it is filled
- Cover the top with the cut-out piece and bonne appetite!

SIYA'S ICED-TEA RECIPE

- Put teabags in cup and pour boiled water over them
- Allow to brew for 5min, take out teabags and allow to cool- add ice to speed up cooling
- Add fruits and mint leaves in glass then add ice
- Add apple juice into glass, followed by cooled tea

AND SERVE!

Add sugar, syrup or honey if drink needs more sweetening



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Thuthuka Triumphs



Dylan Johannes

Thuthuka is a transformation initiative of the South African Institute of Chartered Accountants (SAICA) aimed at encouraging previously disadvantaged learners in schools to pursue a career in the Chartered Accountancy (CA) field in order to transform South Africa’s business leadership. The Annual Report team caught up with three alumni SU Thuthuka students.

Dylan Johannes grew up in a rural part of Paarl where he lived in a one-bedroom flat with his parents and two other siblings. Even with gangsterism and substance abuse posing a challenge in the schooling environment, Dylan mentions that the school he attended managed to create a conducive environment for those who wanted to learn. This, coupled with a few wonderful teachers and people who believed in him, created an opportunity for him to dream and begin to pursue that dream. Learning about the accounting profession shifted his focus from the challenges he was faced with at home. Dylan achieved good grades for which he also received academic awards. As early as Dylan can remember, he struggled with his speech as he has a stutter. This challenge motivated him to join a stuttering support group to assist in improving his speech.

“Dylan’s accounting teacher introduced him to the Thuthuka bursary. He regards this as godsend stating that, *not only did it fund all my studies, accommodation, meals and books (with a small portion being a student loan), it also provided me with a support system, in the form of fellow accounting students being part of the same bursary in the same university residence to support each other, a dedicated accounting lecturer who supports us through the whole journey, whether academic or personal.*

Dylan permanently resides in the UK with a lovely family of his own. He has also set several goals for himself, which include registering to study towards a master’s degree in internal audit

Accountancy has afforded me many opportunities I never thought were possible when I was growing up. I am grateful for every day and every single opportunity presented to me as I know my life could have looked very different today had I made different decisions, or had I decided to walk away from home when I was younger.



Sharne Damons

Sharne Damons is currently working at Organon, a Multi-National Women’s Health company headquartered in New Jersey (US) where she is the Finance Lead of the South African team. Growing up in Bishop Lavis on the Cape Flats, Sharne and her family stayed in a one room Wendy House in her grandmother’s back yard for several years. She attended different schools during her primary and high school career. Sharne’s parents played a vital role in her life. Even at the time when her father lost his job, while she was still in her teens, he explored various opportunities to provide for his family and this taught Sharne the importance of perseverance. As part of her journey, she audited the national lottery and appeared on TV quite regularly as the independent auditor verifying the lottery numbers.

When asked who or what at Stellenbosch University had the greatest impact on her, she answered, *Definitely the Thuthuka Bursary Programme, the cause and people involved. They took away the biggest obstacle that I had and opened my eyes to greater possibilities in life, surrounded me with like-minded people that became friends and cheerleaders for life. I think I was quite blessed to have been identified as a possible candidate to be part of the Thuthuka programme. I was one of the first intakes at Stellenbosch.*

Sharne Damons has accomplished many things and received various awards. In 2020 she received two “Impact” awards for leading multiple finance projects effectively and has been recognised as “Top talent” for the last two years.

“They took away the biggest obstacle that I had and opened my eyes to greater possibilities in life, surrounded me with like-minded people that became friends and cheerleaders for life.

As for her role as an AGA, Sharne believes that it is important to be involved in the community for awareness of the profession and providing role models in the community. For her there were no role models in her community who were part of the accountancy profession and thus she never grew up thinking that this career exists, and this life is possible. *It also builds trust for the profession in the community.*



Enrico Kleinbooï, 32 years old, grew up in Riebeeck West in the Western Cape, where he was raised by his grandfather and grandmother. Enrico is currently employed as the head of the internal audit department at Kannaland Municipality in Ladismith.

Although he did not come from a financially privileged background, he received a lot of love and guidance from his grandparents. Enrico regards himself as a go getter, reminiscing on his grandpa’s belief in him achieving great things. For Enrico the journey was not easy as he encountered various challenges, but by God’s grace he always managed to be victorious.

Enrico was part of the first intake Thuthuka students when the programme was first rolled out at Stellenbosch University in 2007. When asked if Thuthuka changed his life he says, *Thuthuka did totally, as it funded my CA(SA) dream. I am so grateful.* With the support from the Thuthuka Bursary Fund he managed to obtain his degree as well as meet the entrance requirements for the Honours programme.

During Enrico’s journey towards becoming CA, he had to pick himself up various times, but always kept going. As for the future, Enrico plans to obtain his Certified Internal Auditor designation of the Institute of Internal Auditors of South Africa adding value as a Chartered Accountant. He also envisages himself as Chief Financial Officer at a local municipality.

On 15 April 2020, Enrico became the proud father of Ferruccio Kleinbooï, a precious gift, that he is eternally grateful for. He is also a proud owner of an investment property.

Muster up the faith to keep going and achieving.

“I hope my journey of overcoming obstacles and never giving up and staying inspired and motivated will inspire and motivate people to pursue their dreams and goals, irrespective of any obstacles coming their way.

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Former staff

The Constant Student - Monique Malan

It was while writing the research paper of my LL.M in International Tax Law at Leiden University in 2018 that the idea that I might one day read towards a PhD in International Tax Law first arose. My career pivoted into academia at the beginning of 2019 when I commenced employment as a lecturer in Taxation at SU's School of Accountancy. As a life-long learner, I explored possible opportunities to pursue a PhD from the onset of my academic career.

It was in the midst of the Covid-19 pandemic in 2021 that the ideal opportunity presented itself. The program is a three-year, full-

“I was one of five students from around the world admitted to the Doctoral Program in International Business Taxation at WU Vienna University of Economics and Business commencing on 1 September 2021.

time program based at WU in Vienna. The program provides an interdisciplinary training in taxation of enterprises' cross-border activities, drawing on and combining the core disciplines public finance, international tax law, and cross-border tax management. With law

as the core discipline of my PhD, I am a research associate within WU's Institute for Austrian and International Tax law, the largest university-based institution in tax law worldwide.

Taking up this full-time opportunity necessitated my resignation from Stellenbosch University on 31 July 2021. I am very grateful for the extensive and varied teaching experience I gained during my time as a lecturer at SU's SOA, lecturing taxation to both undergraduate and postgraduate (Master's) students. I wholeheartedly concur with the view of a former colleague at SU, Dr Alexander Andrason, who shared the following upon winning the 2020 SU Teaching Excellence Award (Developing Teacher):

I would like to remain an active student until I retire. The idea of being another brick in the wall still permeates institutions of higher education and I have seen it both as a student and as a teacher. Being an active student will always remind me about what it means to be a student, thus helping me to understand my students at any given point of my career.

While my focus will be on research during the next few years, it is my belief that being an active student who will in that capacity be exposed to the lecturing and various teaching styles of several internationally renowned academics will further inform my own teaching.



“Study abroad is the single most effective way of changing the way we view the world.”

- Chantal Mitchell -

Relocating abroad during these times, with the Covid-19 pandemic still very much influencing almost every part of our daily lives, has certainly brought about new and unique challenges, but none that have been insurmountable. Thus far, my experience at WU has been incredibly stimulating and I am thoroughly enjoying being part of a diverse group of international academics in a hub for the international tax community. I cannot think of a place that is more conducive to producing significant, high-quality tax-related research and I look forward to being able to contribute.

(F)unemployment - Nannette Botha

I left my role as lecturer at the end of July 2021, and started my new adventure with some (f)unemployment, spending lots of time with my daughters and preparing for our move later in the year! I have a passion for governance, data analytics and adding value, and hope to join a team as soon as we're settled in our new home.





Jan, Jan, Jan, die bielie van die Bosveld

- Jan Dreyer

“The main focus of the foundation is sustainable operations of cocoa farmers in Ivory Coast and Ghana but rapidly also expanding to other commodities and countries in Western and Eastern Africa and now Latin America.

Jan Dreyer recently moved to Amsterdam, the Netherlands to pursue a new life. His wife was offered a position at a large IT consultancy company and Jan then had to move with. Upon arrival in Amsterdam, Jan was appointed as Global Finance Manager of the Beyond Beans foundation, affiliated with the Export Trading Group (ETG). As global finance manager, Jan is mainly responsible for the financial management of sustainability and corporate social responsibility actions in Western Africa. Jan recently visited the operations in Ghana and Ivory Coast. At the top is a photo of Jan next to a cocoa tree in Abidjan (Ivory Coast) and a picture of Jan holding a cocoa fruit.

Besides work, Jan attends concerts (when Covid restrictions allow) of classical musicians and does a lot of sightseeing. Jan and his wife will soon start exploring more of Europe when travel restrictions are lifted. Alongside is a photo of Jan and his wife with the famous Dutch organist, Gert van Hoef at a concert in Alkmaar, north of Amsterdam. Oh! I have to mention that whilst travelling in the Netherlands and taking pictures, you have to say cheese...



New staff

The SOA welcomed new staff members during 2021.

“I am a teacher at heart and so, with being able to teach daily at the School, has been a dream realized.



Orlando Van Schalkwyk

I am from and grew up in Parow Valley, Cape Town, South Africa. I studied both my undergraduate and postgraduate degrees at Stellenbosch University. Something interesting about me is that I am an athlete (basketball player) and I still have a milk tooth. I am a teacher at heart and so, with being able to teach daily at the School, has been a dream realized. I am grateful to God for this opportunity which has been a real gift thus far despite the daunting challenges posed by the pandemic and the resultant forms of teaching such as ARTLA/ERTLA.

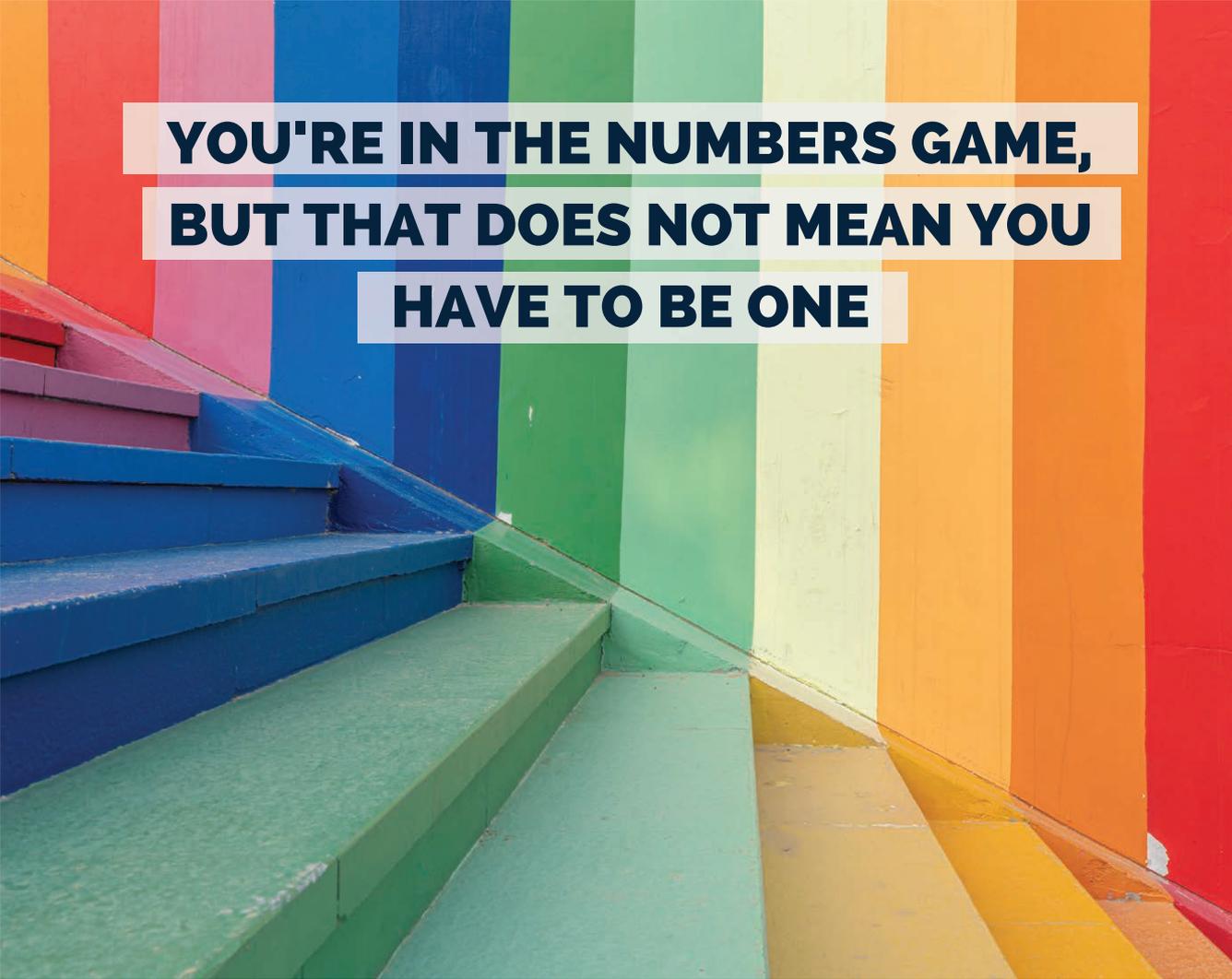


Natalie Jansen

I am from Blackheath, Dennewere. I studied Human Resource Management. I am currently in a secretarial role at the SOA. Something interesting about me, is that I spent my entire teenage years following the family tradition of singing and performing at 'gigs.' I always wanted to become a singer/performer. Together with the arts school that I attended, I visited Stellenbosch University's music department, where I was offered an opportunity to study music. I however decided against it as I was not wholeheartedly looking to commit to music as a career for the rest of my life. The first two months at the SOA offered a very pleasant working environment, although it was strange not meeting everyone face to face, but virtually instead.



Fayrouz Khan joined the team as Administrative Officer.



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The 2021 academic trainees

The Annual Report spoke to some of the 2021 academic trainees.

I am from a town situated in the Boland Winelands, called Wellington. I am a proud alumnus of Dagbreek Men's Residence, which is where I stayed while completing my undergraduate and postgraduate studies at Stellenbosch University. I am currently an Academic Trainee at the School of Accountancy, where I am involved in the Taxation and Financial Accounting divisions. The highlight of my year thus far has definitely been lecturing, especially to undergraduate students. It is really rewarding to explain concepts to students that you know are hearing it for the first time and to then watch them make sense of these concepts that you have explained. Something interesting about myself is that I also have German citizenship (thanks to my German grandfather). I would like to work there for a while in the near future (in the Accounting industry of course!).



Arrie van der Schyf

I am originally from Cape Town and moved to the Northern suburbs when I was seven years old. I studied both my undergraduate and postgraduate accounting degrees at Stellenbosch University. Subsequently, I decided to take on the academic traineeship at Stellenbosch University for my first year of articles where I am currently involved in the Management Accounting division. The academic traineeship role allowed me to interact (although mostly virtually) with many students. I come from a strong tutoring background, so this year was even better for me by being able to influence and impart my management accounting knowledge to even more students. Another notable highlight was working with the other academic trainees and all the tea we spilled in office (figuratively). I come from a very interesting family with my dad being from Germany (and fluent in the language) and my mom from Italian descent, which means that I was taught to make homemade pasta exquisitely, yet very aggressively.



Karl Oellrich

I am from Johannesburg and Durban and studied BAccounting and BAccounting (Honours). This year I am a Tax Academic Trainee at the School of Accountancy. Something interesting about myself, is that I love Star Wars, so my friend calls me The Sith (if you know, you know) because I was "sixth" in the ITC Top 10. I enjoy playing tennis, watching F1 and am currently learning Arabic. My traineeship has been a wonderful learning experience getting to see what happens on the other side of the School of Accountancy. I especially enjoyed the exposure I received from lecturing Taxation 399 and having the opportunity to work closely with the other lecturers when preparing class notes and questions.



Sadiyah Wahab



Vumani Nkomombini

I am from East London, Eastern Cape. I studied BAccounting (cum laude) and BAccounting Honours at Stellenbosch University, where I am currently an academic trainee. I teach Financial Accounting 188 and tutorials for Auditing 771, Tax 298, 399 and 388, Auditing 378, 288 and 388, Financial Accounting 178 and Management Accounting 278. Something interesting about myself is that I am a vocalist and I am very passionate about music. I am hoping to record soon! I had a good experience in my first year at the School of Accountancy. In terms of VUCA my living area has literally become my office.



Vehon Hulme

I am from the Northern Suburbs and studied BAccounting at Stellenbosch University. I am currently an academic trainee for the year, the specific module that I am part of and teaching in is Auditing. Something interesting about me is that one of my favourite things to do is online shopping, but I am one of those people who spend hours adding things to my cart, but I never go through with the purchase! Also, I really, really wish there was something like a chocolate diet.

This year as an academic trainee has been such a learning curve, with a lot of personal growth happening! Nothing will ever compare to the satisfaction of seeing the impact you make on the students, and the pure appreciation they have when you take the time to help them. It was fun being "on the other side" this year, and an experience I will treasure forever.



Ruth Weber

I am from East London and I studied BAcc and BAccHons at Stellenbosch University. I am currently the Financial Accounting trainee for 2021 and I have absolutely loved the privilege of being able to work at the School of Accountancy. This year will always be a treasured year in my career. Something interesting about me is that I was home-schooled and that I did my schooling through Cambridge International Examinations. I was also privileged to be able to play waterpolo for South Africa.

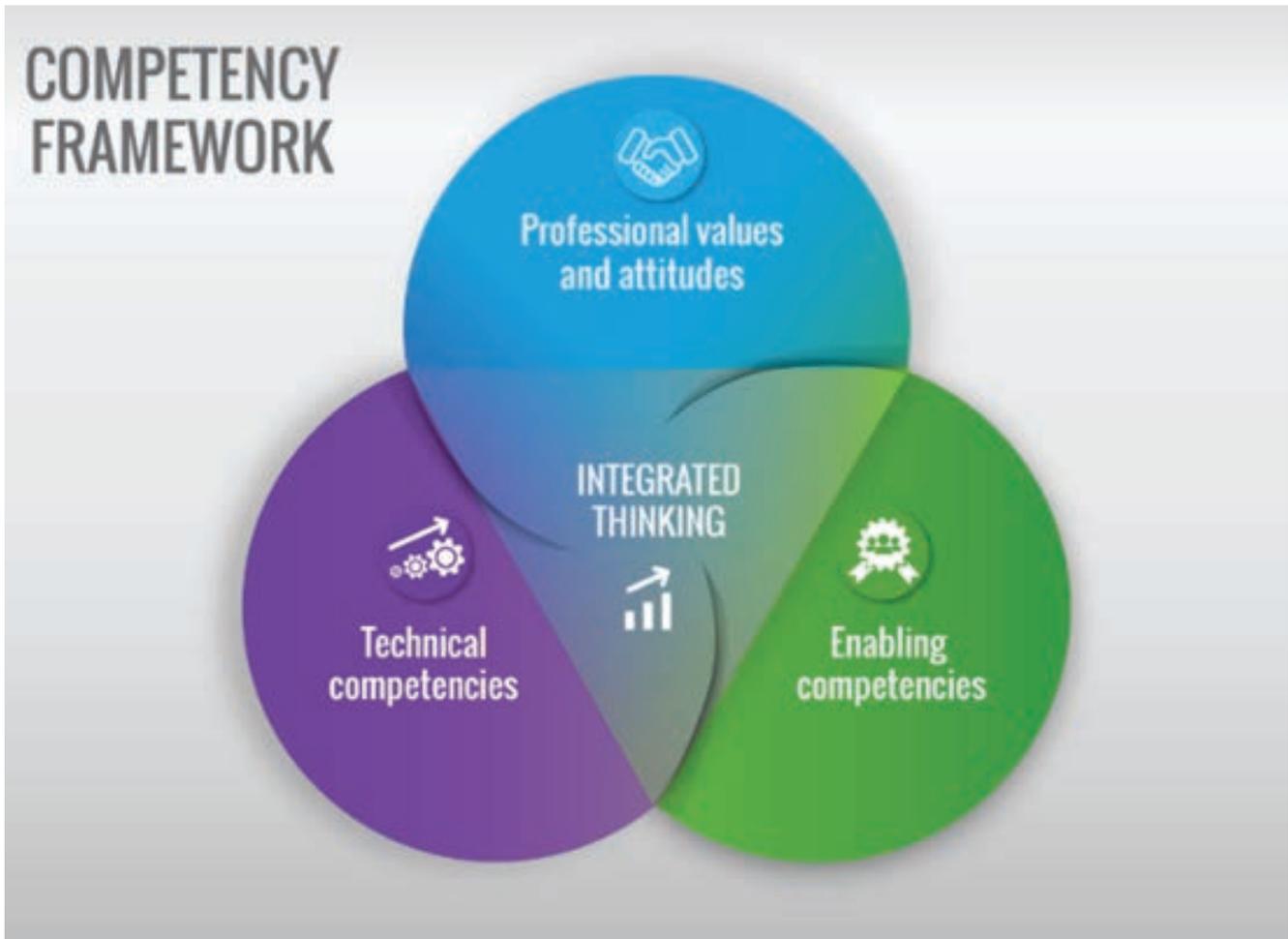
CA2025 implementation project

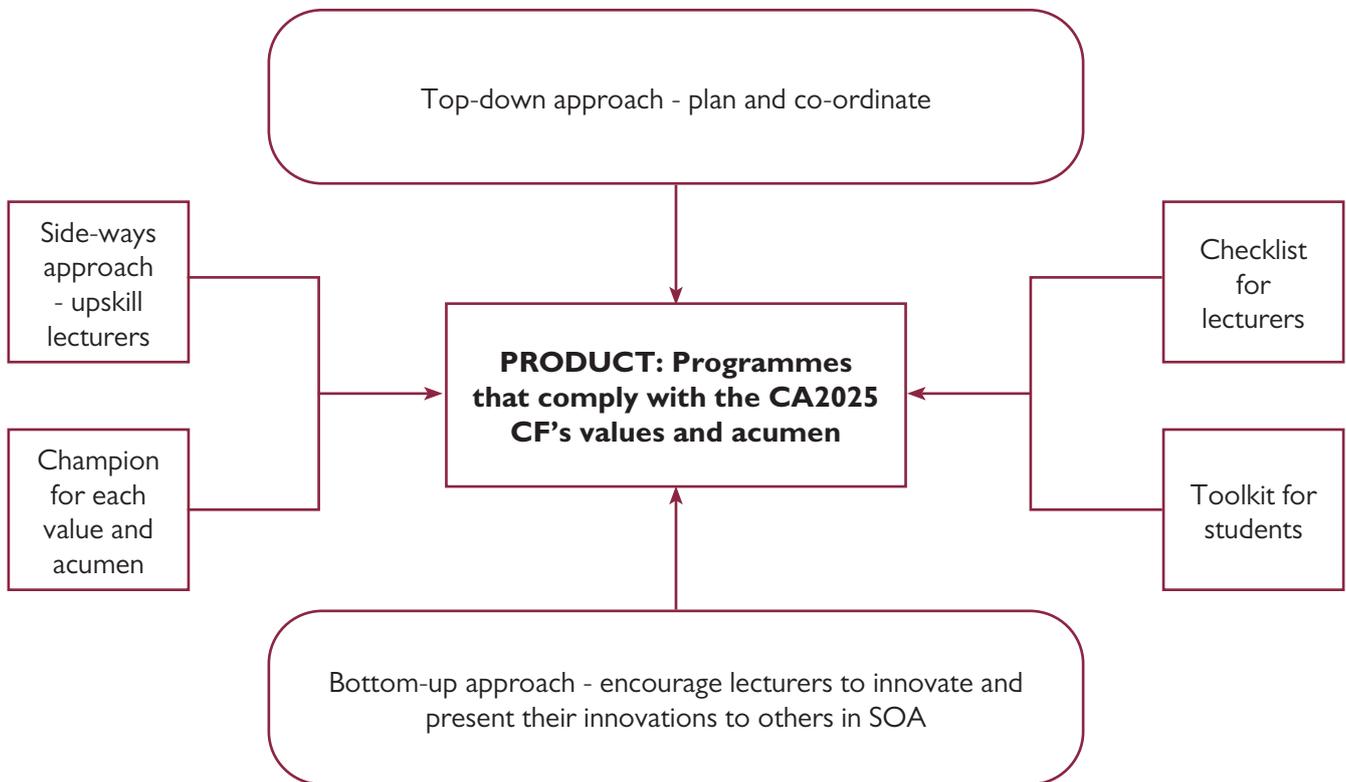
by Gretha Steenkamp

The South African Institute of Chartered Accountants (SAICA) accredits universities to educate future chartered accountants (CAs). SAICA has recently issued an updated competency framework (CF), called the CA2025 CF, which sets out the competencies that should be developed during academic programmes. The CA2025 CF defines CAs as

“responsible leaders who behave ethically and create sustainable value for a wide range of stakeholders within an organisation” and, as a result, places increased emphasis on the development of values (such as ethics, citizenship and lifelong learning) and acumen (such as digital acumen, integrated and critical thinking, teamwork, leadership and communication) during the education of prospective CAs.

Figure: An overview of the CA2025 CF





The figure above illustrates the SOA implementation plan relating to the CA2025 CF

During 2021, several colloquia were held where staff were upskilled about information technology, ethics, citizenship and critical thinking. Through increased knowledge, lecturers were empowered and encouraged to integrate these aspects into their teaching. These colloquia also facilitated a more integrated approach to teaching (in contrast to a siloed approach) as lecturers of different subjects became aware of what is taught in other modules in the programme. Moreover, Information Systems staff are currently designing two new modules to expand the SOA's offering relating to digital acumen. These modules will focus on programming, automation, and data analytics.

Several staff from the SOA form part of the Communities of Best Practice (COBPs) initiated by SAICA, and a champion has been identified for each value or acumen included in the CA2025 CF.

To aid the students in their reflection and development, the staff who serve as champions and SAICA COBP members produced a guidance document, referred to as the "Toolkit."

Integrating the requirements of the CA2025 CF into academic programmes is a strategic priority for the SOA. The business world is changing as the Fourth Industrial Revolution is fast approaching - technology is becoming ingrained in all that CAs do. Furthermore, CAs are typically leaders in business, rather than only accountants, and should have the competencies to be responsible, ethical leaders who create value for all stakeholders.

“From 2021 onwards, students are also required to construct a ‘Portfolio of Evidence’ where they reflect on the values and acumens in the CA2025 CF, and then either show evidence of their proficiency or their proposed remedial actions to rectify any perceived shortcomings.

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Teacher enrichment in financial literacy



by Waldette Engelbrecht and Juan Ontong

The annual Teacher Enrichment Program (TEP) is a collaboration between the School of Accountancy at Stellenbosch University and the Western Cape Department of Education (WCED). It is a focused, online training for Grade 9 economic and management sciences teachers across the Western Cape. The purpose of the training is to strengthen teaching capabilities by providing knowledge and skills for teachers who are currently teaching these subjects, and to assist them to explain these concepts to learners.

There were 336 teachers who registered for this program in 2021. The sessions were presented online via MS Teams, with separate groups for English and Afrikaans speaking teachers. The sessions commenced in July 2021 and continued weekly for four weeks in total. The program was co-ordinated by Waldette Engelbrecht and presentations were done by Petro Gerber, Juan Ontong,

Sher-Lee Arendse-Fourie, Chrystal Schonken, Danielle van Wyk, Andrea van der Merwe, Nicolette Klopper, Lee-Ann Pietersen and Armand Bruwer. The program was concluded on Monday 30 August 2021, with an insightful presentation on the future of education as a result of the disruption caused by the Covid pandemic, facilitated by Professor Stephen Coetzee from the University of Pretoria.

Dr Antoinette Venter, director of the Economic and Management Sciences curriculum at the WCED, expressed her satisfaction at the end of the program for the current year by concluding that the collaboration was positive and the level of the training of a high professional standard. She concluded by stating that the WCED looks forward to a continued roll-out of this program to teachers in other grades as well.

“Each session was focused on elements of basic financial literacy, including how to account for debtors and creditors transactions, from the use of the correct source documents up to and including recording in financial statements.

EMS Financial Literacy Training



A five-year PhD journey for **Gretha Steenkamp**



Gretha Steenkamp, a lecturer in Financial Accounting at the School of Accountancy, attained her doctorate (PhD in Business Management and Administration from the University’s Business School) during 2020. This five-year journey culminated in her graduating at a very ‘different’ and ‘masked’ graduation ceremony held specifically for PhD graduates in December 2020 at the Conserve (see picture above).

“Steenkamp’s thesis examined the relationship between share repurchases and executive share-based remuneration for South African listed companies during the 2002–2017 period.

A positive relationship was found between the two variables, providing evidence that South African executives may be executing share repurchases to increase the value of their own share-based remuneration. To counteract this possibility, regulators should require improved disclosure of share repurchases and executive share-based remuneration. Furthermore, it is recommended that the Johannesburg Stock Exchange requires all share repurchase activity to be announced in real time.

“After graduating, Gretha was awarded the Top Student Award (Dr Morne Mostert Award) for a Futures Studies-related PhD in Business Management and Administration.

She has already published five peer-reviewed articles from her PhD as well as several articles in popular media.

Research writing retreat

by *Dr George Nel and Juan Ontong*

Lecturers and researchers from the School of Accountancy at Stellenbosch University (SU) and the College of Accounting at the University of Cape Town (UCT) attended a three-day writing retreat at the Mont Fleur conference centre from 23 to 25 August 2021.

The writing retreat was aimed at promoting research collaboration between SU and UCT, whilst also allowing participants to focus on their own research projects. Prof Ruth Albertyn of the Department of Curriculum Studies at SU acted as writing consultant and facilitator.

According to Professor Pieter von Wielligh, Director of the SU School of Accountancy, it is the first joint writing retreat ever held by the School of Accountancy and the College of Accounting. “Research collaboration between our institutions is invaluable. Given the success of this initiative, I foresee many more.”

Participants agreed that engaging with fellow researchers through sharing of knowledge and experience enriched their understanding of research fields and approaches whilst inspiring future research and sparking motivation. Both the input and the feedback from the facilitator enhanced the research process. One participant remarked, “This is an excellent approach with practical value.”



“Writing retreats are especially useful to create an atmosphere of trust and safety for productive research writing.

Dr George Nel, Deputy Director of Research at the School of Accountancy, further added that “Writing retreats are especially useful to create an atmosphere of trust and safety for productive scholarly writing.”

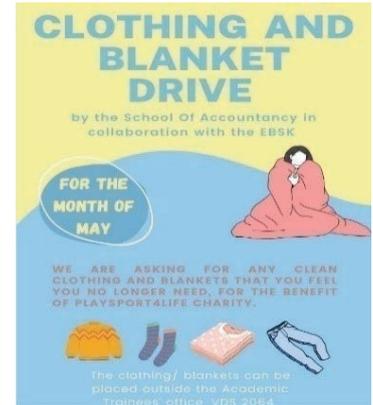
Driving warmth in Covid

by Sher-Lee Arendse-Fourie and Juan Ontong

The effect of Covid has perhaps been greater in poorer communities. To lend a helping hand, a clothing and blanket drive was held in May 2021. The project was an initiative of Sher-Lee Arendse-Fourie and Juan Ontong and involved the EMS student representative committee, known as the EBSK, who collected donations from students and the 2021 School of Accountancy academic trainees. The hope is that this initiative will be a sustainable project with the new academic trainees each year doing a similar social impact project in collaboration with the EBSK. The collected clothing and blankets were donated to Playsportforlife who has a great reputation of improving the lives of people in disadvantaged communities such as Kensington, Facreton and Maitland informal settlement areas.

One of the academic trainees remarked “We are very excited to work on this project and look forward to making a difference, regardless of how small!.” Michelle Mukwehlo, a representative of EBSK says:

“It was wonderful to see how keen students were to donate all their extra clothes. It is important that we use every opportunity to help those that are less privileged than us, and we hope that it put a smile on the faces of those who received the clothes.”



Picture: The donation request poster.



Picture: Representatives of Playsportforlife

CIMA Excellence Awards

The School of Accountancy received multiple excellence awards during a virtual ceremony held by CIMA (Chartered Institute of Management Accountants) on Friday, 11 December 2020. The CIMA Excellence Awards celebrate and acknowledge outstanding academic partners, tuition providers and students who have made significant contributions.

The School of Accountancy was awarded the CIMA Prize-Winner Excellence Award which recognises university partners with top-performing CIMA students in case study exams. It also received the CIMA Global Excellence Award which recognises university partners that achieved the highest pass rates for CIMA exams.

Roelof Baard, senior lecturer and leader of the BComHons (Management Accounting) programme at the School of Accountancy commented:

“I am grateful for the recognition that we have received for a programme that has long been part of the School of Accountancy. These awards confirm that we deliver high quality students not just in passing the CIMA exams but also for the workplace.”



Establishment of the Accounting education research focus group

2021 saw the establishment of an Accounting education research focus group in the School of Accountancy (SOA). The research focus group, co-managed by Dr Gretha Steenkamp and Mr Juan Ontong, under the leadership of Dr George Nel (Deputy Director: Research), aims to support and promote Accounting education research within the SOA and also facilitate collaboration with other universities.

Prof. Pieter von Wielligh says,

“Over the last couple of years, it has become very apparent that many colleagues in the SOA are interested in the Scholarship of Teaching and Learning (often referred to in research circles as “SoTL”) and, in particular, as it relates to accounting (in a broad sense of the discipline) education. SoTL of accounting education is an established field of scholarship (i.e. research) internationally and is also fast gaining traction locally. Many scholars have published excellent high-quality research in this area. The recent establishment of a space for these SOA colleagues to collaborate is a great expansion to the existing perhaps more accountancy discipline-based research focus areas of the SOA.

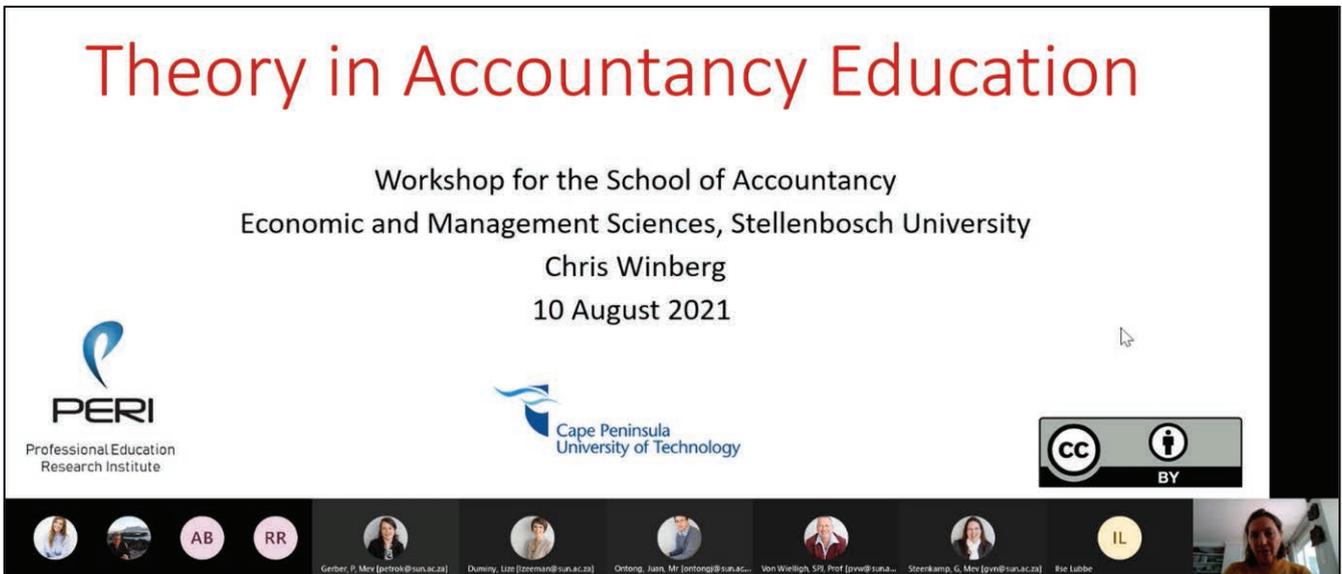
Dr George Nel says,

“The vision to establish **strategic research focus areas** has recently been instilled in the formulation of a **five-year strategic research plan** for the SOA. The recent establishment of a research focus area in the accounting education space, preceded by a panel discussion on the future of such research by international leaders in this field as panellists, is an important **first step** in the realisation of this vision.

The focus group was launched on 25 May 2021 by a panel discussion by local and international experts in the field of Accounting Education. The panel discussion commenced with a brief outline of past research done in the field of Accounting education at the SOA. After this, each panel member outlined where they saw Accounting education research in South Africa (and the world) going. The focus of future research endeavours was also discussed by considering the opportunities available as well as the challenges to publish high impact Accounting education research using South African data.



Picture: Prof Stephen Coetzee (Department of Accounting, University of Pretoria) (top left), Prof Ilse Lubbe (College of Accounting, University of Cape Town) (top right), Dr George Nel (Bottom left), Prof Neil Marriot (Department of Accounting, Finance, Mathematics and Economics, University of Winchester) (bottom centre) and Prof Meredith Tharapos (School of Accounting, RMIT University) (bottom right) at the online panel discussion on 25 May 2021.



Picture: The presentation from Prof Christine Winberg.

“The focus group also started a reading club. On a monthly basis, certain academic articles (related to the presentations and workshops discussed in the previous paragraph) are identified and read by staff.

At month-end a meeting is held where staff can share their perspectives on the articles they read or the theory/methodology at hand. The first reading club discussion meeting was held on 10 September 2021, where Mariam Bardien (College of Accounting at the University of Cape Town) shared her experience using legitimacy code theory for Financial Instruments threshold concepts. Her thesis entitled: “Knowledge in Accounting: Using a threshold concept lens to identify knowledge of financial instruments in an Accounting course, as experienced by students at a South African university” focused on using educational theories in Accounting education research. The aim of the reading club is to encourage discussion around Accounting education between various universities, to generate high quality Accounting education research.



Pictures above are Ms. Mariam Bardien and Prof Ilse Lubbe (both from the College of Accounting at the University of Cape Town) who attended the first discussion group flowing from the reading club initiative.



Picture: Presentation by Pepler Head of the library on the Systematic Literature Review method.

SOA's Bachelor of Accounting Honours – **Research component**

The School of Accountancy (SOA) offers two postgraduate degrees to students studying to become chartered accountants, namely the Postgraduate Diploma in Accounting (PGDA) and the Bachelor of Accounting Honours (BAccHons). The BAccHons essentially consists of the PGDA plus an additional research module. During 2021, only 19 students were admitted into the BAccHons programme as its admission requirement is a 75% average at third-year level. During the research module, the BAccHons students learn important research skills, expand their user competencies of MS Teams through online collaboration and completed a research assignment which features both individual and group components. As one of the 2021 students, Melissa Oellermann, noted:

“I have learnt valuable writing skills from the research module that I would not have learnt if I was doing PGDA.”

On 16 September 2021 the students virtually presented their research findings to SOA staff and students. Group A's topic was “The fourth industrial revolution's effect on the accounting profession” and their interactive presentation led to a lively discussion on how the accounting and auditing profession should adapt in future to utilise the affordances of information technology advances.



Pictured above is a slide from Group A's presentation, discussing how Artificial Intelligence could influence the accounting and auditing profession in future.

Using a case study approach, Group B performed a critical evaluation of Tongaat Hulett's Integrated Reports' risk disclosure pre- and post the 2018 accounting scandal. Their research emphasised the importance of risk disclosure that is adapted to the company's individual risks, rather than “boilerplate” statements. Group C studied JSE-listed companies to determine whether there was an association between voluntary environmental disclosure and cost of capital. Although they did not find a statistically significant association between the two variables, the audience lauded them for being “ahead of their time” as environmental matters will increasingly impact a company's financial well-being. Through an analysis of annual financial statements, Group B calculated the actual value that a sample of executives of JSE-listed companies realised from share-based remuneration during the 2010–2017 period. The realised value showed an increasing trend, and it was also found that the IRESS financial database underreported this realised value (probably because of inconsistent disclosure practices in annual financial statements). Group D considered the value relevance of revenue in South Africa. Although revenue was value relevant (i.e. related to the market value of equity) both before and after the effective date of IFRS 15, the students did not find that revenue was more relevant after the effective date of IFRS 15, as was expected.



Pictured above is Prof Pieter von Wielligh posing a question to Group C after their presentation

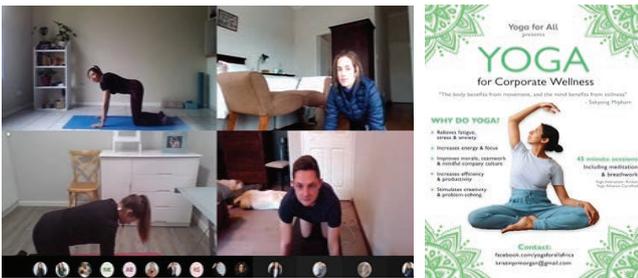


Socialising at a distance

The social committee at the School of Accountancy (SOA) is run by SOA staff members Eloise De Jager, Waldette Engelbrecht, Sher-Lee Arendse-Fourie, Juan Ontong, Stephan Kruger, Orlando Van Schalkwyk and Armand Bruwer. The committee was established to promote the social wellbeing of personnel. During the 2021 academic year, the social committee organized a few events, which, despite being held virtually (due to the Covid-19 pandemic), brought cohesion among all staff members.

Staff Yoga:

One such an event was a virtual yoga session held by Kristin Morgan, a CA turned yoga instructor, who provided valuable tips on ways to improve wellness in a high stress work environment. The session provided an opportunity to engage in self-care, movement and relaxation as often in a 'working from home' lifestyle, one tends to forget to make time and space for these important elements.

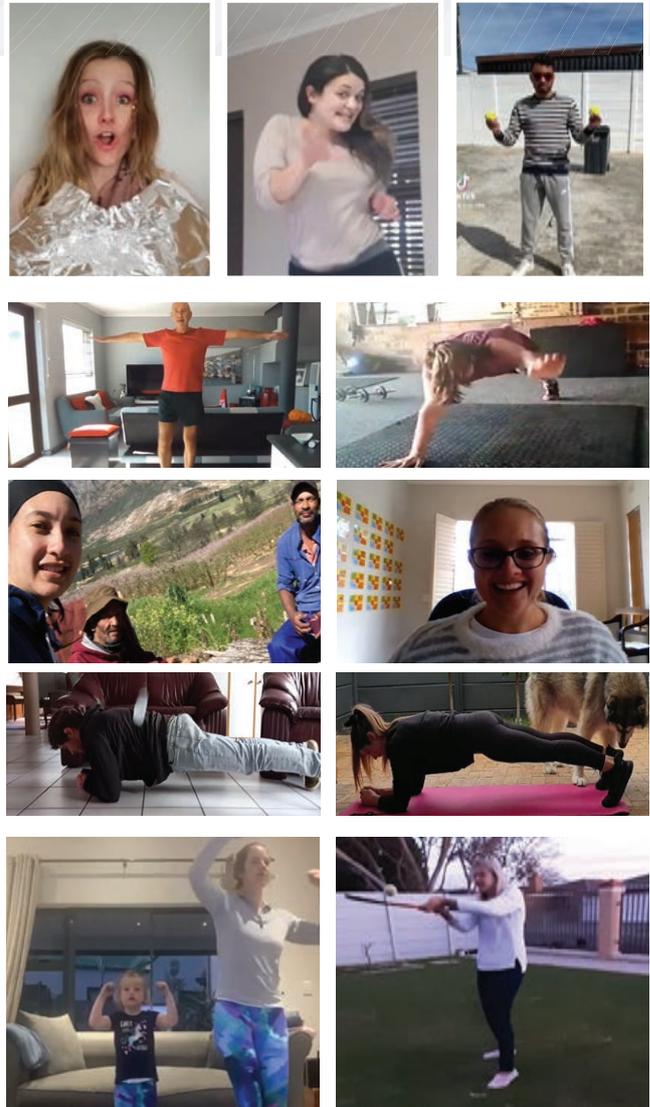


Pictures above: Some of the 2021 weekly lockdown challenge entries

Weekly lockdown challenges:

Another event was a 5-week challenge, where staff members were divided into teams according to their respective divisions and competed within their divisions each week by doing specific challenges as follows:

- Week 1: Say a specific sentence in a foreign language.
- Week 2: Do a plank for 30 seconds or do a funky dance.
- Week 3: Do a trick using two tennis balls.
- Week 4: Make a cup of coffee and give to someone or make something from tinfoil or toilet paper.
- Week 5: Make a three-ingredient dish or drink.



The final challenge (below) had the finalists of each team competing for the grand prize.

- Sing a section of any song of your choice (20 seconds)
- Squats and lunges (20 seconds)
- Eating/Drinking something gross (20 seconds)

The winner of the SOA Lockdown Challenge was **Hamman Schoonwinkel**, from Team Information Systems (how fitting). His video can be viewed by scanning the QR code on the right.



Travel mugs:

Staff members had to juggle working from home and working in office this year, as the University followed a hybrid approach in 2021 where some lectures were offered face-to-face and some online. Due to this, staff members had to travel a lot and the social committee therefore decided to organise coffee travel mugs and water bottles for all staff members to make life more comfortable.

Is quantum computing a threat to blockchain?

by Hamman Schoonwinkel

Public and open permissionless blockchains, such as Bitcoin and Ethereum, are considered to be immutable. Transactions cannot be reversed, and coins cannot be

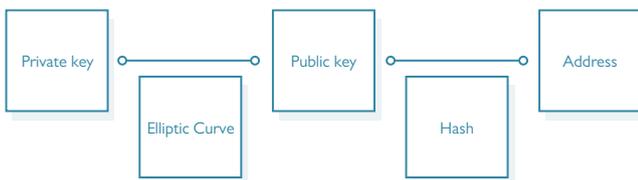
“There is concern that quantum computers might challenge the security of blockchains.”

double spent. To study this plausibility, we need to identify where cryptography is applied within blockchain. Bitcoin will be used as a case study.

A crypto wallet is a digital wallet that stores pairs of private and public keys. You use private keys to spend coins that you currently own, and public keys to receive coins from other addresses. It should be noted that these coins are not stored in your wallet, but rather on the blockchain. The wallet only contains keys, which controls the ownership of the coins that are stored on the blockchain.

A private key is chosen at random by the wallet. Its corresponding public key is then calculated using an algorithm called **Elliptic Curve**. This is a one-way function, which means that although it is possible to calculate the public key based on the private key, it is not possible to calculate the private key, given the public key.

Bitcoin addresses are calculated by pushing the public key into two hashing algorithms: **SHA256** and **RIPEMD160**. It should therefore be noted that your Bitcoin address is not the public key itself, but rather a hashed version of the public key. Your Bitcoin address is public. You will share this address to everyone, so they can send Bitcoin to this address. You will then access the funds within this address with the corresponding private keys.



Your Bitcoin address is therefore publicly visible, but not your public key. However, as soon as you spend Bitcoin, by sending coins to another address using your private key, it creates a visible digital signature. This will make the public key visible on the blockchain.

Quantum computing could pose a threat to the **Elliptic Curve** signing algorithm, which means that it might enable the calculation of the private key, based on the public key. It should be noted that wallets can then easily be migrated to new software that uses quantum resistant signing algorithms, which already exists. The interesting cases are however those wallets that have lost private keys. These wallets will not get upgraded.

“There are many sad stories of people who have lost their private keys and can no longer access their Bitcoin, which has significantly appreciated in value in the past decade.”

The next question for these wallets with lost keys would be whether they have ever spent Bitcoin from that address. If so, the public key would be visible from the digital signature, and a quantum computer could be used to calculate the private key, and the funds would get captured.

It is therefore best practice to only use an address once. Let us assume you have a balance of 10 Bitcoin. You want to send 2 Bitcoin to someone else. It is considered good practice to send the remaining 8 Bitcoin to a new address that you also control, rather than keeping it in the same address. This does not only enhance privacy (reuse of the same address would make it easy to analyze your spending patterns on the blockchain, as all Bitcoin transactions are public), but also makes your account more secure against an attack on the Elliptic Curve algorithm. To send the 2

“It is interesting to note that the anonymous Bitcoin creator, Satoshi Nakamoto, is estimated to own about 1 million Bitcoin. Today, that equates to R707 billion. However, none of the Bitcoin in his addresses (that we know of) have ever moved, implying that he has not spent any of it. This leads people to think that Nakamoto has already died.”

Bitcoin, you had to sign the transaction with your private key. This reveals your public key, which, in a scenario where quantum computing is possible, would enable attackers to steal all the remaining funds in that account. However, you transferred all your funds to a new address, for which they do not know the public key. There are therefore no remaining funds to steal. Most wallets today automatically generate new keys after each transaction.

As his keys are most probably lost, his wallets are vulnerable to quantum attacks. However, as he did not spend anything, his public keys are not known. Therefore, should Elliptic Curve be under attack by quantum computing, his funds will still not be extractable. For that, the attackers would also need to reverse his publicly known Bitcoin address into the corresponding public keys, which require them to break the SHA256 and RIPEMD160 hashing algorithms, in addition to breaking the Elliptic Curve signing algorithm to reverse the public keys into its corresponding private keys. To break a hashing algorithm is considered much more difficult – perhaps impossible. Quantum computing is therefore currently no threat to blockchain security.

Network your way to the top

This article was published in the April 2021 edition of Accountancy SA (<https://www.accountancysa.org.za/cover-story-movers-and-shakers-in-the-digital-era/>) and is adapted with permission from the South African Institute of Chartered Accountants.

Uwais Asmal, Stellenbosch University alumnus, Chartered accountant (SA) and social media influencer, hails from Salt River in Cape Town, and didn't know much about chartered accountants growing up. 'There was nobody around in the area I came from who were CAs.' In Matric, Uwais went to a KPMG event and immediately realised that is what he would like to become and fortunately received a bursary to study at Stellenbosch University.

Although he would not exchange his experience for anything, studying in Afrikaans had its share of challenges. 'It was very interesting... In June of my third year, I thought I would fail all my subjects. A group of us decided to work together and luckily we all managed to pass.' He enrolled at Unisa to complete his post-graduate studies. He started work at KPMG at 21 and qualified as a chartered accountant at 24.

Uwais currently serves as the head of advisory services at Outsourced CFO. 'We help companies scale their operations, improve efficiency, improve cash flow and raise funding by providing specialised CFO services and cloud accounting services.' Sharing his success and failures online has proved to be very valuable. 'At university nobody teaches you how to communicate, how to deal with people and how to respond to people with emotional intelligence, especially if you, like I do, come from a previously disadvantaged school where they don't teach you about confidence or public speaking. There it is all about results because that is what will get you out,' he explains.

Being an accountant came naturally for Uwais from a young age. It was the confidence and the networking that he struggled with – something he has worked extremely hard to not only overcome but to master and embrace, and he is using this experience to

“Most CAs are very bad at networking. They tend to stick to themselves or their groups. But having worked for an asset manager in a business development role, I was forced to learn how to network.

inspire others. 'Learning how to get out of my shell was very interesting...,' he admits. At university, Uwais was an introvert and did not have a lot of confidence. 'And then you start mixing with these people who come from good schools and are confident, so you assume they are saying something of value. However, you quickly realise a lot of them speak a lot, with a lot of assuredness, but they are not

necessarily speaking sense, so just because you seem to know what you are talking about, doesn't mean you do.'

These days, he is very active on social media platforms like LinkedIn, YouTube and Clubhouse. 'At the start of 2019, a colleague introduced me to LinkedIn. I started looking for South African content, not even just accounting content but any content, and I couldn't find it, so I decided to try and do something myself and see where it goes. I would never have thought then I would be where I am now! Most accountants are very afraid of making mistakes, but I was inspired to



UWAIS ASMAL

Chartered Accountant



<https://za.linkedin.com/in/uwais-asmal>



<https://youtube.com/channel/UCrSU3B5Ykq4FTidIKWbjlw>



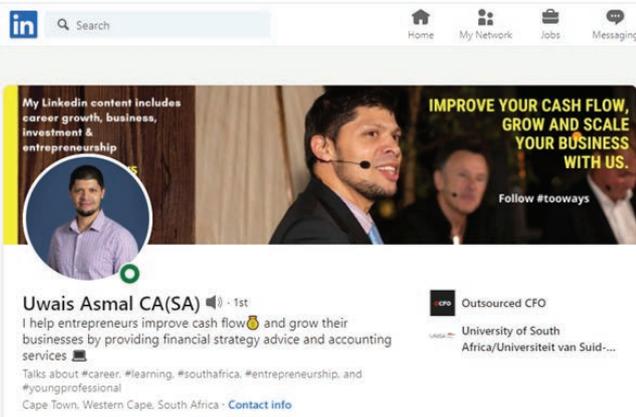
<https://open.spotify.com/show/4ZZ24Pkc1fj4zMRuFbYGA5>



<https://podcasts.apple.com/za/podcast/tooways-to-skin-a-ca-t/id1536305540>

get out of my comfort zone and try something new, to not be afraid of failing, and it worked,' he said.

'Most CAs are very bad at networking. They tend to stick to themselves or their groups. But having worked for an asset manager in a business development role, I was forced to learn how to network. Even just meeting senior people or chatting to someone can make a massive difference where it counts. When you get to a certain level in your career, it is really difficult to make a move. The only jobs you can get are through people you know. The positions that you want at that stage of your career, the interesting, out-of-the-box or exciting opportunities, or even investment prospects, will not necessarily be advertised. It then becomes more about who you know.'



LinkedIn is a business-to-business (B2B) social networking site on which individuals, companies, colleagues, clients, competitors and organisations can connect as well as participate in online forums. 'Connecting and engaging with the right people and creating content is what I have found to be most valuable,' says Uwais. Uwais started by sharing articles and summarising ideas. He now has almost 17 000

“ My content is a lot about what happens in the work environment – even my mistakes, for example, this is how I responded in a certain situation, this is what I should have rather done, and this is what I’ve learnt.

followers and is posting daily. He is not only sharing interesting articles, but he has started writing and posting his own opinions. 'I have even posted a video titled "Career learnings and mistakes that I've made" '. He also does regular online video lectures as well as interviews with relevant role models like entrepreneurs and accountants, which has garnered a lot of positive feedback from his followers.

The main aim is to inspire young professionals and to help them learn from the mistakes and struggles of others, so they do not have to make them themselves. 'I am using it as a motivational tool, especially for people from previously disadvantaged communities,

because we don't have mentors and people who have reached these goals in our immediate surroundings. If you can inspire one person, they can pull their whole family out of poverty. And I think I have found my voice and my niche, which I never would have done if I were too afraid to fail in the first place,' he smiles.

Apart from sharing content online, Uwais also regularly networks one on one with people from all walks of life. 'I started networking with a large range of people at least once a day during lockdown and have since continued. A lot of them I came across on LinkedIn and have never met.'

According to Uwais, the most important thing to realise about

“ You have to give first, and something of value. Don't expect people to give to you. It is a relationship that you build.

networking is it is not what you can get, but what you can give. Furthermore, networking is a long-term game. 'You are not necessarily going to get business or opportunities

immediately and that shouldn't be the aim anyway. It is about growing your brand and getting (and giving) guidance along the way and that is the power of networking – that you can reach out and ask for help because you have got a relationship with someone.'

Lastly, it is important to reiterate that especially people who work in big corporates should aim to network outside their organisations. 'There might come a time when you want or need to move and will then need a network outside of that organisation, so try to meet people from other industries and walks of life. Go to networking and industry events, get out of your comfort zone and connect with others. That is how you learn, broaden your network and get opportunities later.'

Having started out as an introvert, Uwais has bloomed into a networking master with a solid brand, who adds value to countless people and inspires young professionals to be the best versions of themselves.

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The dark side of online teaching

by Professor Riaan Rudman

In 2020, students and academics, were forced to transition into the emergency online remote learning space. Lecturers innovated and adapted to ensure the transition to online learning was successful and, in the process, they tacitly agreed to waive various rights which exposed them to the **dark side of online teaching**. Despite the changed context in which lecturers find themselves, the traditional academic and professional expectations on staff remain unchanged. Lecturers had to balance personal and professional decisions as well as disruptive technologies. The purpose of this article is to reflect on the **dark side of teaching online**.

Online teaching faces practical issues at a scale that traditional learning does not. Notwithstanding these practical issues, there are additional fundamental downsides to teaching online which gather around three themes namely changes in teaching practices, changes to the student experience, and the re-shaping of institutional strategy and responsibilities specifically relating to this new digital environment. Online learning also has practical annoyances, like Zoom/MS Teams fatigue, not knowing how to use the technology, background noises, and muted or unmuted devices. Notwithstanding these practical issues, there are some additional fundamental potential downsides of streaming and recording.

“South Africa has to deal with inter alia unstable electricity, device availability and an unreliable internet connection and high data costs.”

Building a pattern of behaviour

A digital environment places additional burden on universities to take responsibility for managing their staff's online behaviour, particularly since many universities have not kept up to date with the changes in the technology landscape, nor have their policies been updated. In a hurry to design online engagement, the personal and other risks that live-streaming and recordings created have been overlooked or they are planned to only be addressed in the future. In the meantime, staff might be forced to continue to expose themselves and the institution to risks and therefore are presumably responsible for mitigating these risks themselves, until such time as the organisation has considered, understood, prioritised and addressed the risks of online engagement. The matters to consider include aspects relating to access, loss of academic freedom and ownership rights, as well as a loss of privacy and identity.

Unauthorised access controls

The pace of adoption of online engagement resulted in staff not understanding the appropriate access controls and operating settings around the platforms used. Incorrectly configured settings may result in recordings being shared. Tech-support focused on implementation, not operations, which may leave organisational controls lacking. In order to simplify access for their customers and reduce the barriers to entry, the increased ease of access resulted in unauthorised persons (i.e. hackers) performing unauthorised activities with the online material, as well as authorised persons (i.e. other staff) using the material in an unauthorised manner. Inappropriate access controls would result in a loss of intellectual property if unauthorised access is gained to an institution's intellectual property. Learning material could be downloaded

“Once a recording is made, it is easy to share and becomes available for scrutiny for years to come.

and shared on social media platforms. As morals and values change over time, an innocent comment today that is immortalised in a recording, could become viral in the future and potentially cause reputational damage.

Acceptable behaviour

Students and staff may have become fairly familiar on discussion forums and may forget to keep discussions using a professional tone and a manner similar to that of how they would during an in-person face-to-face engagement or meeting. Students could post inappropriate content or communicate in a manner which is in breach of the university communication policy. Trolling, harassment, doxing or even cyberbullying of fellow students or

“A most frequent example is where words can be taken out of context to become a sound bite or a social media post that becomes a meme and goes viral.

staff by means of posting potentially harmful or cruel text following a question posted in discussion forum, may become a problem. In South-Africa, there have been other examples of innocent instances of participants accidentally switching on a camera, as well as intentional attempts to take control of a meeting by unmuting microphones, Zoom-bombing and hijacking meetings with audio protests.

Malware and other intrusions

Unauthorised behaviour is not only limited to users. In recent years, academia has increasingly become a target for online attacks, with a host of phishing websites having been launched. Users who land on these phishing pages are often tricked into clicking URLs that download malicious programs or inputting their login credentials. These later facilitate social engineered attacks, malware or denial of service attacks.

Loss of professional academic freedom

Authorised users in the online space also give away some freedoms and rights. A lecture venue has historically been considered a safe space where students and staff were afforded the academic freedom to critically discuss contentious or topical real-world issues and real-life incidents. Being recorded or not knowing who is present in an online lecture may inhibit this academic freedom, discouraging lecturers and students from taking controversial views, and reduces participation in order to mitigate reputational risk. This is particularly relevant in the era of *populist politics* and *cancel culture*.

Loss of ownership

In addition to a loss of academic freedom, academics could also lose ownership of identity. Universities have always taken ownership of products produced by academic staff under their employment contracts. It is often assumed that this has only been in reference to written works or artefacts produced which do not involve a lecturer's personal physical being. Some universities have separate policies governing written works and artefacts, as opposed to voice and video recordings, while others may have purposefully broad catch-all policies and include recording as part of a university's record of information asset. If recordings are to be treated as the organisations assets, then there is an obligation that it should be safeguarded as any organisation record and ensure that it is processed fairly, transparently and lawfully and be securely stored in an authorised recordkeeping system and taking changing circumstances into account, since these recordings may contain personal information. This personal information can take many forms and could potentially become a data breach. Depending on the legal jurisdiction, there may be legal requirements when making online recording to ensure a university complies with the appropriate laws relating to privacy regardless of where we are located or how we are connecting. Another related risk arises where the lecturers inadvertently include copyrighted material as part of lectures which could expose a lecturer or organisation to litigation.

Privacy

Besides academic freedom and loss of ownership, there are also wider ethical issues, such as privacy and identity, at play. Recordings could infringe on a person's perception of privacy. Non-consensual recording could be viewed as an invasion of privacy. Most employment contracts and conditions of service do not explicitly state that lecturers may be required to record or live-stream their personal physical being in the performance of their teaching duties. Change in mode of teaching may require a proper consultation process to be followed.

“Deepfakes leverage powerful techniques from machine learning and artificial intelligence to manipulate or generate visual and audio content with a high potential to deceive.

Many a lecturer has been the subject of a joke. Using a photo to make a meme of a lecturer, may be embarrassing, but deepfake is the next evolution. The biometric data contained in video and voice recordings, may become the source of data for a deepfake or be used in other forms of voice synthesis or cloning, and could expose lecturers

to future security risks. Various cases of voices cloned have been used to authorise fraudulent transactions.

While organisations give consideration to the safeguarding of personal information of students and staff stored in traditional databases, little consideration is being given to the safeguarding of biometric data or its potential further legislative implications.

Conclusion

Universities form part of rich human ecosystems. New technologies can improve or disrupt this ecosystem. Online learning has many benefits, but universities need to understand and react to the **dark side of online teaching**.



How to strategically maintain a **company's corporate culture** with remote working becoming mainstream

by Riana Goosen

It has been a year and a half since South Africa and the rest of the world, have been confronted with a very sudden and unexpected change in the working environment – most companies switching instantaneously from office work to working remotely from home, due to the Covid-19 pandemic.

“For many it was an exciting initial time, working from the comfort of their own homes. However, for some the novelty soon wore off and yet for others they are happier than ever, working from home.”

On the positive side people like the fact that:

- They don't have to commute to the office every day and can save time in traffic that can be used productively at home.
- They are less interrupted by co-workers and meetings and can focus only on their work.
- They have greater flexibility and a greater work-life balance.

On the negative side people are also realising that:

- There is no physical and mental separation between their work and private living environments.
- They sometimes work longer hours – due to there being no boundaries when work starts and ends and being expected to be online for longer hours.
- There is the chance of greater mental health problems due to isolation and lack of social interaction with fellow colleagues and the physical work environment.
- Too much isolation can lead to a lack of self-motivation and lower productivity levels.
- Some employees miss the physical collaboration between team members.
- Some employees can lose focus on how they can make a difference and a contribution through their work.

Unfortunately, most of these negative factors can ultimately lead to employees feeling disconnected from the company's corporate culture and vision. One study found that 51% of people felt less connected to their companies' corporate culture. Some of this disconnect is due to our lack of being able to have meaningful connections when we are not physically present, cannot read each other's body language and non-verbal cues, share stories and antics which unfortunately all dilutes the subtle signals that all makes up a company's corporate culture and can even lead to strategic drift.²

So, when you hear these statistics, it makes sense when Peter Drucker said, “Culture eats strategy for breakfast.” Therefore, one can have the greatest business strategy, but if the people's passion and vision are missing, breakfast has been served.

The question then becomes: *How does one maintain the corporate culture of a company strong, when remote working is becoming a mainstream occurrence?*

“Culture eats strategy for breakfast.”





Here are a few ways in which one can maintain the corporate culture in a virtual world:

1. Have virtual team building exercises including fun activities and continuous learning opportunities.
2. Keep the spirit of inspiration and innovation going by having collaboration sessions – which include impromptu brainstorming sessions that stimulates creativity and develops spontaneous ideas.
3. Enforce your culture remotely, by having monthly staff meetings where staff are reminded of what the vision, mission and values of the company are and to remind staff of the role and difference they make in the bigger picture.
4. Have initiatives where employees can volunteer to help another colleague in their work or private lives or perform a surprise random act of kindness to a fellow colleague.
5. Implement productivity incentives – where staff has the option to participate in mentally stimulated additional work assignments – that will dually increase motivation and productivity levels.
6. Encourage routine and fixed working hours to ensure life-work balance is maintained.
7. Have certain days (or a number of days) where it is compulsory to physically come to work.
8. Schedule one on one weekly ‘check-in’ sessions between colleagues – to continue building work relationships beyond only big group interactions.
9. Address and acknowledge mental health issues through providing the necessary empathy and support structures – which reassure employees that their well-being is important to the company.
10. Provide clear and continuous communication on the future of the company - including on the stance of the company’s survival and growth prospects, which includes providing job security information.

In the end it seems that remote working conditions are here to stay. However, to keep a vibrant corporate culture alive is definitely possible, but managers will have to reconsider how they will enter the new working sphere and how to bridge this gap between the virtual and real world, by thinking innovatively and outside-the-box. One thing is for sure, inspirational leadership and good communication skills will need to be at the heart of its leaders, to keep the heart of the company going.

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“In the end it seems that remote working conditions are here to stay.

VUCA Accounting

by Juan Ontong and Chrystal Schonken

The Volatility, Uncertainty, Complexity and Ambiguity (VUCA) arising from an ever-changing business environment as a result of the prolonged impact of the Covid-19 global pandemic has placed emphasis on certain aspects relating to financial reporting. The effect of both local and

“ The International Financial Reporting Standards (IFRS) have shown their ability to be adaptable and relevant even in a time of unprecedented global uncertainty.

international lockdowns has placed significant pressure on various economic sectors and has had a domino effect on various related supply chains. This article identifies a selection of areas within IFRS that have received increased attention during the Covid-19 pandemic.

Are assumptions, estimates and judgements appropriate?

The effect of VUCA in both the immediate and long term will undoubtedly influence the assumptions, estimates and judgements made by management. IAS 1 - Presentation of Financial Statements (IAS 1) requires management to consider all available information when developing estimates and selecting appropriate accounting assumptions and policies. In addition, certain standards such as IFRS 15 - Revenue from Contracts with Customers, identifies the

“ Events such as delays in the implementation of capital projects, changes in assumptions relating to provisions and the effect of volatile changes in fair values of certain items should be considered and addressed through the provision of transparent and useful information to the users of financial statements regarding these events.

need for management to consider the uncertainties associated with revenue cash flows requiring disclosure so that appropriate decisions can be made by the users of financial statements. The effect of changes may result in changes in accounting policies and estimates in terms of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. These

considerations are not limited to merely the reporting period as IFRS requires management to consider the effect of events after the reporting period in terms of IAS 10 - Events after the reporting period, that may result in adjusting the financial statements or in the provision of additional disclosure of events after the



reporting period. In terms of IAS 10, the going concern basis of the preparation of financial statements is of particular interest given the deterioration of various sectors due to the effects of the Covid-19 global pandemic.

VUCA may bring the entity's ability to remain a going concern into question. Many industries were faced with extended periods of closure due to lock down restrictions, and consequently limited revenue generation and cash reserve depleting outflows to cover various overheads such as wages, rent and other obligations. IFRS requires management to assess the ability of the entity to continue as a going concern. This going concern assessment needs to consider the economic environment that exists in an uncertain economic context. The effects of potential future lockdowns on an entity's profitability and financial position may be key considerations in going concern evaluations.

IAS 1 requires that financial statements must fairly present the financial position of an entity, which implies that management is responsible to ensure that the presentation of liabilities is complete and accurate.

Are assets recorded appropriately?

Volatile and uncertain market conditions that may result in declining asset values may lead to various considerations with regards to an entity's assets. Financial instruments (IFRS 9) and other assets that are subject to fair value measurement may also be problematic as a result of inputs that are derived

“The direct effect of the prolonged lockdowns and resulting economic downturn on certain entities are arguably indicators of impairment.

from volatile markets instead of observable market prices. IAS 36 - Impairment of assets requires management to test for impairment of assets if impairment indicators exist. For inventory intensive

sectors, market uncertainty and fluctuating prices may lead to possible inventory write downs and even potential reversals of such write downs in subsequent periods, in terms of IAS 2 - Inventories.

Are liabilities recorded appropriately?

The economic downturn has resulted in many entities being unable to meet their obligations. Liabilities are notoriously an area where completeness and accuracy are key focus areas. In these VUCA times, particular emphasis should be placed on the requirements of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. Entities may, in these uncertain times, need to reevaluate the terms of their obligations. IFRS 9 provides guidance as to determining whether a renegotiation of terms results in a substantial modification of that agreement, whereby an entity may be required to account for an extinguishment of the original liability and recognise a new financial liability. The effect of future performance contingent items such as contingent consideration in terms of IFRS 3 – Business combinations should receive careful

attention from management in assessing the likelihood of achieving certain stipulations. In an immediate attempt to minimise the cash outflow of fixed commitments, many entities entered into agreements with landlords in order to gain rental concessions in this tough economic environment.

“In May 2020, the International Accounting Standards board (IASB) issued an amendment to IFRS 16 - Leases, providing lessees with an exemption from assessing whether a rental concession relating to the Covid-19 pandemic results in a lease modification and therefore a reduction in the onerous requirements of accounting for a lease modification, illustrating the ability of IFRS to respond to change in VUCA times.

Conclusion

“Accounting continues to show that it remains relevant and adaptable in order to provide the users of financial statements reliable information on which to base their decisions.

In unprecedented VUCA times, the financial reporting community can rest assured that the practise and organisations within this community are resilient and adaptable. Accounting following the conceptual framework, arguably a more principle-based approach, promotes relevance and adaptability.

Elmond's shopping conundrum: 100% all goal-aligned?



by Arthur Bishop and Karl Oellrich

The alignment of an organisation's strategic goals with its employees remains a fundamental part of organisational success. Goal alignment can be obtained through various ways, of which effective communication and the implementation of a system of organisational rewards is but only a few.

On an early morning, Elmond tumbles out of bed and stumbles to the kitchen to open his fridge, but he finds that his favourite dairy alternative, almond milk, is "out of stock." Elmond is working from home and finds a gap to quickly drive to his local grocer, the one that never disappoints, to stock up on his favourite almond milk. He walks straight to the aisle where he expects some cartons to be on the shelf; however, he gasps in disbelief because the shelf is empty! He immediately is highly disappointed with the grocer and contemplates what to do next. He has one of two options; leave, unhappy, without his almond milk and try another grocer, if time allows or call a shop assistant to ask whether there are perhaps any cartons elsewhere in the store.



If Elmond leaves the grocer disappointed, he goes through all the trouble to take the time out of his workday to drive to the grocer only for him not to fulfil his goal of buying his almond milk. As a result, Elmond might, worst case, decide not to return to this grocer for almond milk in future. The grocer, on the other hand, will not achieve its goal of preventing out-of-stock situations. One of their goals is to maintain their customer base by supplying almond milk to its regular customers and obtaining client satisfaction. Convert this example to the workplace, where Elmond is the employee and the grocer is his employer. Elmond puts in long hours of work to create value for the company he works for, only for him to be disappointed and feel underappreciated because his hard work is not recognised.

One of his employer's goals is to have happy and motivated employees that can contribute to the company's long-term success.

“By not recognising Elmond's efforts would discourage him from exceeding the expectations of his employer, leading to the misalignment of employee and employer goals.

Extremely disappointed that Elmond did not buy his almond milk, he walks down the next aisle and, to his shock, he sees a carton of the almond milk he desires in another customer's trolley! A

thought crosses his mind that tempts him to take the carton of milk gracefully from that customer, but he is immediately confronted with a feeling of guilt and proceeds to walk out of the shop satisfied that he was ethical in his actions. Similarly, ethical dilemmas may arise in the workplace, where employees could be tempted to act for the benefit of themselves and not consider the adverse effects on the company in the long term, formally referred to as counter-goal congruent behaviour.

Elmond's other option will be to ask one of the shop assistants if there are perhaps any cartons stored elsewhere in the store, instead of accepting that there is no almond milk. To his delight, he is told that there are a few cartons still in storage. This has made Elmond's day because his efforts paid off. He was rewarded for his efforts to take the time to drive to his favourite grocer after all. Elmond could have been told by the shop assistant that unfortunately, they are out of stock, which would result in him not meeting his goal. If one looks at this example in the context of Elmond's workplace, he would be encouraged to put in the time and effort to excel in his work if he knows it is being recognised and rewarded for and that his opinion is being heard. Through communication and an effective reward system, this can be achieved. The shop assistant did not know what Elmond was looking for before him communicating with her. Similarly, if Elmond did not express his work expectations and goals to his employer, his own goals could easily be misaligned with those of his employer.

After receiving his much-anticipated almond milk, Elmond suggests to the shop assistant that it would make him a happy customer if the shelves were monitored and filled up with stock from storage

“Effective communication and suggestions made to management in the workplace fit well in a participatory management style that motivates employees.

to prevent customer disappointment. By creating awareness of the out-of-stock situation, the grocer can take control of the problem and Elmond and other customers would be encouraged to return to the grocer as customer needs

are valued. When employees can contribute to formulating the main goals of an organisation and their own goals, it motivates employees as they feel that they can add value in their unique way.

After shopping, Elmond is elated to have his carton of almond milk to complement his chai latté. Similarly, the choices in the workplace allow him to feel appreciated, resulting in his personal development, which ultimately is aligned with the strategic goals of his employer. The former CEO of IBM once said that, "although vision, strategy, marketing and finances are important elements in an organisation's success, in the end, an organisation is nothing more than the collective capacity of its people to create value."

Tax treatment: The deductibility of home office expenses

by Waldette Engelbrecht and Andrea van der Merwe

Since the outbreak of the Covid pandemic, it has become necessary for employees to work remotely from their homes. Subsequently, employees had to ensure that a space, or part of their homes, were set up in such a manner that it would be conducive for them to work from home. Many employees are now assessing whether they would be able to claim certain expenses incurred in connection with the running of their home office, as a tax deduction.

The South African Revenue Service (SARS) allows employees to deduct their home office expenses within the **“Other Deductions” section of the ITR12 form**. However, it is only allowed under certain specific conditions.

What would constitute home office expenses?

Below are examples of expenses that may constitute home office expenses:

- Rent of the premises
- Interest on a bond
- Repairs
- Rates and taxes
- Cleaning
- Other expenses in connection with the premises.
- Phones (only commission earners can claim for phones).
- Stationery (only commission earners can claim for stationery).
- Wear-and-tear on office equipment.

What are the requirements that must be met in order to claim home office expenses as a deduction?

The requirements of sections 11, 23(b) and 23(m) of the Income Tax Act must all be met before a home office expense may be deducted. Section 23(m) prohibits deductions for employees unless their remuneration normally consists of more than 50% of commission. However, an exception is created for home office expenses, provided it meets the requirements of section 23(b).

In short, there are five requirements that salaried employees must meet before a deduction of home office expenses may be claimed for tax purposes:

1. Duties as an employee must be performed *mainly* (more than 50%) in that part of the domestic premises.
2. *Part* of the house must be used for purposes of trade as an employee: this has been interpreted as a dedicated room, for example, a home office. Currently, sharing of a home office with a spouse or working at a dining room table would not suffice.
3. The home office must be *specifically equipped* with a desk, chair, computer, printer, etc.

4. The home office must be *regularly* used to perform the duties of an employee.
5. The home office must be *exclusively* (100%) used to perform these duties.

How is the home office expense deduction calculated?

- Calculate the area of your home office as a percentage of the total area of your home.
- Apply this percentage to the total expenditure in respect of your home, for example, rent, interest on bond, rates and taxes.
- Add any other allowable expenditure, for example, wear-and-tear.
- Ensure that above calculation, as well as supporting documents (municipal bill, bond statement) is documented and available to submit to SARS, if required.
- A letter from the employer is also required confirming the use of the home office (stating why the taxpayer is required to perform work from home as well as whether an office is provided at the employer's premises).

It sounds like a win-win situation, right?

However, taxpayers should be cautioned to designate a part of their home as a home office, as it could lead to an unintended capital gain upon disposal of the home. Where the home is the primary residence (as defined in paragraph 44 of the Eighth Schedule to the Income Tax Act) of the taxpayer and one of the rooms is converted into a home office, the primary residence is used for purposes of trade. If the primary residence is used for trade purposes, the capital gain that arises upon subsequent disposal of the primary residence will be apportioned for the part that is used for trade purposes. The apportionment will be based on the period, as well as the part of the residence that was used for trade purposes in terms of paragraph 49 of the Eighth Schedule to the Income Tax Act. The capital gain attributable to the part of the primary residence that is used for trade purposes, does not qualify for the R2 million primary residence exclusion (in terms of paragraph 45(1)(a) of the Eighth Schedule to the Income Tax Act) and therefore will be added to the sum of the capital gains or losses. The net capital gain of the taxpayer, after deducting the annual exclusion of R40 000, is included in taxable income at a 40% inclusion rate in terms of section 26A of the Income Tax Act. The above tax consequences are not applicable where the taxpayer does not own the primary residence, but merely leases it.

Conclusion

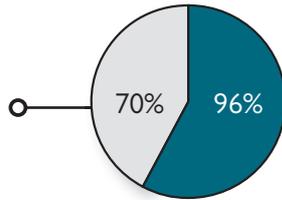
Although certain expenses in respect of a designated home office used by a taxpayer, can be claimed as a deduction, the subsequent disposal of the primary residence could result in an unintended taxable capital gain, which will lead to an increase in the normal tax liability owed to SARS.

ITC results

The results of the April 2021 Initial Test of Competence (first professional exam) of the South African Institute of Chartered Accountants (SAICA) were announced in July 2021. The BAccHons students of 2020 of the School of Accountancy (SOA) wrote this exam in April 2021.

314
STUDENTS

of the SOA wrote the examination (a record number!), the most candidates of all 16 SAICA accredited residential universities and private providers making the SOA the largest residential provider nationally.



Pass rate of SU students = 96%
National pass rate = 70%



SU holds the joint 2nd place amongst the 16 residential providers nationally.



SU delivered by far the largest number of students nationwide of all residential universities and private providers, the majority of whom passed the exam the first time with 301 passes.



SU students hold five positions amongst the Top 10, including the 1st position. SU's top 5 students are:

Hanne Mertens
(Top position)

Sadiyah Wahab
(6th position)

Cameron Rencken
(8th position)

Cayley Tarr
(9th position)

Stefano Filippi
(10th position)

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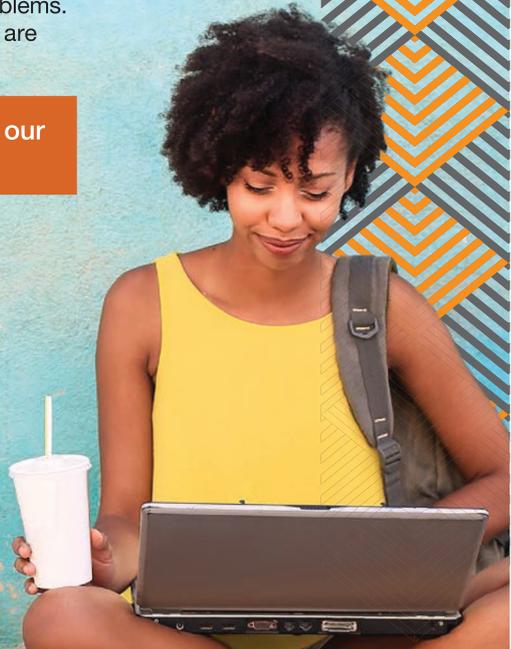


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Topstudente 2020

Erkenning word aan die top Skool vir Rekeningkunde (SvR) studente gegee vir hul uitmuntende akademiese prestasie per module wat deur die SvR aangebied word.

Module naam	Naam van topstudent
Belasting 298	Brett Liebenberg
Belasting 399	Lauren Tsafandakis
Belasting 388	Iine Du Toit
Bestuursrekeningkunde 278	Christa Jean Albertyn
Bestuursrekeningkunde 288	Martin Kotze
Bestuursrekeningkunde 378	Lauren Tsafandakis
Bestuursrekeningkunde 388	Nicola Jennette Sloane
Finansiële Rekeningkunde 178	Hermanus Gerhardus Cloete
Finansiële Rekeningkunde 188	Hayden Graham de Kock
Finansiële Rekeningkunde 278	Julia Fiona Bishop
Finansiële Rekeningkunde 288	Jessie Shannon Leukes
Finansiële Rekeningkunde 379	Lauren Tsafandakis
Finansiële Rekeningkunde 389	Emma Dodgen
Ouditkunde 288	Lisa Mc Loud
Ouditkunde 378	Lauren Tsafandakis
Ouditkunde 388	Jeanne van den Heever
Inligtingstelsels 112 (Gesamentlike topstudente)	Herman Frederik Fouche Cameron Charles Goate Kaylee Krige Plekhouer (toestemming om naam te publiseer nie ontvang nie)
Inligtingstelsels 114 (Gesamentlike topstudente)	Chris Douglas Malherbe Frank Oliver Mouton
Inligtingstelsels 144	Lauren Tayla Mcjannet
Inligtingstelsels 152	Michaella Da Costa
Inligtingstelsels 214	Danielle-Verné Louw
Inligtingstelsels 242	Daniël Nicholaas Wesson
Inligtingstelsels 312 (Gesamentlike topstudente)	Alexander Paul Heyns Thandolwethu Ntshangase Dillon Ribeiro Izak Abraham Swanepoel Robyn Mari van Eck
Sake-etiek 214	Carla Bester

HonsBRek	
Belasting 771	Hanne Mertens
Bestuursrekeningkunde 771	Willem Adriaan Odendaal
Finansiële rekeningkunde 771	Hanne Mertens
Ouditkunde 771	Jeanne-Marie Visser

HonsBCom (Bestuursrekeningkunde)	
Advanced Financial Accounting 716	Megan Hazel Jonker
Advanced Management Accounting 715	Megan Hazel Jonker
Strategic Financial Management 782	Jana Störm
Strategic Management Accounting 783	Kyna Maree Will
Risk and Information Management 784	Kyna Maree Will
Research assignment: Management Accounting 786	Kyna Maree Will

Algehele winners	
Beste eerstejaar BRek-student	Hermanus Gerhardus Cloete
Beste tweedejaar BRek-student	Caryn Jill Bishop
Beste derdejaar BRek-student	Lauren Tsafandakis
Beste HonsBRek student	Hanne Mertens
Beste HonsBCom (Bestuursrekeningkunde) student	Kyna Maree Will



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Rector's awards

SU students were honoured with Rector's Awards during a virtual ceremony this year. The theme of the ceremony was "Excellence through adversity – moving forward together". SU Rector and Vice-Chancellor Prof. Wim de Villiers and Prof. Deresh Ramjugernath, Deputy Vice-Chancellor: Learning and Teaching, commended students for their resilience and high level of excellence through continuous uncertainty and challenges. "You've constantly had to adapt and stay agile, a trait we truly value at SU, and one that will stand you in good stead in the future. In the process, we have also realised that sharing moments of joy is more important than ever before, even if this must happen virtually, because no man is an island," Prof. De Villiers said.

Thirteen students from the Faculty of Economic and Management Sciences received rector's awards for excellent academic achievement:

- Lauren Tsafandakis
- Philip Ferreira
- Brandon Dinwoodie
- Jeanne van den Heever
- Micaela Giltrow
- Ilne du Toit
- Marné Olivier
- Matthys Carstens
- Melissa Oellerman
- Haamidah Mowzer
- Joshua Putterill
- Kilian Boshoff



SU medal for top master's student:
Alexander Charles O'Riordan

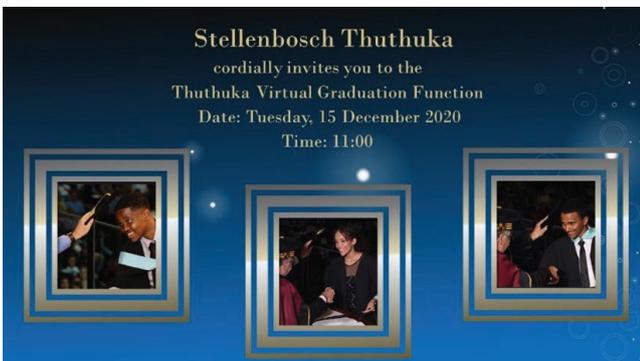


Thuthuka 2021 (mostly) online

Similar to everyone else, Thuthuka had to adapt drastically and quickly when Covid came and lockdown regulations were implemented.

During 2020 our main focus was to ensure our students were safe – both physically and emotionally. Together with this, we ensured they had a basic allowance for food, access to data and a laptop to work on.

“Towards the end of the year we realised that our final-year students would not experience an in-person graduation.



“This was especially sad for the Thuthukans, as most of them are first generation students and they have been looking forward to graduation with their families for a long time.

We wanted to do something special for the students and hosted a virtual graduation function via MS Teams. The virtual graduation was attended by our students, their parents and families, lecturers who were their mentors during their studies, the management team of the School of Accountancy and some guests from SAICA.

During the event we virtually “handed over” a certificate to each student. We asked the graduates to submit a short video of their Thuthuka journey, which we played for the viewers during the certificate hand over. It was very special to hear what the students experienced during their time at Stellenbosch and Thuthuka, and something we will keep doing, even when we can again have an in-person ceremony. Afterwards each student’s certificate was emailed to them, together with a small gift voucher.

All of us hoped that we will move back to “normal” in 2021, but as the year started, we realised it would not be possible. The 2021 first-year students only joined us on campus in March, and even with the students on campus we had to adhere to all protocols at all times. One of the limitations, at the stage when the welcoming for new students started, was that only 50 people were allowed in a venue.



This posed another huge challenge to us, as we wanted to meet not only the new students, but also their parents. It was impossible to fit everyone in a venue; therefore we jumped on the online bandwagon and took it up a notch. Stellenbosch Thuthuka was the first Thuthuka group to host a blended welcoming session. For the first time we managed to arrange a simultaneous online and in-person welcoming. We had some of the project managers, a few senior Thuthuka group leaders and the first years in one venue (sanitising, masks and sitting far from one another), with the other project managers and the parents in another venue. We projected the Teams meeting in both venues for the first years and parents. The event was also attended online by various School of Accountancy staff, SAICA representatives and parents who could not attend in person. The lecturers from School of Accountancy introduced themselves virtually by switching on their cameras for a few moments and there was a special address to the students from a SAICA representative from Johannesburg and Cape Town. Overall, the event was a great success. We could meet the students, and more importantly their parents could “meet” us.

“The online session made it possible for family members and SAICA representatives from far, who would normally not be able to attend, to join in the meeting. We will continue with this initiative in future.

The Stellenbosch Thuthuka Society group leaders and mentors had to be creative when they planned the community service for 2021. It was also important to them that the students got to know one another in an informal environment, and these are the amazing initiatives they came up with (written by the students):

The 2021 community service project was an interactive food-drive. Thuthuka students donated non-perishable food items, which was also their “ticket” to enter a live-streamed indoor workout hosted by HIIT FIT. The live workout session was held via MS Teams, where participants also entered a best dressed competition competing for some awesome prizes. The purpose of this project was to help Clay Foundation, a non-profit association based in Idas Valley (Stellenbosch), that is focused on nutrition, education, and sports.



Handover to the Clay Foundation members



Invitation to the online community service event



Some of the participants in the indoor workout and costume competition.



The first semester social also took place online in the form of a Trivia and games night in which Thuthukans had the opportunity to get to know each other as well as test their general knowledge.

“ Fortunately we could have a few events in person with the first years during the welcoming week.

The first event was at the Jan Marais Nature Reserve Park where games were played (adhering to Covid protocols) with the purpose to test communication skills and teamwork.

After the games we embarked on an ‘Amazing walk’. Each mentor, with their respective mentees, walked around the Stellenbosch campus to show the mentees around the campus and to build relationships. Afterwards, we all met at the Botanical Gardens where we were joined by the project managers to conclude the event.

It was an amazing day filled with so much positive energy! I, my fellow mentors and the group leaders and most importantly, the newcomers thoroughly enjoyed it.

The second event was held at the Jan Marais Nature Reserve Park once again due to the Covid open ventilation policy we had to adhere to. This event was once again in the form of a game. Each mentor group competed against one another. This event tested their ability to think critically and on their feet, as they had limited time to complete the challenge.

To close off the day, there was a lip-sync challenge. A representative of each mentor group drew a song out of a hat to lip-sync. This was extremely fun and to see everyone let loose and enjoy themselves was a joy!



The Thuthuka society leaders for 2021

Research



- Juan Ontong -

Juan Ontong, Armand Bruwer and Jan Dreyer published an article, titled 'Mother-tongue education: mother's milk for accounting students?' in the journal, *Litnet Akademies*, Volume 18(1), pages 319 – 338 in 2021.



- Armand Bruwer -

Mother-tongue education is a hotly debated and somewhat emotional topic for many South Africans. The debate is normally centred around the preservation of Afrikaans, whilst the other parties argue that education in only English is the way forward. Those favouring English-only education, base their arguments on the fact that the lingua franca of South Africa is English.

Based on the findings, the authors make a few recommendations. Given the challenges of the terminology, the authors advise that universities should teach in English and the prevalent local language, but use the English terminology as a form of standardisation. In doing so, students will get the proverbial best of both worlds: the English terminology and the best possible understanding. An alternative, due to the vast variety of home languages in South Africa, is a translator app that may be useful to translate the lectures from English to the student's home language. This solution is only achievable if there is terminology available in that student's home language, or if the English terminology is used.



- Jan Dreyer -

The final recommendation is the use of tutorial groups, where certain language groups have the opportunity to interact with student assistants in their home language, whilst working through questions. At some universities, this solution is already employed to great success but discussions with lecturers at such universities revealed that the overuse of students asking questions in their home language can lead to adverse results during assessments. Students who engage mostly in their home language only, may struggle to translate their arguments into English during the assessment.

Sher-Lee Arendse-Fourie, Chrystal Schonken and Juan Ontong co-authored an article titled 'An examination into the role of a peer academic online mentoring programme during Emergency Remote Teaching at a South African residential university'. In 2021, the article was accepted for future publication in the *South African Journal of Higher Education*.



- Sher-Lee Arendse-Fourie -

For residential universities, the COVID-19 pandemic in the 2020 academic year necessitated the suspension of in-person lectures and a swift transition of classes and other in-person activities to emergency remote teaching (ERT). This included the academic module mentoring programme, cognisant of the potential challenges experienced by first-year students during a period of ERT. The role of an in-person module mentoring programme before ERT was only to provide academic support to first-year students within an introductory financial accounting module to promote student success. This study investigated the role of an academic online mentoring programme for students in an introductory financial accounting module during ERT. A web-based survey was conducted to source the perceptions of both mentors and mentees who participated in an introductory module academic mentoring programme both before

and during ERT to analyse whether the role of the academic module mentoring programme had shifted beyond that of academic support in an ERT environment. While academic support remained at the forefront as the main perceived benefit of the online mentoring programme, with the transition to ERT, the findings of this study illustrate an altering role that is more inclusive of additional psychological and peer support and engagement perceived benefits for first-year students who participated in an academic mentoring programme for students in an introductory financial accounting module during a period of ERT. Understanding student perceptions of the value derived for first-year students from an academic online mentoring programme is important in understanding first-year student needs and to provide relevant and applicable training to first-year students to promote student success during ERT. [The findings of this study provide insight to institutions and in considering the addition of academic interventions such as offering academic online mentoring programmes during ERT and highlight the perceived value-add from both a mentor and mentee perspective.](#)



- Chrystal Schonken -

Juan Ontong, Zurelda Mongane and Lynn van Rooyen published an article, titled 'An investigation of the perceptions of South African students with regards to accelerated learning courses' in the *South African Journal of Higher Education*, Volume 35(3) in 2021.



- Zurelda Mongane -

The cost of repeating a module has both financial and social implications. The social implications include increased workloads when repeating a module and means that students can often not graduate within the prescribed minimum course period. A possible solution for this is the use of accelerated learning courses, in the form of summer or winter schools. These schools provide students with another opportunity to pass a module, during the summer or winter recess, using an accelerated learning mode, and consequently complete modules with prerequisites of failed modules in the following year. Using an accelerated learning approach, a summer or winter school covers a large portion of the content in semester or year modules in a shortened timeframe outside the normal academic period. Using a questionnaire approach, the various perceptions of first-year students at the end of the academic year regarding the use of these schools were obtained and analysed. The timing of the end of the academic year allows students to familiarise themselves with the various accelerated learning courses offered to them throughout the academic year. The findings suggest that students have a positive perception of these schools despite most of them not having had previous experience of completing an accelerated learning course. Although previous literature has indicated that students are hesitant to complete finance-related modules in an accelerated learning format versus traditional semester and year modules, the perceptions indicate that students are willing to engage in financial modules, with the students identifying that the benefits of these accelerated learning courses exceed

the cost. [The findings suggest that students who are presented with various non-academic obstacles throughout the traditional module are able to use summer or winter schools as a way to reduce exposure to these obstacles and complete an accelerated learning course.](#) The use of these schools therefore presents an area for module developers to consider when implementing these schools as a way to improve throughput rates, thereby contributing to students' financial and social health in a positive way.

Petro Gerber and **Cecileen Greeff** recently published an article titled 'The taxation of gap cover policies for individual taxpayers in South Africa: a critical analysis' in *The South African Journal of Accounting Research*.



- Petro Gerber -

Gap cover policies cover the shortfall between medical scheme benefits and the rates the service providers charge and are therefore used by individuals in South Africa to supplement payments of medical expenditure not covered by private medical schemes. Little information is available about the tax consequences of gap cover. The objective of this study was to provide a critical analysis of the issues in the normal tax treatment of gap cover for individual taxpayers in South Africa, and to make recommendations to the South African Revenue Service to mitigate these issues or practical problems. A non-empirical study based on existing literature was performed, which included a critical evaluation and analysis of gap cover policies and existing tax legislation. It was found that gap cover refunds should be subtracted from the qualifying medical expenditure used in the medical tax credit under section 6B of the Income Tax Act No. 58

of 1962. Various factors may lead to incorrect information being reported on the income tax return. This may lead to a section 6B tax credit to which the taxpayer is not entitled, or which is in excess of what the taxpayer is entitled to. It was found that gap cover contributions are not deductible and that not allowing gap cover contributions as a deduction or as a tax credit detracts from the principles of taxation.



- Cecileen Greeff -

Dr George Nel, Henriette Scholtz and Waldette Engelbrecht published an article, titled 'Relationship between online corporate governance and transparency disclosures and board composition: evidence from JSE listed companies' in the *Journal of African Business* (Taylor Francis) during October 2020.



- Waldette Engelbrecht -

The purpose of this study was to explore the impact of board composition on companies' use of their websites as a communication channel for corporate governance and transparency disclosures. It is often said that transparent communication with stakeholders is vital in rebuilding trust. A quantitative methodology was therefore used to measure corporate governance and transparency disclosures available on corporate websites. The findings of the study showed that companies with more board members, a higher percentage of female directors and directors over the age of 50 years excel in the disclosure of corporate governance and transparency-related information. Pertaining to strategic information, companies with more independent non-executive directors disclosed more strategic information and companies with more ethnic directors scored higher on attempts to level the accessibility of information to all stakeholders. Overall, the findings of the study, therefore, suggest that since board diversity may improve both corporate governance and transparency, stakeholders may benefit from well-diversified boards.



- Pieter van der Spuy -

This study explores the use of professional investor relations (IR) practices in South African listed companies to improve our understanding of which theories may be responsible for IR's adoption and growth in South Africa. The results, which are based on a questionnaire completed by the C-suite of 48 JSE-listed companies, indicate evidence of isomorphic spread to SA environments from practices observed in the UK and the USA, which are mostly performed to promote shareholder interests. The data suggests some evidence that the communication needs of black economic empowerment and environmental, social and governance (ESG) investors are given priority, suggesting the utility of professional IR to obtain legitimisation from society. The results of this study may be valuable to IR practitioners to improve SA IR practises, while neglected legitimisation opportunities with regard to the needs of ESG and black economic empowerment shareholders may be fruitfully addressed by practitioners.



- Henriette Scholtz -

Dr George Nel co-authored and published an article with **Pieter van der Spuy** titled, 'Strategic stakeholder management: investor relations in South Africa' in the *Journal of Accounting in Emerging Economies*, Volume 11(3), pages 431-448 (Emerald) during March 2021.

Dr Nel's research focuses on corporate communications to the equity market and other stakeholders, its drivers and consequences.



- Dr George Nel -

Dr Gretha Steenkamp and Nicolene Wesson published an article titled ‘Executive share-based remuneration in South Africa: Evidence of alignment or rent extraction?’ in the *Management Dynamics* journal in 2021, Volume 30(1), pages 1- 15.



- Dr Gretha Steenkamp -

The study entailed quantitative research on the characteristics of executive share-based remuneration. The study examined the characteristics (scheme type and vesting conditions) of executive share-based remuneration paid by listed companies in South Africa during the period 2002-2017. The characteristics were assessed based on indicators of alignment (agency theory) versus rent-extraction (managerial power theory). It was found that appreciation schemes, combined with limited use of performance vesting conditions, were predominantly employed in the early 2000s, but after the effective date

of International Financial Reporting Standard (IFRS) 2 and the third King Report (King III), the use of full-quantum schemes and performance vesting conditions increased. By 2017, most executives receiving share-based remuneration were exposed to full-quantum schemes and performance vesting conditions. Thus, share-based remuneration in South Africa did not align shareholder and executive interests during the early 2000s, but increased alignment was found by 2017. Increased shareholder activism could improve alignment in future.

Mareli Rossouw and **Sophia Brink** co-authored an article titled ‘An investigation into the success rates of third-year Accounting conversion students en route to becoming a Chartered Accountant (South Africa)’ that was published in 2021 in the journal, *Perspectives in Education*, Volume 39(2), pages 157-174.



- Mareli Rossouw -

Stellenbosch University students who graduated with a Bachelor of Commerce in Management Accounting or a Bachelor of Commerce in Financial Accounting may convert to a Bachelor of Accounting by completing a conversion year. The purpose of the conversion year is to meet the Bachelor of Accounting Honours admission requirements, which places students on the path to becoming a Chartered Accountant (South Africa). No previous research has investigated the success rates of these conversion students and therefore current prospective third-year conversion students have no frame of reference to make an informed decision regarding whether or not to attempt the conversion year. The research reported in this article sought to analyse the results of third-year conversion students to conclude on their success rates of

being admitted to the Bachelor of Accounting Honours programme and their success rates in obtaining a Bachelor of Accounting Honours degree. A quantitative research method was applied and it was found that 37% of the third-year conversion students met the Bachelor of Accounting Honours admission requirements at the first attempt and only 19% of the third-year conversion students managed to obtain their Bachelor of Accounting Honours degree in the minimum amount of time. Receiver operating curve analyses were also done to predict optimal cut-off marks to meet the Bachelor of Accounting Honours admission requirements as well as to obtain this degree in the minimum amount of time.

Sophia Brink also published an article in the September 2021 edition, pages 114-115, of *Integritax* regarding the Constitutional Court ruling on the tax treatment of customer loyalty programmes (CLPs).



- Sophia Brink -

In May 2021 the court ruled out any uncertainty regarding the income tax treatment of a CLP transaction in the hands of the supplier when the court determined that suppliers offering CLPs cannot claim a deduction for future CLP expenses (when points or miles are granted). In this case (Clicks Retailers (Pty) Limited v CSARS), Clicks Retailers (Pty) Limited argued that the future CLP expenditure is deductible under Section 24C of the Income Tax Act. Section 24C provides a deduction for certain future expenditure that will be incurred by the taxpayer in the performance of its obligations under a contract from which it has derived income. This section therefore grants taxpayers an allowance for future expenditure against

income already received (and included in 'gross income'). The Clicks Retailers (Pty) Limited was of the opinion that they had met Section 24C's requirements because the income earned from the sales transaction with CLP members is used to finance future obligations to deliver goods or services when points or miles are redeemed. **The court however found that the obligation to incur future CLP expenditure came from the CLP contract and not from the sales contract that resulted in the income.** This ruling overrules the BCR 055 and as a result has income tax implications for all South African CLPs.

Natasha Sexton and **Professor Riaan Rudman** have been focussing on enhancing and adapting the pedagogical approach in undergraduate auditing over the past few years.



- Natasha Sexton -

This was done to make Auditing more practical and to strongly encourage students to take responsibility for their learning process rather than engaging in re-active or consumption-based learning. Learning interventions have evolved over time to the point where there has been a complete change in the way some topics are taught. A blend of face-to-face and online learning activities have been enhanced over time to create a space for active student engagement and long-term deep learning. The study investigated the student's traditional way of learning and preferred teaching aids as well as their perceptions of the new learning interventions introduced. These findings have been presented in an article titled: 'Program renewal: Students perception on changes to teaching pedagogy in Auditing' accepted for publication in the *South African Journal of Higher Education* in 2022, Volume 36(3).

Overall, the study has shown that students prefer traditional passive learning methods where lecturers rather than students take responsibility for student learning. However, students noted that although several of the interventions made them uncomfortable, there were several learning benefits of the interventions and an improvement in their own technical and professional skills as a result.



- Prof. Riaan Rudman -

Professor Riaan Rudman believes that most professionals, including accounting (and auditing) professionals, may not have realised the full impact of the Fourth Industrial Revolution (4IR). Most accounting professionals may not fully understand what 4IR is and those that do, may only understand it at a high-level and may not have gotten into the detail of truly understanding the implications of 4IR. There is also a lot of misinformation about 4IR and the relevance of accounting professionals in the future. Many questions exist around the impact of 4IR such as: How 4IR will impact on business and auditing? How to appropriately respond to the 4IR challenges? How reporting will be included in a data rich world? Professor Rudman was invited as a guest speaker to the ABSA Audit 4.0 Digital Iekgotla held virtually in May 2021, and later in July 2021, as a guest speaker to the internal audit division of Capitec to present his views on some of these questions.

The pervasive impact of 4IR is not limited to business. Professor Rudman suggests the education sector should also reinvent itself to respond to 4IR. The COVID-19 pandemic has caused the education sector to rethink its activities and move online, but in many instances this pivot may not have been properly

considered. Members in academia innovated, adapted and learnt how to use many new tools in a short period of time. In the process they accepted a set of risks associated with online teaching. Professor Rudman wrote an accredited article titled 'The unintended consequences of online learning', which reflects on the problems and challenges relating to streaming and recording lectures. He focused on identifying the risks online learning poses to the student experience and the lecturer's teaching practices from an educational perspective, as well as the potential long-term implications and risks from a technology and business perspective.

Not losing sight of the need to change the pedagogy used to train aspiring CA(SA)'s for the 4IR, **Professor Rudman** collaborated with **Natasha Sexton** in action research, in which they changed their teaching practices to develop embedded competencies. This collaboration resulted in a conference paper titled 'Time for a black suit: disrupting aspiring CA(SA)'s' presented at the *Scholarship of Teaching and Learning* conference. In this paper, they provide commentary on some of the shortcomings to the slow pace at which the accountancy curriculum is changing and reflect on the lessons they have learnt in re-imagining Auditing pedagogy.

Professor Rudman works with various journals and serves on local and international organising committees of conferences. He is also co-presenter and programme leader of the Masters in Computer Auditing course.



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