



Stellenbosch

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forward together
sonke siya phambili
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THE ANNUAL REPORT

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



2022
TRANSITIONING..TOGETHER

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Photos

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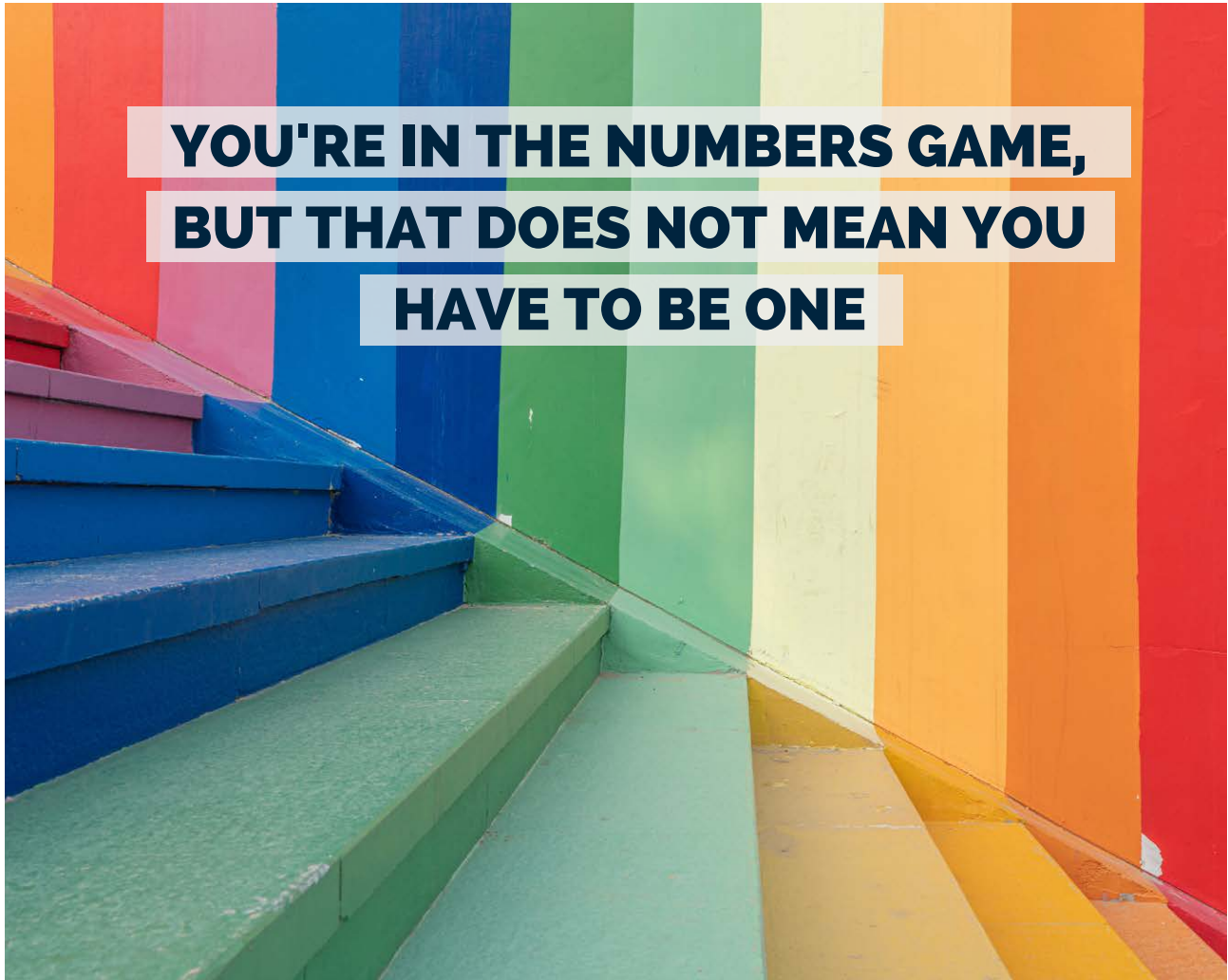


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**YOU'RE IN THE NUMBERS GAME,
BUT THAT DOES NOT MEAN YOU
HAVE TO BE ONE**

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MEET THE EDITORIAL TEAM ■



Chrystal Schonken

I am a lecturer in Financial Accounting. I am passionate about my subject field and how it is used to make sense of the world around us. The pandemic has highlighted to me just how much fulfilment it brings to engage in enriching discussions with students and colleagues. In my free time I like doing anything that makes my dog happy, which typically involves doing something active outdoors or exploring a new "dorp" by foot.



Sher-Lee Arendse-Fourie

I am a lecturer in Financial Accounting. It has always been my dream to teach. As a child I used to play pretend school and teach all the neighbourhood kids. At university I always admired my lecturers and quickly knew that's what I wanted to do one day. I love self-help and inspiring books and reality TV (Survivor & 90-day fiance' superfan!). Someone once used the word "vivacious" to describe me and I think it's quite fitting. I was named after my grandmother, Shirley, who passed away the year before I was born.



Cecileen Greeff

I am a lecturer in Taxation. I absolutely love tax, finding different ways to explain difficult concepts and to engage with my students. I also love fashion, hence starting my own clothing design collection (Vrolijk) in 2020. Something you don't know about me? I love to listen to BokRadio.



Wilmarie Grobbelaar

I am the School of Accountancy's Linguist; Translator and Editor and Webmaster. I have always enjoyed writing and come from a long line of teachers, so it seems fitting that I would end up in academics. I love the outdoors and camping, swimming and dancing, but lately most of my free time is spent learning dinosaur names and exploring new playgrounds; my two-year old son keeps me on my toes, but luckily shares my passion for the great outdoors and I am sure we will have many adventures together.

PROF PIETER VON WIELLIGH

Director of the School of Accountancy



I don't know how many of us at that point could fathom the enormous transition that Covid would cause for the future, be that in the workplace and/or in how we interact and operate as human beings on a day-to-day basis.

TRANSITIONING IN 2022 ■

Reflecting on transition and transformation in the School of Accountancy

When Covid struck us in South Africa in March 2020, we had no idea of how this unprecedented disruptive incident would affect who, what and how we are, interact and work. At first, some of us thought that it would only be a short temporary disruption that requires a temporary transition to a short-lived new reality, after which we would transition back to the lives we lived before Covid. I don't know how many of us at that point could fathom the enormous transition that Covid would cause for the future, be that in the workplace and/or in how we interact and operate as human beings on a day-to-day basis.

To my mind, the word **"transition"** has such a strong connection with the word **"transformation"**: something to which I am truly committed and that I am passionate about and prioritise. I define transformation for myself in a very broad sense that encapsulates many things, such as equity, equality, inclusion, diversity, social justice, non-discrimination and re-dress. Transformation is systemic. This implies that all dimensions of university life are involved in and impacted by transformation and renewal.

In the School of Accountancy, we also continuously transition and transform our focus on values such as respect, accountability, compassion and equity in the pursuit of excellence in our teaching and learning, research, transformation and social impact endeavours. Transformation (and social impact) does not exist in isolation: there is synergy between these aspects and teaching and learning, and research. We use our awareness of this synergy to realise the full benefits thereof.

My team and I are fully committed to continuous transition in the pursuit of transformation. The School has a formal Social Impact and Transformation Plan that includes targets and how we measure how we progress towards achieving them. According to the plan, in practical terms, **transformation of the student body** is underpinned by the following principles:

1. Student recruitment through engagement, while reducing barriers to access.
2. Creating a transformative student learning environment.
3. Providing academic and other support to students.
4. Increasing awareness of and promoting access to programmes.

5. Proactive implementation of transformation initiatives.
6. Monitoring and governance of the effectiveness of the implemented initiatives.

Transformation of the staff complement of the School is underpinned by the following principles:

1. Prioritising of the transformation agenda.
2. Active market creation.
3. Changing culture through values-based management and healthy discourse.
4. Staff development.
5. Removal of barriers to staff progression.
6. Role modelling and mentoring.

Although this focus and commitment is sometimes daunting, it offers hope to us and our stakeholders alike, and also many wonderful opportunities. It is up to us to always be vigilant for these and then, once we have identified them, explore them and eventually use them to transition towards true transformation.

My first three-year term as Director ends on 31 December 2022. Although it presented me with many challenges, as was to be expected, I thoroughly enjoyed what it taught me and how it further developed me as a person and, in particular, the support and wonderful collegiality and customary teamwork of my

colleagues. I was recently appointed for another term for the period 2023 to 2025 and I would like to dedicate much of it to "transitioning towards true transformation". I look forward to transforming these words into actions with tangible results.



Although this focus and commitment is sometimes daunting, it offers hope to us and our stakeholders alike, and also many wonderful opportunities.



Enjoy a wonderful glimpse into the world of the staff and students of the School in this exciting edition of *The Annual Report*. It is always a pleasure to share this with you as our valued stakeholders.

To watch a short video of Prof von Wielligh talking about transitioning and transformation, scan the QR code.



PROF RIAAN RUDMAN

Deputy Director:
Social Impact and
Transformation



The developments of the past two years created an opportunity for academics to sit back, reflect on and reconsider how to deliver on the mandate of social impact and transformation to make an impact in a permanent, forever lasting manner.



TRANSITIONING TOGETHER ■

The School of Accountancy's deputy directors for Social Impact and Transformation, Research and Learning and Teaching reflect on the transition post pandemic and its impact on their respective portfolios.

Social impact and transformation in the School of Accountancy during a period of transition

The values, norms and beliefs of the past won't last forever. As we exit a period of significant turmoil and we still feel the impact of natural disasters due to global warming, COVID-19, the Ukraine invasion, civil and social change in the developed and developing world, many authors have argued that the global ecosystem is in the midst of a period of uncertainty and disruption.

This can be viewed as a negative or it could be viewed as an opportunity, as innovation comes from disruption. The developments of the past two years created an opportunity for academics to sit back, reflect on and reconsider how to deliver on the mandate of social impact and transformation to make an impact in a permanent, forever lasting manner. Notwithstanding the 'citizenship' aspects of and structural changes relating to social impact and transformation, two key areas received attention during the past year, Learning and Teaching and Research.

The notion of social impact was incorporated in the curriculum through the School's teaching philosophy, which is student-centred, rather than knowledge-centred, to ensure graduates are able to engage with the issues of their (and future) time. This was done through:

- encouraging innovation in teaching materials and approaches, supported by scholarly activities;
- upskilling of lecturers;
- engaging in Communities of Best Practice on

teaching and learning, assessment, business acumen, digital acumen, critical thinking, ethics and public sector and also collaboration with other universities; and

- student initiatives (such as the introduction of the student portfolio of evidence).

Themes for research were identified with a deliberate intent to conduct impactful research. The research concentrated on four main themes: (i) Corporate governance and financial reporting; (ii) Management decision-making and control; (iii) Taxation; and (iv) Accounting Education. These themes inform policy, practice and regulatory frameworks, and help to shape our social environment through debate. Engaging in quality research in Accounting Education improves lecturers' teaching practices, which leads to increased student success and employability and ensures that the School delivers graduates with relevant attributes and competencies to ensure they are future fit for the world of work.

Transitioning Social impact and Transformation from a silo'd approach and integrating it into teaching and learning and research is an important first step to ensuring that values, norms and beliefs are and forever will be a work in progress and become engrained in everything the School of Accountancy does.

Read more about the social impact projects of SOA at: <http://www.sun.ac.za/english/faculty/economy/accounting/Pages/Social-Impact.aspx>

DR GEORGE NEL

Deputy Director: Research

Although the pandemic, metaphorically speaking, closed some doors, it also opened others in terms of new avenues to explore.

Research in the School of Accountancy during a period of transition

We have all heard the saying "If your dreams do not scare you, they are not big enough". One of the six strategic focus areas in the School of Accountancy (SOA) is "maintaining comparatively excellent levels of research outputs." Towards this, an ambitious five-year strategic research plan was developed during 2020. Although the pandemic, metaphorically speaking, closed some doors, it also opened others in terms of new avenues to explore. One example was the ability to collaborate with and invite world-class accounting researchers using online platforms to deliver various seminars and workshops to the SOA. Another example is the upskilling of staff to better use technology in their research projects.

Besides the importance to restore social coherence post pandemic, the benefits of doing in-person research in teams are countless. Although the establishment of research focus areas in the SOA remains an important medium-term goal, progress thereto was made during 2022. Three examples are the ongoing talks with the University of Groningen about a joint PhD in corporate governance, the corporate governance conference in December 2022 (in collaboration with the Stellenbosch Business School) and the successful presentation of the second annual

SOA SOTL (Scholarship of Teaching and Learning) mini conference in September 2022.

To further promote high quality research involving collaboration with both local and international researchers, various hybrid and in-person research seminars and workshops were held during 2022. These included methodology focused and sharing of research, amongst others. A "Dragon's Den" style research presentation was held in June 2022, as an opportunity for staff to obtain feedback on research ideas, as well as to promote research collaboration. More than twenty staff members attended an advanced postgraduate research proposal development workshop in July 2022, and in August 2022 the second annual writing retreat was held in collaboration with the College of Accounting at the University of Cape Town.

Finally, the lifting of COVID travel restrictions allowed several staff members to seize the opportunity to travel locally and abroad to attend various national and international conferences, while others were invited to visit universities abroad to discuss potential research collaboration and assist in the examining of post-graduate degrees, all of which enhances the SOAs global research footprint in the pursuit of high-quality research with impact.

PROF KOBUS VAN SCHALKWYK

Deputy Director: Learning and Teaching



The SOA is rightly proud of its lecturers and students who continuously perform admirably under challenging odds with impressive perseverance.

Learning and Teaching in the School of Accountancy during a period of transition

The effects of the COVID-19 pandemic remained in 2022 and use of 'ARTLA' (Augmented Remote Teaching and Learning) continued in a similar vein at the start of the academic year as in 2021. Due to COVID-19 regulations, students could attend classes in person on a rotational basis while those who could not physically attend, could follow classes streamed via the internet in their residences, private accommodation or elsewhere on campus. The national state of disaster ended on 4 April 2022, which meant that more students could attend face-to-face lectures, although still on rotational basis.

Excellent Extended Learning Spaces (ELS) equipment in lecture venues enabled a student to attend live streamed lectures to have a similar experience to those attending face-to-face lectures.

From the start of the second semester all students could attend face-to-face classes. Students extensively made use of this opportunity, as it should be the case at a residential university such as Stellenbosch University. The campus is buzzing again. Streamed lectures however continued, and this practice is likely to continue in the future, but perhaps to a more limited extent.

The South African Institute of Chartered Accountants (SAICA) in conjunction with academics and practitioners developed the CA2021 Competency Framework with the aim of ensuring that Chartered Accountants (CAs) are responsible leaders who

behave ethically and create sustainable value for a wide range of stakeholders within an organisation. The implementation of the CA2021 Competency Framework necessitated the most extensive programme renewal in recent times of programmes in the CA stream at the School of Accountancy (SOA). Not only has the programme renewal process led to significant changes to the academic programmes, but it also required the upskilling of lecturers in competencies that are now emphasised in the CA2021 Competency Framework. This is an evolving process, and continuous change will become part of students' and lecturers' lives to live up to the expectations of an ever-changing business world.

The SOA's students in the 2021 BAccHons/PGDA cohort achieved of the best results ever in SAICA's 'ITC' (Initial Test of Competence). Five of our students achieved top ten positions nationally while another student achieved a top ten position in the Namibian equivalent of the ITC. Lauren Tsafandakis achieved the top position in South Africa, and the Faculty of Economic and Management Sciences also awarded the CGW Schumann medal, the highest academic accolade awarded by the Faculty, to her for her remarkable academic achievements at Stellenbosch University.

The SOA is rightly proud of its lecturers and students who continuously perform admirably under challenging odds with impressive perseverance.



...Pieter's thesis investigates the relationship between corporate culture, CEO-leadership characteristics, and corporate tax avoidance.

PIETER VAN AARDT VAN DER SPUY

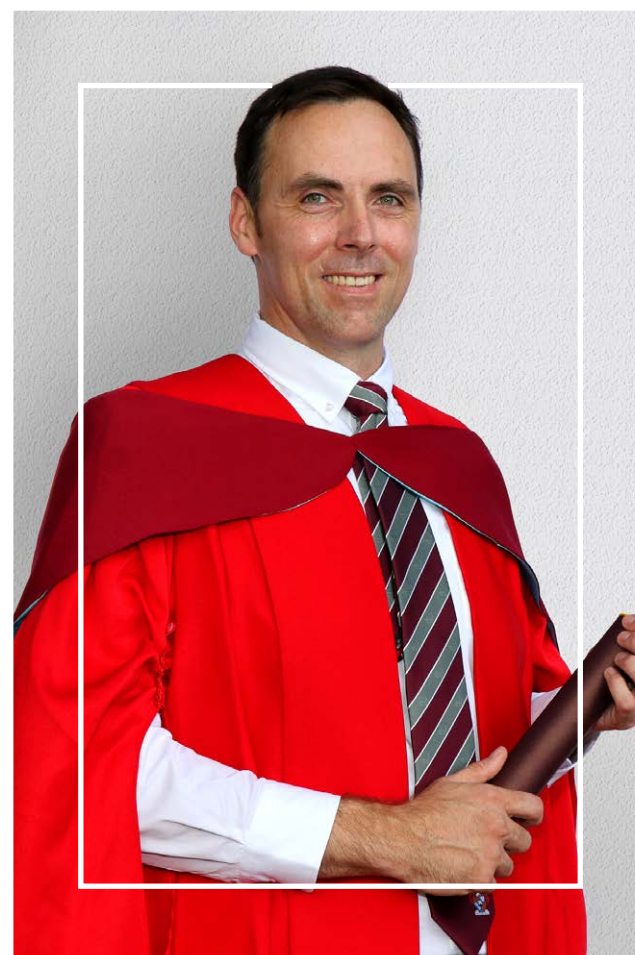


TRANSITIONING INTO DR... ■

Rudie Nel, a lecturer in Taxation at the School of Accountancy, attained his doctorate (PhD in Business Management and Administration from the University's Business School) during 2021. The PhD specialised in taxation, however, was also interdisciplinary in nature with corporate finance. The PhD represents the fruits of a five-year project that culminated in him graduating in December 2021 at the SU Conservatoire of Music in Stellenbosch.

Tax reform in South Africa since 2011 offered a unique setting to research whether the pay-out policies of selected companies listed on the Johannesburg Stock Exchange were adjusted on the basis of investor-level tax reform. This study argued the increased role of taxes as a result of the conflicting tax preferences of investors (namely individuals, corporates, and institutions) for different pay-out methods (defined as dividends, capital distributions, additional shares, and share repurchases). Based on changes in tax preferences, corporate investors were found to be the most affected investor type in explaining changes in dividends. The results of this study could inform Government, investors and researchers regarding the impact of tax reform on corporate behaviour.

Rudie has already published five peer-reviewed articles from his PhD and also intends to pursue some of the recommendations submitted in his PhD in further research.



This study argued the increased role of taxes as a result of the conflicting tax preferences of investors (namely individuals, corporates, and institutions) for different pay-out methods (defined as dividends, capital distributions, additional shares, and share repurchases).

RUDIE NEL



Pieter van Aardt van der Spuy, a lecturer in Financial Management and Business Strategy at the School of Accountancy, graduated with a PhD in Finance from the University of Cape Town in July 2022, with a thesis titled 'Investigating the relationship between corporate tax avoidance and corporate culture in large South African companies'. As a chartered accountant, he also holds an MBA, which serendipitously sparked his interest for the strategic importance of corporate culture as a tacit, yet powerfully consequential construct: not only for corporate behaviour in general, but also for corporate tax behaviour, as he claims in his thesis.

Therefore, Pieter's thesis investigates the relationship between corporate culture, CEO-leadership characteristics, and corporate tax avoidance. He uses a mixed-method methodology which includes a quantitative and qualitative component. In the quantitative part he collects panel data for the 112 largest companies listed on the JSE, over a period of 15 years, and measures long-termism, as a type of corporate culture, and corporate tax avoidance.

He argues that long-term oriented companies are more stakeholder sensitive compared to other companies, which are more shareholder centric, finding that the long-term oriented companies pay more tax, on average. In addition, he finds that the influence of corporate culture on corporate tax behaviour transcends the influence of some CEO characteristics, such as the CEO's tax knowledge, as another determinant of corporate tax behaviour. In the qualitative part of the research, he further conducts interviews with corporate tax advisors of large, listed companies, which provide interesting insights about the finer nuances, mechanisms and processes used by CEOs to effect and encourage corporate tax avoidance.

For instance, the research shows that many CEOs emphasise and subscribe to the importance of social responsibility initiatives, on condition that the related costs are tax deductible for companies to bypass government as an inefficient distributor of social benefits to society. His research contributes to a better understanding of the causes and processes of corporate tax avoidance, which remains a problem in society, and which is still not adequately understood. Pieter plans to focus his future research agenda further on the financial and strategic outcomes of corporate culture and leadership characteristics.

KYAMANDI BOOK DRIVE ■

These were the words that inspired the collaborative effort between the SOA Academic Trainees and EMS Faculty Student Committee (EBSK) to launch a book drive for the Kyamandi Legacy Centre. Both students and staff got involved, donating much-loved recreational reading material to eager young learners. Students may have done so out of fright, as they received multiple announcements warning them that the Accounting-syllabus is a fickle thing with a jealous heart... Spend time with books other than the course syllabus and the green-eyed monster is bound to rear its head!

Not to be outdone, Bargain Books Stellenbosch also got involved, living up to its name by donating more than 20 boxes of books. Now that's a bargain!

The SOA and EBSK are delighted to have been able to contribute to the Kyamandi Legacy Centre's recreation room. Delivering the books, we were informed that the children of Kyamandi refer to Stellenbosch as "overseas", as it is perceived to be a completely foreign environment. We hope social impact projects such as these can help bridge the gap between Stellenbosch and stakeholders such as Kyamandi.

One thing is for sure, somewhere there is a bookworm jumping for joy!



There are many ways to enlarge a child's world. Love of books is the best of all!



WHAT YOU BELIEVE, YOU CAN ACHIEVE ■

Historically, it has not been easy for women of colour in corporate settings in South Africa. Many have had to work harder and fight for opportunities and social equality. As a proudly South African woman of colour, **Sheena Bloem (37)**, an operations professional at a global asset management firm in Cape Town, wants to honour the legacy of those who have paved the way for her by inspiring others to follow their dreams.

During her high school years, Sheena's career aspirations fluctuated between two very opposite fields – accounting and genetics. "I was quite good at accounting, so I knew early on in my high school days that this was the route I wanted to follow. However, during the genetics module in biology, I was sufficiently intrigued to consider this as a possible career path. Accounting won as it seemed to have longevity and

stability in terms of a career choice in South Africa."

I am inspired by the challenge. Tell me it's impossible to do and I will find a way.



They say many good things happen after you go through a bad patch in your life, and Sheena can attest to this.

"Having started 2020 faced with a divorce after nine years of marriage, my world was rocked. I was shattered to my core," she admits.

"It is important that we continue to strive for success despite adversity. I believe that this, in turn, has become our strength – through challenges and obstacles we do not lose momentum. Instead, we find ways to rise up and achieve great things," she explains.

SHEENA BLOEM



She faced the task of building a new life at 35. "And then, add the pandemic to the mix – lockdown, and being completely alone during lockdown. I was forced to face my truths during this period of reflection and decided to come out stronger for it. I always believe that everything happens for a reason, and the hardships I faced in 2020 were the driving force behind the birth of my company, GritxGrace. I quickly learned that challenges are a source of new opportunities."

Throughout her life, Sheena has always been an extremely strong-minded person. "Some would call it stubborn," she laughs. "That has been my superpower – my mind gets me through everything. What I believe, I can achieve."

Sheena once saw a quote that stuck with her through all the ups and downs. It read: "Grit determines that life challenges will neither defeat nor define us. Grace gives kindness to ourselves and others even when it is hard."

These powerful words sum up Sheena's 2020 experience – the most challenging period of her life. "This is why I named my company GritxGrace, which was birthed at a turning point in my life – the year that shook the world. All of us (not just me) had to lead the pandemic life with a lot of grit, and a little bit of grace."

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#ASLtalent

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Ever since Sheena qualified as a CA(SA) she knew she wanted to start her own business. She just never knew what but believed the idea will come to her at the right time.

In October 2019 a personal decision led her to take a short sabbatical from the corporate world. "While starting my own business at that time was not the goal, it evolved into that. GritxGrace was birthed in a year in which our earthly habits were brought to the fore, and a year in which I realised how much fitness was more of a mental outlet than a physical one."

She was able to merge her love for fitness and fashion by connecting style and sustainability in a way that resembles most things in life – that for items to stay with you for a long time, you have to look after them. GritxGrace creates sustainable, eco-friendly swimwear and activewear for women, designed by women.

"I hope to inspire others to go after their dreams and to make a positive change in their own lives. We should not let the physical and psychological walls we impose on ourselves hold us back," she says.

This was important to Sheena, because she felt she needed to show others, and herself, that you can achieve so much more than you think you are capable of. "I am not your average athlete. My strength lies in the fact that I show up and I am consistent. I want to inspire females everywhere to do the same. You can do anything you set your mind to. You just have to start somewhere and keep going."

According to her, too many people stop/start their fitness journey, due to placing unrealistic expectations on themselves. "It takes true grit to remain consistent and to keep moving – one step ahead of the next."

She hopes that the GritxGrace brand inspires and celebrates women of all shapes and sizes. "We want women to feel comfortable in the skin they are in, and we believe that all bodies are gorgeous in their uniqueness. Every curve, nook, and wobble should be celebrated!"

Furthermore, GritxGrace is made for women by women, and every part of the supply chain is brought about through the empowerment and support of women. "From our talented local seamstresses to the team behind the scenes ensuring the day-to-day running of the brand," Sheena shares excitedly.

Finally, their goal is always sustainability in fashion. "Our range of eco fashion includes ethically produced and sustainable swimwear and fitness apparel with every item carefully considered for the impact we will make on the planet – right down to our packaging and labels."

Sustainability is a buzzword these days. "To me, it's a delicate interplay of the 3 P's – people, profit, planet. Every day we make important purchasing decisions that go far deeper than just our pockets. Our choices

affect society, the economy, and the planet. Conscious consumerism is key – we need to become committed to making purchasing decisions that will have a positive social, economic, and environmental impact. It does not have to be radical. It's the small changes in the day-to-day that will lead to a big impact."

Some of the simple ways in which Sheena has implemented sustainability in her own life have been by limiting single-use plastic as far as possible, recycling where she can, switching to eco-friendly household products, choosing quality over quantity, and thrifting.

Given her CA(SA) qualification and financial background, Sheena had a good sense of what it would entail to build a business. "That gave me the confidence to venture into the unknown and use a risk-based approach to learn and guide me along the way. As CAs(SA), understanding a business from scratch is core. Asking questions, analysing, and being curious and committed to finding solutions is in our DNA. The rewiring of our thinking – that's why this designation is a global qualification held in high regard."

Sheena's dream for the future is to become what she calls a pioneer for compassion. "I also want to inspire women to develop a mental power to believe in themselves and truly step into their shoes. I would like GritxGrace to become a household name and first choice brand when thinking of eco-conscious lifestyle wear and products locally, and to be able to compete with the plethora of global brands too."

More than anything, Sheena has learned, over the past few challenging years, that she is resilient, adaptable, and capable of anything she sets her mind to. "I am extremely fortunate to have been blessed with good health, a wonderful family, friends, and great colleagues – and when life gets tough, I remind myself of these blessings."

Sheena's advice on balancing corporate, private, and passion

"I am inspired by the challenge. Tell me it's impossible to do and I will find a way ... Balancing a demanding full-time corporate job with a side hustle is not an easy gig. You need to 'find your why' – it's going to drive you when it feels like there is not enough time in the day, and when it feels like you are not seeing results." Another important tip is that "momentum creates momentum", so just start somewhere, and keep going, and show up for yourself every single day. Remember: "Grit determines that life challenges will neither defeat nor define us. Grace gives kindness to ourselves and others even when it is hard."

This article was published in the August 2022 edition of Accountancy SA (<https://www.accountancysa.org.za/what-you-believe-you-can-achieve/>) and is adapted with permission from the South African Institute of Chartered Accountants.

CA2021: FUTURE-PROOFING ACCOUNTING EDUCATION ■

BY DR GRETHA STEENKAMP – CA2021 PROJECT LEADER

By now, staff at the School of Accountancy (SOA) are well-aware of the new CA2021 competency framework, issued by the South African Institute of Chartered Accountants (SAICA), and its impact on Accounting Education at the SOA. The CA2021 competency framework was the product of SAICA's CA2025 project and thus the terms CA2021 and CA2025 are often used interchangeably. The CA2025 project identified, and then codified in the CA2021 competency framework, the competencies required of a work-ready accountant in the current era which is increasingly impacted by technology advances. The CA2021 competency framework emphasised that 'soft skills' (termed values and acumen) are as important as technical competencies (Financial Accounting, Management Accounting, Auditing and Taxation knowledge). The CA2021 values are ethics, citizenship and lifelong learning, while the CA2021 acumens comprise business, decision-making, relational and digital acumen.

The SOA, under the leadership of Prof Pieter von Wielligh and Prof Kobus van Schalkwyk, has come far in implementing the changes to its SAICA-accredited programmes required by CA2021. Moreover, the innovations resulting from CA2021 were done in a scholarly manner by considering and contributing to knowledge about Accounting Education as a research field. As a result, SOA-specific conferences on the scholarship of teaching and learning (SoTL) were held in both 2021 and 2022.

The CA2021 competency framework highlights the importance of digital acumen and specifically automation, programming and data analytics. Additional modules have been created to house the additional topics and will be rolled out in 2024. Moreover, in line with the value of life-long learning, it was deemed important to place the responsibility for self-development on the students. As a result, students are required to compile a portfolio of evidence (POE) relating to each of the CA2021 values and acumens to gain admission to postgraduate studies from 2024 onwards. A template for the POE as well as a toolkit has been developed. The toolkit provides students with ideas and examples of how to develop each of the values and acumens in the context of Stellenbosch University.

Several colloquia were held during 2021 and 2022 to upskill staff, to better equip them to integrate the CA2021 values and acumens in their modules. Topics included the integration of digital acumen, citizenship, ethics and critical thinking into modules as well as integration between subjects. A champion has been identified for every CA2021 value and acumen. These champions have been involved with organising the colloquia, take part in the communities of best practice (COBPs) initiated by SAICA and structure the CA2021 efforts relating to their value or acumen. Examples of the efforts of champions include:

- Business ethics is now examinable in all modules (once students have completed the second-year Business Ethics module).
- First-year Financial Accounting now includes the explicit teaching of critical thinking.
- A relational and decision-making acumen workshop is included in the introductory programme for postgraduate students.
- Citizenship talks and workshops as well as integrated thinking projects were organised for undergraduate students.

The SOA is proud of its efforts relating to CA2021. However, we also acknowledge that Accounting Education needs to constantly adapt to prepare graduates for the business world, given the prevalence of technological changes. A big thank you to all SOA staff who have contributed to the SOA's CA2021 response!

THE SPICIER SIDE OF JOWAYNE VAN WYK'S LIFE ■

BY CAYLYNNE FOURIE, 09 MAY 2022

The AEEI CFO shares his biggest achievements, including starting his own spice and sauce business.

AEEI CFO Jowayne van Wyk was born in Sutherland in the Northern Cape, which has no more than 5,000 people, most of whom are beneficiaries of SASSA grants. Growing up Jowayne wanted to study computer science, but due to a lack of infrastructure at the time, had no electricity at home to develop this passion.

Despite its underwhelming size and economy, however, Sutherland is home to the SALT observatory, which features the biggest telescope in the southern hemisphere. Jowayne's uncle was an assistant astronomer and allowed his nephew to spend weekends working with him at the observatory, because it was the only time he would have access to computers.

Then, in 1999, the National Aeronautics and Space Administration (better known as NASA), sent an invitation to South Africa for two citizens to visit the US Space and Rocket Centre in Huntsville, Alabama. Because the observatory was situated there, Thabo Mbeki, who was the president of South Africa at the time, decided that two people from Sutherland should be the ones to go. Following extensive interviews with the top scholars of Sutherland, Jowayne was shortlisted for the journey. Because he was only 13 at the time, and the invitation required participants to be older than 15, Jowayne's principal sent an appeal to President Mbeki with motivations from the entire community to vouch for the young boy. To Jowayne's surprise, the appeal was approved, and he was on his first flight ever, headed for the United States.



"It was an unbelievable experience to go through, with people from all across the world participating in courses and simulations. We even got to hear Neil Armstrong tell us about the moon landing," Jowayne remembers fondly.

He explains that the experience sparked a dream for him, and he came back to South Africa with a hunger to take on the world. "Coming from a small town, I thought if people could land on the moon, and I could have this experience at such a young age, then I could achieve anything I set my mind to. It encouraged me to dream big and not to limit my thoughts."

Captaining his dreams

Back in South Africa, Jowayne was more adamant than ever to study computer science, but the school in Sutherland didn't offer such a class. He applied to a nearby school, Worcester Gymnasium, which had the computer facilities he needed. After being accepted, he left home to live in Worcester Gymnasium's boarding house.

Jowayne was exposed to a lot of good rugby coaches at this new school, which quickly picked up on his potential to become a professional athlete. He was chosen to play for all the provincial teams, and in 1999 he was elected to represent the Northern Province (or the Griekwas at the time) at the under 13 Craven Week, an annual rugby union tournament organised for schoolboys in South Africa.

"In my matric year 2004, I captained the Boland under 18 rugby team at the Craven Week, and ultimately became the first coloured headboy of a model-C school in the same year," he says proudly.

During his high school career, Jowayne developed a knack for numbers and decided to pursue a career in accounting. And in his first year of college, 2005, he was chosen to play for the Springboks under 19 team and was dubbed "Jowa".

After winning the under 19 rugby world cup tournament with the Springboks, Jowayne signed a provincial junior contract from the Western Province (WP) to continue playing rugby. "I was also offered a PwC bursary to further my accounting studies, but I gave it up because I didn't want to be tied to academics," he explains.

Life had other plans for him, however, and while playing for the WP under 21 team, he was injured and couldn't play for the rest of the rugby season.

"I made a decision then to stop playing rugby professionally and to instead chase my CA dream."

Jowayne completed his honours in accounting at the Stellenbosch University and took PwC up on their initial offer. When he completed his training at PwC, he served as a financial accountant for the likes of Pick n Pay, Lewis Group and Clicks, before joining Milan Listed Italian company Guala Closures, where

he was responsible for the finance of the South African business unit.

In 2019, he joined JSE-listed company AEEI as an independent non-executive director and the chairman of the audit and risk committee. In 2020, AEEI's CFO, who reported to the audit and risk committee, resigned. Jowayne jumped on the opportunity when the CFO role became available. "I wasn't afraid to take on the challenge, knowing that I had achieved so much already," he says.

He was appointed CFO of the group in August 2020 and became one of the youngest CFOs on the JSE at the age of 34.

Enter Jowa's spices

While he has retired from his professional rugby career, Jowayne still plays a bit of club rugby and participates in the Cape Town 10s every year to keep himself busy but has found a new way to keep his passion for rugby alive – and perhaps even profitable.

After his mother passed away from Covid-19 in December 2020, Jowayne realised how short life is and that there was no time to waste in pursuing his passions. He started a Facebook page where he posted videos of him talking nonsense with friends around the braai. After only three videos, the Facebook page received over 1,800 views.

In April 2021, during one of these shows, Jowayne announced that he would be launching "Jowa's Spices and Sauces. "I always had this love for braai and I figured why don't I just make my own spice which would tell an incredible story," he says.

Jowayne was spurred on by the conviction that he could do anything he set out to do. He brought a manufacturer on board and set out to sell Jowa's Spices and Sauces out of a food truck at sports events across the Western Cape. He also engaged resellers, called Jowa's virtual owners, to sell the spices and earn an extra income. And almost a year later, he has sold over 30 000 units.

"My rugby following makes up the biggest part of Jowa's consumers," he says, but adds that he has met a lot of good people through his role as CFO, which has helped him network the spice brand.

Through his rugby career, which has seen Jowayne become the vice chair of 10s rugby team Super Bros, Jowa's is now the title sponsor of the Boland 10s rugby tournament in Worcester, which launched for the first time in Boland in December 2021.

Jowa's has since expanded into 10 independent OK stores and Giant Hypermarket in Cape Town, where you can now find its Juicy Steak & Chops, Hot Chicken & Chips, Lekka Salt & Pepper, and Tasty Chicken Fish & Seafood spice, as well as the Jowa's BBQ Steak & Ribs, and Hot and Spicy sauces. "We are also currently

working on new and exciting flavours, which we will launch later this year," Jowayne says, adding that he hopes to expand their footprint into Pick n Pay and Shoprite stores in the near future.

Jowa's Coffee has already launched as well, bringing a range of Ethiopian coffee beans and plungers to the table.

The Jowa's range of spices and coffees has also recently been approved to sell on Takealot, and will soon become available to residents across South Africa and will also sell online at the company's website www.jowas.co.za

Balancing work and Jowa's

As the CFO of a listed company, Jowayne has his hands full daily juggling the demands of stakeholders and regulatory requirements. However, he explains that he always finds time to think about strategies for Jowa's. "Jowa's is not just a business, it's a passion. So, after a long day of being CFO, staying up until 2am is exciting, as I get to see my passion grow."

In fact, he explains that his finance experience has helped him build the foundations he needs to run

Jowa's. "When it comes to Jowa's, I find myself applying things I learned during my first years at university, which you don't use anymore as a CFO," he explains.

From the Jowa's family, to the people

Jowayne explains that Jowa's is bigger than just the spice and sauces and coffee, and that it represents the South African culture and how he grew up. Because of the support he has received from communities across the province, he plans to give back to them as well. "In the longer-term, I plan to create 1,000 jobs through Jowa's indirectly by having resellers so that we can change the unemployment narrative for our country and encourage people to join the resellers on Jowa's website to earn extra income."

Jowayne also hopes to one day open a Jowa's restaurant, creating more jobs for the people and giving them a place where they can celebrate and enjoy their culture. "We call it the people's spice, because it is for them," he adds.

Acknowledgments: This article was taken from www.cfo.co.za and can be found using the following link <https://cfo.co.za/articles/the-spicier-side-of-jowayne-van-wyks-life/>.



STAND A CHANCE TO WIN!

Five lucky readers stand a chance to win giveaways from Jowa's - two from Jowa's full spice range, two from Jowa's coffee and one from Jowa's six pack beer. All you have to do is email sher@sun.ac.za to stand a chance to win!

LYLE MALANDER: SAICA TOP-35-UNDER-35 WINNER ■

The daring and driven entrepreneur **Lyle Malander** launched Malander Advisory, a chartered accounting and financial advisory firm, in 2015. He has since also launched Malander Placements, a recruitment firm, and Malander Digital, an IT firm. And they just recently opened a branch in London.

I think great entrepreneurs are the ones who not only learn from their failures but also learn from those they are surrounded by.



At just 30 years, Lyle Malander is not merely a trendy businessman but a trailblazer whose ambitions are fueled by making a difference and creating a legacy.

The co-founder and director of the Malander Group of companies' core focus is providing professional advisory and resource solutions to various large and listed entities. Lyle is proud to say that in 2.5 years the Malander businesses have derived revenue in excess of R40 million. His hard work and arduous hours have turned his dreams into reality.

Through the Malander Advisory business, Lyle oversees the team that provides managed chartered accountant and finance resource solutions to an array of clients in various sectors and industries and has created employment opportunities for over 70 chartered accountants and finance professionals.

Malander Placements is a team of trained professionals that provide recruitment solutions, particularly in the fields of finance, law and IT, to various clients. And pursuant to his keen interest in the technological environment and the ways in which it can enhance business operations, Lyle established Malander Digital, which provides temporary IT resourcing, IT outsourcing, and digital marketing solutions.

"Lyle's story of persistence, growth and vision is an inspiration to anyone who is daring enough to start their own business," says Dineshrie Pillay, one of the Top 35 judges.

"I think as entrepreneurs, we are always looking forward and striving to achieve more and as soon as we reach a goal, we change the goal posts to want to achieve more," says Lyle Malander. "That being said, I wasn't always fortunate enough to

have enjoyed the luxuries life has to offer. I remember the struggles we faced as a family when I was growing up. I think what sets me apart is that I have always seen these struggles and challenges as a learning opportunity which fuels my desire to want to make a difference and create a legacy."

Lyle humbly attributes the success of his businesses to his strong team with an aligned vision: "My co-director and team have all been pivotal to the growth of the business and their motivation and dream is what keeps us going on a daily basis," he says.

Lyle admits that growing up, he didn't always have the most fortunate of circumstances. As a young coloured kid from Cape Town, he was exposed to his fair share of financial and social challenges. But he held on to his dreams to make a difference. Today he says that perseverance and dedication have been key factors in overcoming his challenges in life.

"I remember a time when I was younger and wanted to become a doctor because at the time, I considered it to be the only really 'prestigious' profession I knew of. Later on, I realised that I couldn't spend time in hospitals and fainted at the sight of blood. My mom then came across the CA(SA) profession in conversation with a colleague at work and proceeded to tell me about it. I then started doing some research," he says.

He liked what he found and avidly began pursuing his studies to be a CA(SA) at the University of Stellenbosch. But at the end of his honours year when he received his end of year results, he learnt to his shock and dismay that he had received the bare minimum mark of 40% required to get access to the final exam. He distinctly remembers his lecturer saying, "To those of you who have a 45% year mark, don't worry, there have been people in the past who have ended up passing the year." Being in the unfortunate position of having a year mark lower than that, Lyle immediately had that sinking feeling that he might have to re-do honours.

However, when he chatted with some of the graduate recruiters at Deloitte, they encouraged him that it was still possible to make it through the year. He decided he wouldn't be giving up as yet!

"I managed to pass honours that year and since then, I have realised that giving up isn't the answer. We should always continue to follow our dreams no matter what odds are stacked up against us," he says proudly.

Lyle relocated to Johannesburg to complete his articles at Deloitte in 2012. He then went on secondment to Deloitte LLP in Chicago for three months before returning to join an accounting and advisory division at Deloitte South Africa. He worked on various clients including the Aveng Group, where he assisted in raising a R2 billion convertible bond.

"I believe the training we get as CAs(SA) requires us to get an in-depth understanding of not only the finance environment but the business environment in general. Gaining this understanding of the mechanics of business and the importance of controls within business has equipped me for the entrepreneurial journey in the sense that I have had exposure to various operating environments and have garnered an understanding of what it takes to run any operation," he says.

"I think great entrepreneurs are the ones who not only learn from their failures but also learn from those they are surrounded by," says Lyle. "As entrepreneurs, it is so easy to get consumed by our own ideas and vision that we forget to listen to the needs of those around us, and more specifically the needs of our clients, teams or employees. Great entrepreneurs not only identify these needs but also develop solutions to address them."

Lyle has been instrumental in the companies' recent expansion into the United Kingdom through the opening of a London office. This is pursuant to the companies' expansion strategy to gain international exposure and the ability to service their clients with both their local and offshore financial advisory and resourcing solutions, as well as provide their finance and recruitment professionals with international exposure.

They have also recently started a programme called 'Malandar for Change', which is aimed at providing technological resources such as laptops and Internet access as well as development training to institutions and organisations that need it most.

"Our Malandar for Change programme is aimed at providing training and guidance on not only how to find a job but also how to get access to resources to further education and training, as well as foster entrepreneurship, in the hope of contributing to a decline in the high rate of unemployment we face in our country," Lyle says.

Family life

Although Lyle admits much time is spent planning business, his free hours are spent with his girlfriend, family and friends. And when he has time, he also enjoys a good game of sport.

I think great entrepreneurs are the ones who not only learn from their failures but also learn from those they are surrounded by.

Lyle says his mom has always been the glue that held the family together and was a significant role model for him. "She was always the one that drove me to become somewhat of an academic, and I will always be grateful for that."



His father, a serial entrepreneur, and his brother, also an entrepreneur, have taught Lyle many valuable lessons and he has drawn a large amount of inspiration from them.

Lyle describes his gran, to whom he is very close, as one of his number one supporters. "I think for any individual it is always important to have someone who believes in you and in everything you do. My gran has always been that person."

"Coming from a background where I was exposed to poverty and growing up in areas of poverty where I witnessed the imbalances in society, I believe that we as professionals have the ability, and potentially even a responsibility, to contribute to social change," he says.

"The single greatest lesson that I have learnt so far is that nothing is impossible!"

"I have realised that giving up isn't the answer. We should always continue to follow our dreams no matter what odds are stacked up against us."

What mantra do you live by?

DREAM IT.
BELIEVE IT.
ACHIEVE IT.

Where do you see yourself in five years' time?

"I hope to lead the Malandar group to greater heights and growing it into a reputable brand within the South African and even international business environment."

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I have realised that giving up isn't the answer. We should always continue to follow our dreams no matter what odds are stacked up against us.



FINANCIAL ACCOUNTING 178 SUMMER SCHOOL ■



The 178 Summer School was a massive success with an overall pass rate of 89% for the 79 attendees.



January 2022 saw the first Summer School for Financial Accounting 178, whereby students who did not pass this module in 2021 received the opportunity to attend three weeks of intensive lectures, to cover the entire year's work again, to get another chance to pass this module. This initiative followed the success of the School of Accountancy's Financial Accounting 188 Summer School that started in 2020. As with its predecessor, the 178 Summer School was a massive success with an overall pass rate of 89% for the 79 attendees.

After the turmoil and adjustments that had to be made by these students in terms of online learning since 2020, the opportunity to attend the Summer School in-person proved invaluable. There was a 100% participation rate for each day that the Summer School was presented and for all three invigilated sit-down assessments.

Feedback from the students attending the Summer School was greatly positive. The three weeks of holiday that had to be sacrificed outweighed the incumbrance of adding an additional year to their studies.

SECOND SoTL MINI CONFERENCE FOR SOA ■

The School of Accountancy held its second annual Scholarship of Teaching and Learning (SoTL) mini conference on 27 September 2022. Staff who have completed or are busy with research in Accounting Education presented their findings to colleagues. Sher-Lee Arendse-Fourie opened the conference by discussing her project on decoloniality in Accounting Education, titled "Beyond the glass ceiling: re-imagining the future of Higher Education curricula in South Africa." Teaching and learning innovations in response to the CA2021 competency framework were the focus of much of the research presented, for example: Developing student graduate attributes through a CA2021 portfolio of evidence (Sybil Smit and Gretha Steenkamp); Encouraging deep learning and developing decision-making acumen in accounting students (Riana Goosen and Gretha Steenkamp); Developing a course in computer programming and automation for accounting students (Hamman Schoonwinkel); Explicit teaching of critical thinking (Gretha Steenkamp and Mareli Rossouw). Developing students' integrated thinking (Lyndon Henney and Na-ella Khan).

Other topics covered included the role of extra time in the performance of students with learning disabilities in time-constrained assessment (Mareli Rossouw and Juan Ontong), student preferences in terms of post-covid learning (Sophia Brink), the study behaviours of PGDA students (Neil de Kock, Petra Laubscher and Jamie Mannel), the impact of Emergency Remote Teaching on students' time management (Yadah du Toit and Anet Knoetze), the effectiveness of a first year-module presented as an accelerated learning programme to repeating students (Chrystal Schonken, Armand Bruwer and Juan Ontong), and the reliability of peer assessment in an information systems course (Stephan Kruger).

As stated by Jan Petrus Bosman (Director of the Centre for Learning Technologies) who also attended, it was a day "well spent", with colleagues sharing and generating research ideas. Delegates' choice awards were presented to Sher-Lee Arendse-Fourie (first place), Neil de Kock, Petra Laubscher and Jamie Mannel (second place) and Hamman Schoonwinkel (third place). A special word of thanks to all presenters for their hard work and excellent presentations.



THE 2022 ACADEMIC TRAINEES ■

I am a Capetonian-converted-Gautenger that studied BAccLLB prior to completing my Postgraduate Diploma in Accounting. I am thrilled to primarily have been the Management Accounting trainee, content to have dabbled with the occasional Financial Accounting class, and sulkily resigned to my fate of having had to present a weekly Audit 288 ILP.

In the words of Professor Rudman, "teaching is information repackaged." I have loved "repackaging" information as a trainee and presenting it in an engaging manner during ILP classes. It has given me a deep sense of fulfilment to know that I have helped educate future CA's and business leaders of the world. I suspect some students in my classes occasionally even enjoyed being there – yes, even for Audit 288.

I was born and raised in Midrand, Johannesburg (no it's not the same place as Pretoria... haha). I came to Stellenbosch to complete my undergraduate and postgraduate degrees and I am not planning on moving back to Johannesburg anytime soon.

I studied BCom Management Accounting and did my Honours in BCom Management Accounting as well. I am currently teaching Financial Accounting 188 and Information Systems 152 and serve as Academic Trainee for the CIMA Honours group (Management Accounting).

What may be viewed as interesting is that I have my skipper's licence, I am the youngest of two daughters and I can rap. I love sports and was head girl of my high school where I also played first team netball for three years with my older sister.

My first year at the School of Accountancy has been an absolute blessing and a blast. I didn't expect to feel at home so quickly. I enjoy seeing the 'behind the scenes' and working with such a range of people. I grew so much and found a new respect for lecturers and the academic 'industry' as well. I am going to miss this place, maybe enough to come back sooner rather than later!

I am from Milnerton, Cape Town and studied BAccounting and PGDA. I am currently an Academic Trainee in Financial Accounting and Auditing.

It has been an enjoyable experience as I worked with an incredible team of Academic Trainees. The office chats, whilst trying to meet deadlines, were absolute fun! The best moments were when I could see the 'ah-ha!' moment on a student's face after I've explained a concept and they finally understood it. This year allowed me to confirm what I always thought – that academia is where I want to be. I hope that I'll return in the near future.

Something interesting about me is that I have a keen interest in astronomy.

I've moved quite a few times, but I lived mostly in Worcester and Upington. I completed my BAccounting and BAccounting Honours degrees at Stellenbosch University. I'm currently an academic trainee in the Tax and Financial Accounting departments. This year has been a great experience! I've always loved teaching and tutoring, and I viewed this year as an opportunity to see if I would pursue a career in lecturing in the future. And yes, I think I'm coming back in a few years! Something interesting about me, is that my name means 'rock' and visiting the ancient city of Petra in Jordan is on my bucket list.



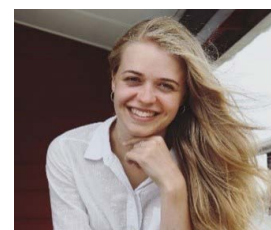
Neil de Kock



Britney Fouche



Jamie Mannel



Petra Laubscher

STAFF ■ *New staff*

I used to dream of living, teaching, and learning in Stellenbosch one day, a town that stole my heart the first time my dad drove me up Victoria Street. I attended both high school and university in Stellenbosch, immersed myself in its culture, grew an appreciation for its wine, made lifelong friendships, met and married my husband here, and have now commenced what promises to be an extremely rewarding academic career at the SOA. I am overwhelmingly grateful to say that my dream of "one day" has become a reality far sooner than I had anticipated.



Tess Lubbe

I was born in Cape Town, Western Cape and for most of my life, stayed in Cravenby which is located next door to Parow. I studied and completed my BCom Accounting and PGDA programmes at UWC.

I am currently teaching in the Information Systems division soon to be renamed "Digital & Leadership acumen". It has been an interesting time being in the Information Systems (DLA) team as technology is taking over the Accounting "box" audits in the 21st century.

I enjoy the outdoors, especially just looking and listening to the waves of the sea. I love working at the School of Accountancy and I am filled with gratitude, learning and working with a great team that is always willing to help, which made it so easy to feel at home!



Abdul Muqstasid Antulay



Christoff-Jacques Botha

I was born into a family of six (I have three older sisters) in a small, quaint little town called Adelaide (Eastern Cape) in 1990. However, we moved to Kimberley (Northern Cape) shortly after my birth and resided there until 2004, when once again, we relocated to Worcester (Western Cape), where I started and finished high school at Worcester Gymnasium (matriculated in 2008).

Despite initial bemusement as to what career path to pursue, I eventually settled on BAcc as a result of the outcome of an aptitude test I had taken at the time (the test had indicated a proclivity on my part for mathematics/ accounting and IT, however, I still, to my amusement, recall the person responsible for the aptitude test saying to my father that he got the impression that I had intentionally answered the test in such a way to get the aforementioned results). That led me to yours truly (US) as well as Unisa as well as LDP Inc (based in Stellenbosch) where I faced my baptism by fire in the form of my three years of articles (I am merely joking, it was much more fulfilling than it was grueling, to be honest).

After qualifying as CA towards the end of my three years articles in 2014, I embarked on what would amount to seven years (in total) in audit and tax practice as a manager at different firms. Somewhere along the line, however, I got a bit bored and started pondering the road untraveled. I consequently decided to pursue my MAcc (Tax) degree at my alma mater (US) and, by much grace through Him, could write the MAcc (Tax) designation behind my name. At that point, I had already started rekindling a strong desire for academia and was very fortunate indeed this year to have been granted such an opportunity in the School of Accountancy (Tax Division), which is where I currently find myself. It has been surreal so far – much more job satisfaction compared to practice.

Something interesting about myself: Music has a special place in my heart. Besides singing, I mainly played French horn and piano since Grade 3 in primary school up until matric and completed all the UNISA-exams during that time. I am passionate about brewing coffee. I have been told on more than one occasion that I look like Chris Pratt.



Kim Jacobs-Gwebu

I am from Randburg, Johannesburg and studied B.AccSci at Wits University. I am currently lecturing in Taxation at the School of Accountancy, and I love my awesome colleagues. Something interesting about me is that I love naps!

Former staff

As they say, a lot can happen in a year. This can't be any more accurate, as there have been quite a lot of things that transpired in my life since I left the School of Accountancy (SOA) last year.

I started my new job as the Student Affairs Officer in the EMS Faculty Dean's Office in November 2021. In April 2022 I graduated and received my MCom Public Development Management degree from Stellenbosch University. My research focused on the impact that the Thuthuka Bursary Fund has on the transformation of the accountancy profession in terms of changing the demographic representation of accountants in the profession. I am also ecstatic to announce that my article, based on my Master's dissertation, titled 'An evaluation of the Thuthuka Bursary Fund Programme at Stellenbosch University' was published in the *Administratio Publica* journal. I'm still finding my feet in my new role, but I am enjoying the challenges that the job brings as well as embracing all the new learning opportunities. I can truly say that I have grown quite a lot in this position. Hopefully I will also overcome my fear of public speaking soon.

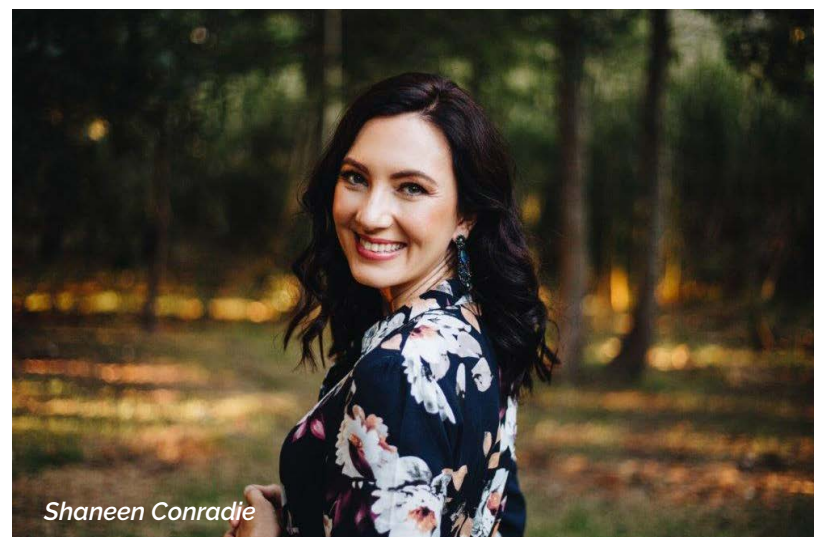
Work has kept me quite busy, but I try to keep a healthy balance and have recently joined a fitness group in my hometown (for those who know me and have wondered, I don't hike anymore, so I had to find something else to keep fit).

I'm extremely grateful for the experience I gained at the SOA and the wonderful individuals who crossed my path during my time at the SOA. The SOA has molded me and surely paved the way for where I am now.



*Ilse Frans:
Year of transformation*

A remarkable accomplishment by Mrs Shaneen Conradie



Shaneen Conradie

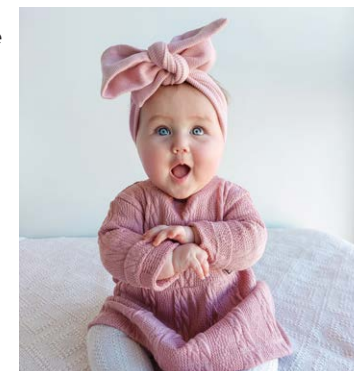
Mrs Shaneen Conradie obtained her MAcc (Management Accounting degree) cum laude in March 2020. She has since published three peer-reviewed articles in accredited journals from her Masters' dissertation without having to conduct additional research. This is a truly remarkable accomplishment! Most Masters students would envy two peer-reviewed articles, with three articles a decent target for many Doctoral holders. As far as we could establish, she is the first serving staff member in the School of Accountancy to accomplish this feat. Well done, Shaneen!

New additions to the mini SOA team

Parenthood is always a time of transitioning, whether it is welcoming a first child; the one that transforms you into a parent or adding to your family; the ones who change your family dynamic into a whole new chapter. We would like to introduce the 2022 babies, welcomed by our wonderful School of Accountancy's staff superstar parents.

Hannah is like a giggle wrapped in sunshine and glitter. She will always brighten my day. - Yadah

**Yadah and
Jako du Toit
welcomed
Hannah**



Jy maak my sag en hard en heel.
- Petra

**Petra
and Jaco
Claassen
welcome
Magnus
Lohan**



'n Groter seëning as die geboorte van Mika en Amalia is daar verseker nie. Hulle het ons lewens kom verryk. Wanneer Mika so lekker vir homself in die spieël lag, en wanneer Amalia se gesiggie ophelder as sy mens sien, smelt jou hart behoorlik. En om te sien hoe beskermend ouboet William oor hulle is, is ongelooflik kosbaar. Dankbaarheid in oorvloed. - Arthur

**Arthur and Jonathan Bishop verwelkom
Mika en Amalia**



Isabella is maar net 'n maand oud - so sy huil, drink en slaap nog (en natuurlik baie poefdoeke ☺) maar sy het my selfvertroue in moederskap gegee en opnuut laat besef dat ons soveel liefde het om te gee! Altyd gedink ek sal niemand liefier as Gracie kan hê nie - maar ek het so lief vir haar geword! Ons almal is vreeslik lief vir haar. - Gail

**Gail en Devon Fortuin
verwelkom Isabella**



STAFF ACTIVITIES

Secretary's Day

Pictured left to right: Tamryn Davids, Natalie Jansen and Liesl de Villiers on Secretary's day. Thank you for all you do for the school!



Who wants to be a millionaire?

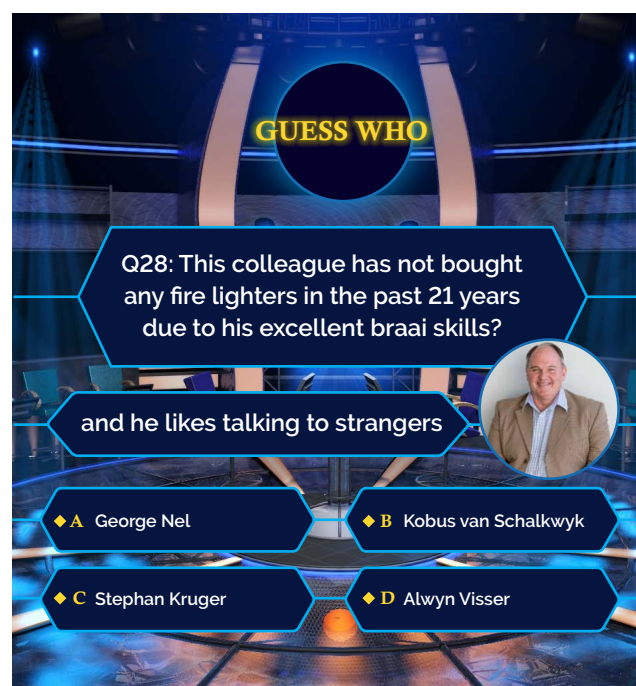
During May 2022, the Social Committee of the School of Accountancy hosted an online quiz – *Who wants to be a millionaire* – in order to get to know their colleagues a bit better! (Especially also the new staff members who joined this year).

Some very interesting facts about a few staff members included:

- One almost died in the Amazon jungle
- A few already did bungee jumping / bridge swinging
- A few are farmers and gardeners on the side
- One never learned to swim
- Quite a few have interesting food preferences
- Most take part in sports for example scuba diving, dancing, football, swimming, tennis, hiking and golf
- Some received Western Province colours in a sport or cultural activity
- Some even met a few famous people of the world

The staff members who guessed the most facts about their colleagues correctly, received a MyBrew voucher:

Na-ella Kahn
Roelof Baard
Amber de Laan
Maryke Wiesener



SOA Brown Bag Research Sessions

The School of Accountancy has regular "brown bag research sessions" during the year whereby an informative session is held and staff receive a brown bag lunch. Recently in one such session we had research presentations by SOA colleagues who recently completed their PhD journeys. They presented their observations and lessons learnt from their journeys.



Coffee Tasting

The SOA hosted a coffee tasting during July 2022. The session included a "coffee education", featuring: the history of coffee; the coffee process: From the tree to the cup and what to ask your local Barista.





Fun run/walk 2022

The primary objective of the fun run/walk was to promote social cohesion amongst the staff of the School of Accountancy. The other objectives were the promotion of a healthy lifestyle as well as boosting the competitive spirits across the various divisions within the SOA. The latter came across quite strongly on the day!

The SOA's first ever fun run/walk took place on Friday, 27 May 2022 at the Coetzenburg sports grounds. The atmosphere was jolly, and colleagues had great fun interacting with each other in an open-air environment. The competitive side of accountants prevailed with Niel de Kok (fastest runner), George Nel (fastest walker) and team financial accounting (overall group winner).

This social activity was concluded with lunch on the cricket pavilion where staff could catch up without MTeams disrupting the conversation unexpectedly. We look forward to the 2023 version of the fun run/walk and let's see if team financial accounting can retain their floating trophy, which is now safely in the cabinet of their divisional head.



Pictured: Team Financial Accounting
(Overall group winners)



Pictured: Niel De Kok
(individual winner)



Pictured: Team Taxation



Pictured: Social committee 2022
(from left to right): Waldette Engelbrecht, Sher-Lee Arendse-Fourie, Adrian Samuels, Eloise de Jager and (back) Juan Ontong



Pictured: Team Management Accounting



Pictured: Team Auditing



Pictured: Team PASS & Team Information Systems



Pictured: From (left to right) Sher-Lee Arendse-Fourie, Chrystal Schonken and Tess Lubbe



Stellenbosch Night Shelter

The Fun Run entry fee took the form of a voluntary contribution to the Stellenbosch Night shelter in Cloetesville. The total Fun Run proceeds was used to purchase much needed toiletries and underwear for the homeless who stay at the shelter. Staff members also donated clothing. Night shelter vouchers can be purchased at R80 per booklet of 10 vouchers or R10 a single voucher. A single night shelter voucher provides the homeless with one night's shelter, food, use of ablution facilities and social worker support. If you wish to purchase night shelter vouchers to donate to those who live on the streets of Stellenbosch, you can contact Denise who co-ordinates the night shelter at 066 164 3377.



Pictured (from left to right), Denise night shelter co-ordinator, Sher-Lee Arendse-Fourie and two night shelter staff members.

JOINT ACCOUNTANCY WRITING RETREAT PROMOTES RESEARCH COLLABORATION BETWEEN SU AND UCT ■

BY JUAN ONTONG AND GEORGE NEL

Lecturers from the School of Accountancy at Stellenbosch University (SU) and the College of Accounting at the University of Cape Town (UCT) recently attended the second annual three-day writing retreat at the Mont Fleur conference center near Stellenbosch.

The writing retreat was aimed at promoting research collaboration between SU and UCT, while 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 Dr. George Nel, Deputy Director of Research at the School of Accountancy, "Writing retreats are especially useful to create an atmosphere of trust and safety for productive research writing."

Participants agreed that the cross pollination enriched their understanding of their research fields, that engaging with other academics inspired research and helped with motivation, and that both the input and the feedback from the facilitator enhanced the research process. As one of the participants remarked, "The writing retreat gave me an opportunity to bounce ideas off colleagues who are also in the same frame of mind;"

Another participant noted "Collaboration with other researchers is invaluable to being an academic scholar, the writing retreats serve not only as an opportunity to catch up on research but also to network with respected research leaders in their fields."



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



Participants used their time at the retreat to work on articles and research proposals and to share research ideas with each other, fostering an environment for future research collaboration and high-quality research.



TRANSITIONING TO SUSTAINABLE SOCIAL IMPACT TOGETHER ■

SEED

Over the past few years so many great and brave transitions have been demanded of us all. There is, however, a silver lining, as desperation and suffering are very powerful catalysts for innovation and resilience.

Corinna Kirsten, a senior lecturer in Management Accounting, is a trustee of the [Stellenbosch Entrepreneur and Enterprise Development Trust \(SEED\)](#), a non-profit organisation with the mission to bring about economic development through the cultivation and support of entrepreneurship.

SEED was established in 2007 and founded the [Township & Village](#) tourism social enterprise in Stellenbosch in 2018. The social enterprise model was developed to access the lucrative formal tourism market, promote the services of community-based tourism entrepreneurs, and to break free from grant-funding by becoming self-sufficient. The concept of sustainable development is a transition in thinking; it is trade not aid, that will solve South Africa's economic crisis. SEED therefore focused on designing Township & Village in a way where the social enterprise will not only operate sustainably but be able to invest future social profits back into development.

The start was great, and the social enterprise showed good traction in a very short time frame. Then came February 2020 and Covid-19.

Nothing could have prepared anyone for this. All tourism ceased and we were faced with a human tragedy as not only SEED's own tourism entrepreneurs were sidelined, but the countless community members that were employed in the formal tourism and wine sector became unemployed, hungry, scared and home bound. This led to another transition. During this time, the power and beauty of collectivism came to the forefront. The way in which SEED's beneficiaries and their communities came together to support one another was nothing short of awe-inspiring. SEED in turn received great support from their own donors and were able to supply these wonderful community networks with vital funds for food, electricity, and other life essentials. The silver lining here is that during this dire and dark time, incredible relationships of trust and comradery with SEED's entrepreneurs, their families, their neighbours, and entire communities were built. The depth and value of these relationships have ironically become one of the most pertinent reasons for the project's post-Covid success.

Township & Village had its start and foundations built during an international crisis. Through adapting to working remotely with its entrepreneurs has now

put them on a completely different footing in terms of efficiency, thanks to Covid-19. Thanks to Zoom meetings and the wonderful and never-ending value of WhatsApp, Township & Village continued to develop products even though there was no way of knowing whether they would ever be able to sell them, and this hopeful outlook is now paying off.

Township & Village offers 17 tourism products including corporate event hosting, group tours, home dining and many more carefully curated cross-cultural experiences. There are 60 participating service providers (entrepreneurs and their employees).

Corporate and individual South Africans are invited to make some transitioning of their own. Before getting stuck on aid as the only way to serve communities, book a tour or a conference you will enjoy the most memorable experience and learn something about your country and directly support economic development!

To book a tour or event or for more information on Township and Village, visit www.townshipandvillage.co.za.

SEED's development activities are underpinned by the SEED Ecosystem, which comprises a wide range of partners, co-contributors and entrepreneurs who share

the same economic and enterprise development goals. The SEED Ecosystem provides a platform for individuals and organisations to contribute to local economic and community development in a meaningful, structured, and measurable way, while bridging gaps between different sections of the local community and advancing transformation and integration.

There is, however, a silver lining, as desperation and suffering are very powerful catalysts for innovation and resilience.

To become involved in the SEED Ecosystem or to request more information, please contact SEED CEO Nicolette Booyens at nicolette@seedsa.org.za.



Pictured: SEED management team at Amazink





The two main content areas included in the various modules can be described as Digital Acumen and Leadership Acumen.

INTRODUCING DIGITAL- AND LEADERSHIP ACUMEN FOR ACCOUNTANTS

BY ANRIA VAN ZYL, HEAD INFORMATION SYSTEMS / DIGITAL- AND LEADERSHIP ACUMEN FOR ACCOUNTANTS

2022 marks the last year in which the School of Accountancy (SOA) will be presenting Information Systems in its current format. It also marks the culmination of five years of planning, experimentation, and consultations between various stakeholders that includes the Information Systems lecturers, the SOA collective, the relevant professional bodies, and other accredited South African universities. The adoption of the new CA2021 Competency Framework, prescribed by the South African Institute of Chartered Accountants (SAICA), necessitates the inclusion of computational thinking, automation, and advanced data analytics into the BAcc programme. To accommodate these changes our Information Systems modules have undertaken a project of significant module renewal which will be phased in over the next two years.

Reasons for the name change

Over the years, the content being taught in Information Systems has changed significantly, mostly due to the ongoing process of curriculum renewal by both SAICA and the Chartered Institute of Management Accountants (CIMA) which has led to a situation where we now find that the term 'Information Systems' is no longer representative of the diverse outcomes and content covered in the various undergraduate

Information Systems modules. The two main content areas included in the various modules can be described as Digital Acumen and Leadership Acumen.

Digital Acumen refers to the practical technological capabilities modern knowledge workers require to perform their duties and make business decisions, and includes computational thinking, data knowledge and strategy, data analytics, new developments and protocols, cyber security, and the ethical use of technology as an enabler to optimise decision making and to promote business efficiencies and control.

Leadership Acumen can be broadly defined as one's ability to influence others to reach a common goal and includes the effective management of stakeholder relations, the upholding of ethics and values, a well-developed self-awareness, systems thinking abilities, flexibility, and innovation.

After consultations both within the SOA and institutionally, we decided to change our name from "Information Systems" to "Digital- and Leadership Acumen for Accountants" (DLA). The proposed name serves to explicitly communicate our commitment to achieving SAICA's expressed focus to produce Chartered Accountants that are technologically savvy and responsible business leaders.

The end of an era...

It is with some sadness that we will be saying goodbye to the Sage Pastel software, which we have been using as a teaching tool to develop Accounting Information Systems (AIS) skills for more than 17 years. Although we have always aimed to develop these skills in such a way that students should be able to transfer their knowledge across similar software platforms, the time has come for us to transition to a cloud-based AIS. We are very excited that the new cloud-based AIS will allow students with MAC computers to access the system, which was not previously possible. The new platform also affords us the opportunity to expose students to various Enterprise Resource Planning (ERP) functionalities.

What can you expect in 2023?

The most significant change, other than the new name, is the division of the existing two first-year semester modules (Information Systems 114 and 144) into four separate semester modules, allowing us to incorporate the additional foundational content required as part of Digital Acumen. The 2023 changes are necessary to ensure that our students are sufficiently grounded in the knowledge and skills needed for two new modules which will be offered from 2024. From next year on the following modules will be offered to the students enrolled in our three professional programs (for further information about the new modules, please refer to the 2023 EMS Yearbook):

DLA112 – Introduction to Digital Acumen for Accountants

"DLA112 contextualises technology within the working and professional world of accountants. Students are typically avid users of technology in their personal lives when they start university. However, students do not necessarily understand the risks and implications of technology. This module aims to address that and provides the groundwork for the digital underpinning of their studies" - Len Steenkamp, Module Coordinator.

DLA122 – Spreadsheet Software for Accountants

"This module introduces students to the practical use of spreadsheet software, specifically Microsoft Excel, in a business environment. Basic functions are first introduced by applying them in isolated examples, with the aim of explaining the syntax and showcasing the affordances of the function. Thereafter, students complete projects in which they are required to integrate their obtained knowledge to solve business problems and prepare financial reports" - Abdul Antulay, Module Coordinator.

DLA152 – Introductory Spreadsheet Automation for Accountants

"Students will learn how to automate repetitive tasks in Microsoft Excel with the use of the Macro Recorder and will also be introduced to the Visual Basic Editor interface. We will also introduce students to the theoretical underpinnings of automation, which includes the benefits, risks, and appropriate application of automation. This module will also introduce advanced data visualisation tools available in Microsoft Excel, such as using slicers with charts to create interactive dashboards, useful for business decision making" - Hamman Schoonwinkel, Module Coordinator.

DLA142 – Introduction to Accounting Software for Accountants

"In this module we will use the new cloud-based IAS software to practically expose students to the performance of accounting tasks associated with the sales and receipts cycle, purchases and payments cycle as well as journals and reconciliations. The aim is to teach the students how to process accounting transactions using accounting software, thereby integrating their Financial Accounting and Digital Acumen knowledge" - Liezl Smith, Module Coordinator.

DLA162 – Ethics, Finance, and Operations in Digital Business Environments for Accountants

"This module exposes students to the basic principles of ethics and real-world ethical scandals. Students are also introduced to the shape and structure of the finance function as well as operations management. They are also provided with the opportunity to develop various acumens through collaboration, group work and presentations" - Abdul Antulay, Module Coordinator.

DLA 212 – Sustainable Business Models and Integrated Reporting for Accountants

"The aim of the module is to expose students to the concept of value creation, sustainable business models, and Integrated- and Sustainability Reporting. We use simulations and real-world case studies to help students develop their integrated thinking skills, allowing them to think well and innovatively about the various sustainability risks faced by companies" - Anria van Zyl, Module Coordinator.

DLA242 – Accounting Software and Application Controls for Accountants

"The purpose of this module is to build on the student's existing knowledge of how an AIS works. In addition to processing transactions, students are expected to create a new company within the AIS with the correct

settings to minimise processing errors and other possible risks. This module will therefore integrate students' knowledge of Accounting Information Systems with Auditing principles (processes, controls and risks), Financial Accounting (financial entries) and Taxation (VAT)" - Michelle de Bruyn, Module Coordinator.

DLA 324 – Data Analytics for Accountants

"This module is a transitional module and covers the content and concepts currently taught in Information Systems 312. The module will undergo significant module renewal and will be relaunched in 2024, when it will be joined by an additional second semester module. Kiran Bhageshpur wrote an article on Forbes.com in 2019 where he claimed, "Data is the new oil", showing just how valuable the use and proper analysis of data is for business success in our modern society. Our aim with the two data analytics modules is to give our students an understanding of what data analytics is, how to prepare data for analysis, perform a basic data analysis in both Excel and ACL and most

importantly teach them the skills to interpret analysed data. We don't aim to deliver data analysis specialists, but rather to empower or students to know who to consult when they need specialized data analysis, while having the necessary skills to be able to interpret the analysis done by a specialist and use it for decision making purposes in business" - Jorina Smeda, Module Coordinator.

What can you expect in 2024?

In addition to the two third-year data analytics modules, we will also be launching a new second-year module which will build on DLA 152 in which students will be introduced to programming and will be taught how to write algorithms to automate tasks.

It is with some sadness that we end the chapter on Information Systems, but we also look forward with excitement to the future, and the possibilities it offers to help ensure that we equip our graduates with the skills needed to become ethically responsible leaders able to fulfill their social mandate by using integrated thinking and technology to create sustainable value.



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SOA SOCIAL IMPACT PROJECTS MEET SUSTAINABLE DEVELOPMENT GOALS (SDG) ■

1. The Ex-Cell workshop

●●
Its aim is to rehumanise learning by focusing on learning's social, ubuntu-focused dimensions – collaboration, community-building and connectedness.



The Ex-Cell project, funded by the SU Social Impact grant, launched in May 2021. Its aim is to rehumanise learning by focusing on learning's social, ubuntu-focused dimensions – collaboration, community-building and connectedness. This 5-day workshop has a theme of empowering participants to be better prepared for the business world by upskilling incarcerated persons and parolees to find employment and developing business plans to allow them to earn a living in the business world after their release. The programme is a free access initiative, open to the general public and therefore to people who are not attending Stellenbosch University (SU). The educational

component of the project entails SU lecturers and incarcerated participants learning with and from each other through dialogue and the sharing of experiences. By promoting educational and economic opportunities for the youth parolees, the project is further guided by the values and strategic themes embedded in SU's Vision 2040 as well as the National Development Plan. Similarly, all stakeholders benefit by learning from one another and sharing ideas, experiences and knowledge.

The workshop is hosted by the SOA at the Drakenstein correctional facility near Paarl. The only entry requirement for the workshop is for the participants to be near parole, without any other restrictions. The workshop program takes place over a period of 5 days.

The Ex-Cell project is a collaborative annual project between SU, the School of Accountancy (SOA), and the Department of Correctional Services. The following staff presented the programme in 2022:

Designation	Name	Email address	Telephone
Co-ordinator and Presenter	Juan Ontong	ontongj@sun.ac.za	021 808 9230
Co-ordinator and Presenter	Sher-Lee Arendse-Fourie	sher@sun.ac.za	021 808 9941
Co-ordinator and Presenter	Ilse Frans	ilfrans@sun.ac.za	021 808 9525
Presenter	Cecileen Greeff	cgreeff@sun.ac.za	021 808 3426
Presenter	Orlando van Schalkwyk	ovschalk@sun.ac.za	021 808 9943
Presenter	Lee-Ann Pietersen	lkelly@sun.ac.za	021 808 9624

Learning outcomes:

- To communicate effectively within the course context.
- To engage creatively with the course material with the aim of solving real-life problems.
- To function effectively as a member of a culturally diverse team.
- To maintain a point of view with respect to the various disciplines, as well as in relation to the interaction between disciplines, with due respect for the diversity of ideas.
- To reflect on their own learning and attitude to learning and demonstrate learning growth and progression.
- To have an increased commitment to the active promotion of social justice.

Outcomes of the initiative are linked to the following Sustainable Development Goals (SDGs): **SDG1: No Poverty** and **SDG4: Quality Education**

Participation and completion of the Ex-Cell workshop leads to an certificate that is presented as a closing ceremony depicted below.



Workshop 1 closing ceremony



Workshop 2 closing ceremony

2. Stellenbosch Thuthuka bursary fund programme

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. "Thuthuka" is a Zulu word which means "to develop" and it aims to transform South Africa's business leadership. Thuthuka consists of a number of education-related and community-based programmes. The Thuthuka Bursary Fund (TBF) is aimed at increasing the number of African and Coloured students in the CA field and improving the pass rates by means of financial and other support. Stellenbosch University (SU) is one of the Thuthuka accredited universities. The Stellenbosch TBF programme was launched in 2007 and grew to an established and well recognised programme with students studying at all levels from first year through to PGDA/Honours. These BAcc students receive comprehensive academic and non-academic support from the Stellenbosch TBF programme. The students take part in various interactive life-skills and workplace readiness workshops. They are expected to take part in vacation work as well as in a community service project of their choice. The bursary package covers tuition, accommodation, food and textbooks. During 2021 a total of 80 students were part of the Stellenbosch TBF programme – 38 undergraduate students retained the bursary (indicating that they passed all their modules satisfactorily) and 21 students graduated.

The School of Accountancy (SOA) has partnered with SAICA and firms in the accountancy profession as external partners. SU also provides valuable support through the following divisions:

- Bursary and loans
- Centre for Student Communities
- Centre for Student Counselling and Development
- Faculty Administrator: Faculty of Economic and Management Sciences

The Stellenbosch TBF programme is run by the following academic and support staff of the School of Accountancy:

Designation	Name	Email address	Telephone
Senior project manager	Sybil Smit	smit2@sun.ac.za	021 808 3473
Project manager	Amber de Laan	amber@sun.ac.za	021 808 2342
Project manager	Gail Fortuin	gwilliams@sun.ac.za	021 808 3085
Administrative co-ordinator	Fayrouz Khan	fayrouz@sun.ac.za	021 808 3400

Many other staff of the SOA are also involved in the TBF programme, either providing administrative support when needed or as lecturer mentors to bursary holders.

Outcomes

The Stellenbosch TBF programme has the following outcomes:

1. The bursary fund is aimed at increasing the entry numbers and improving the pass rates of African and Coloured university students following the CA (SA) path by providing them with financial support and addressing their needs through comprehensive support programmes.
2. The objective of the Stellenbosch TBF programme is to assist students during their studies to complete their studies successfully in order to make a valuable contribution to the society as qualified CAs(SA).
3. The programme supports the students with respect to their psychological, social and academic needs. The Stellenbosch TBF programme has three main components that focus on the student:
 - Academic support during the student's study career.
 - Life skills that are taught in the residence, workshops and practical work experience at auditing firms.
 - Serving as part of community service projects in the SOA and Matie Community Service.

Outcomes of this initiative are linked to the following Sustainable Development Goals (SDGs): **SDG1: No Poverty and SDG10: Reduced inequalities**

More information about the programme can be found at: <http://www.sun.ac.za/english/faculty/economy/accounting/programmes/thuthuka-bursary-programme/thuthuka-news>

3. Teacher Enrichment Program

The annual Teacher Enrichment Program (TEP) is a collaboration between the School of Accountancy (SOA) at Stellenbosch University (SU) and the Western Cape Department of Education (WCED). It provides focused, online training for economic and management sciences teachers across the Western Cape. The SOA presents a series of online upskilling training workshops. The purpose of the workshops 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, as well as improving the quality of education. It was conducted once a week, for 4 weeks, starting on the 26th July 2021, with another programme running in April and May 2022.

The following lecturers presented one or more lectures in this programme:

Designation	Name	Email address	Telephone
Co-ordinator	Waldette Engelbrecht	wdupreez@sun.ac.za	021 808 3049
Presenter	Petro Gerber	petrok@sun.ac.za	021 808 3439
Presenter	Andrea van der Merwe	aherron@sun.ac.za	021 808 2230
Presenter	Juan Ontong	ontongj@sun.ac.za	021 808 9230
Presenter	Lee-Ann Kelly	lkelly@sun.ac.za	021 808 9624
Presenter	Danielle van Wyk	dvanwyk@sun.ac.za	021 808 9126
Presenter	Sher-Lee Arendse-Fourie	sher@sun.ac.za	021 808 9941
Presenter	Chrystal Schonken	cschonken@sun.ac.za	021 808 9942
Presenter	Armand Bruwer	bruwera@sun.ac.za	021 808 9623

The outcomes of the initiative are linked to Sustainable Development Goal: **SDG4: Quality Education**

This initiative is presented on an annual basis at no cost to the WCED. Dr Antoinette Venter (Antoinette.Venter@westerncape.gov.za; 021- 467 2501) at the WCED was involved in the organisation and collaboration of this programme.



The purpose of the workshops 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, as well as improving the quality of education.





COLLABORATIVE ONLINE INTERNATIONAL LEARNING AT THE SOA ■

BY MICHELLE DE BRUYN, LECTURER IN INFORMATION SYSTEMS



The purpose of this course is twofold: to provide students who would not otherwise have been able to travel abroad with international exposure and to provide students with an opportunity to advance their soft skills and broaden their cultural awareness.



During 2022, the School of Accountancy (SOA) hosted the second annual Collaborative Online International Learning (COIL) course, together with the University of Ohio, USA. The purpose of this course is twofold: to provide students who would not otherwise have been able to travel abroad with international exposure and to provide students with an opportunity to advance their soft skills and broaden their cultural awareness. The course was facilitated by Michelle de Bruyn CA(SA), an information systems lecturer and soft skills enthusiast at the SOA, and Greg-Victor C. Obi, PhD, who is a Professor of Management Sciences at Ohio University. The course has obtained official co-curricular recognition from Stellenbosch University's Centre for Student Leadership, Experiential Education and Citizenship during this year and consequently students who successfully participated in the course during 2022 will receive official recognition thereof on their academic transcripts. The course was presented over a period of twelve weeks during the second semester from the 25th of July to the 14th of October and 28 SOA students participated.

The second semester is filled with academic responsibilities, especially for third year students, who represent the majority of the participants on the COIL course, especially those who will be graduating at the end of the year. To accommodate this, the workload was spread over five weeks that excluded the BAcc test week and the September recess week. During the first five weeks, students were expected to attend weekly online class sessions (MS Teams), which discussed theoretical concepts about Leadership, Global Leadership and Cultural Awareness, why EQ is important within leadership and self-awareness and social competence improvement strategies. After each class the students had to complete a self-reflection exercise which included *inter alia* an Enneagram personality test and a basic EQ test. Students were also required to ask a close friend or a relative to complete the EQ test on their behalf and then had to compare the results to assist them to identify possible blind spots that they might not have been aware of previously.

The students could mostly relate to the Enneagram personality test results and some of them noted how the results assisted them to understand themselves better. Although some students were a bit apprehensive of letting someone else complete the EQ exercise on their behalf, they did report that they found it useful. Some students were surprised to learn how the other person perceived them, but all students were open to learning from this activity which allowed them to identify some blind spots that they were not previously aware of. Some students found the exercise affirming where the other person rated them better than they rated themselves in a particular EQ area. Fortunately, it can be reported that no relationships perished because of this exercise.

Activities then only resumed in weeks eight to twelve after the BAcc test week and September recess had concluded. Week eight marked the start of our interactions with the Ohio students and students were required to make an introduction video and upload it to the VoiceThread online platform. This allowed students to interact with the Ohio students and get to know them better in an asynchronous way as everyone was required to respond to three international students in video format, but they could do it at any time that was convenient.

During weeks nine to eleven four interactive sessions were held on MS Teams to discuss various topics, namely: *How to Love Criticism*, *Rethinking flexibility at work*, *Emotional Intelligence as Corporate Control*, and *How to Build an Inclusive Workplace*. For each topic the students were required to listen to a related podcast with some points to consider before they attended the collaborative meetings. Students from both universities could select which two sessions they would attend, based on the topic as well as the scheduled time of the session. There was a six-hour time difference between South Africa and Ohio at the time (no daylight savings time) and as a result every session was arranged at an alternate time slot to accommodate students by providing them with multiple collaborative options to attend. The sessions' duration was scheduled for two hours each and ultimately varied between 2 hours and 1.5 hours in length.

In the end all sessions were well attended and from the SOA students' feedback it appears that the students found these sessions enjoyable and informative. Some students commented that they did not like listening to podcasts in general, but that they found the podcasts prescribed to be informative and relevant, especially in terms of their future careers as professionals. Most students felt that the work done in week one to five prepared them well for the collaborative conversations and indicated that they felt safe to share their views in the collaborative sessions and that they learnt from the perspectives of the other participants. Although some students remained fairly reserved with their shared stories, other students were prepared to be vulnerable

which added depth and relevance to the conversation. Students from both universities remained respectful and inquisitive about the other participants which contributed to the ultimate value the students obtained from these sessions.

In week twelve students were asked to reflect on the whole COIL experience by completing a SUNLearn reflective assignment and uploading a final VoiceThread assessment. Some of the feedback obtained can be summarised as follows: there were some conflicting views regarding the value of the work done in the first five weeks. Although most students indicated that it prepared them well for the collaborative sessions and that they found the reflective exercises of great value, one student mentioned that it was too theoretical although the student did mention that the accompanying reflective assignments were useful.

Another student mentioned that they have attended leadership courses before that covered cultural leadership and that the COIL course content was not as in depth in this regard. When considering this criticism, it can be argued that such limitations can be attributed to the time limits of these sessions, but it does suggest that it should be relooked at before the presentation of another COIL course next year. Some students struggled to fully attend a collaborative session due to technical difficulties attributed to the heavy load shedding schedules that were experienced at the time, but most students could attend and participate successfully.

In general, the feedback suggests that the students enjoyed the collaborative sessions the most, with some individual students indicating that they enjoyed the theory and reflection exercises in the first five weeks the most. Many SOA students mentioned that they were surprised that the students from Ohio were mainly employed full-time and that they were studying part time and online to obtain their degrees. The students enjoyed the Ohio students' contributions, especially how it pertained to workplace conversations, because they had insights that the SOA students, especially those who have not worked previously, did not have. Students also mentioned that they became more aware of cultural and other differences between them and their peers which provided them with some new perspectives. Overall, they expressed gratitude for the COIL opportunity and confirmed that the course added to their self-development.

All in all, the feedback received from the SOA students was positive with most students stating that they will surely recommend that other students apply to participate in this course as well in future years, but they will caution that students should keep an open mind to gain maximum value from this initiative. One student wrote: *"Yes, I would do so 100%. However, I would caution students as well. An open mind is required. And if you are not great at time management this course could help you get better or you might sink further down"*

the drain. It is enjoyable and challenging and I think it would be a great addition to so many courses at university. It really is a way to develop full rounded students. This course not only focuses on academic related topics but also on the emotional side of things. And a lot of students could benefit from this. When we start working, we are not really ready for all the challenges that we could possibly face and this course just gives you that head start."

The course objectives are in line with the university's aim to develop the students' graduate attributes and with the university's Vision 2040 that incorporates international collaboration in teaching and learning.



Session held on 22 September where the topic "How to Love Criticism" was discussed



Michelle and Greg during Michelle's visit to Ohio for COIL training

Additional information

The timing of the COIL course will be reconsidered in 2023. All recommendations obtained from this year's participants will be considered to enhance the next group's experience. The group is usually limited to 30 participants, but each year will be re-evaluated.

The course was presented free of charge to all the students who had participated. Stellenbosch University's Centre for Global Engagement provided funds to pay for the costs related to the individual Enneagram tests and to cover other related costs.

Sponsorship is required to facilitate more rigorous EQ tests next year. If you or your firm can provide a sponsorship, please email Mrs Michelle de Bruyn at debruynm@sun.ac.za.

For more information or to apply to participate in the COIL course next year please email Mrs Michelle de Bruyn at debruynm@sun.ac.za.

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WOULD A REDUCTION IN CORPORATE TAX RATES ENCOURAGE INVESTMENTS IN SOUTH AFRICA? ■

BY DR RUDIE NEL, TAXATION LECTURER



The perceived intention of corporate tax rate reductions is thus to encourage investments in South Africa.



The Minister of Finance in South Africa announced a reduction in the corporate tax rate from 28% to 27% for companies for years of assessment commencing on or after 1 April 2022 (National Treasury, 2021). The announcement also included that further rate decreases would be considered to make the South African tax system more attractive for investors (National Treasury, 2021). The previous reduction in the corporate tax rate was from 29% to 28% during 2008 after a period of higher economic growth and improved corporate compliance – the 2008 reduction was also intended to contribute to lowering the cost of capital for new investment (National Treasury, 2008). The perceived intention of corporate tax rate reductions is thus to encourage investments in South Africa. However, this brief article questions whether a reduction in corporate tax rates in isolation would succeed in encouraging investments in light of the other applicable tax rates for investors when investing.

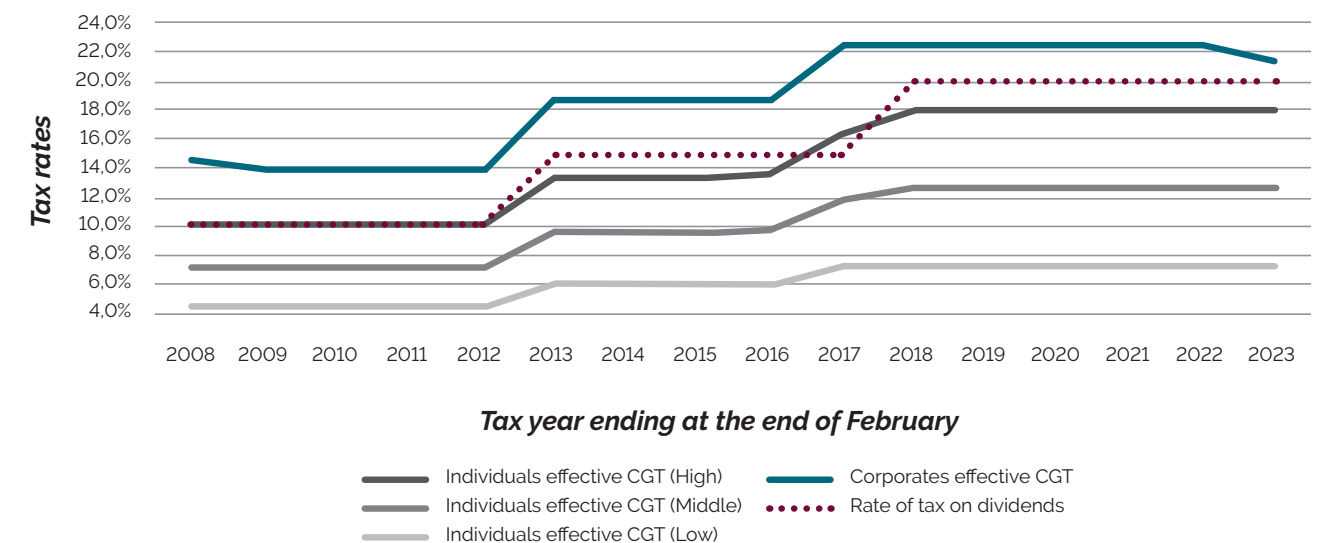
Any rational investor should prefer lower taxes to higher taxes in respect of the cash flows they receive from their investments (Firer et al., 2008) – the after-tax yield of an investment accordingly becomes an important factor in investment decisions. From the perspective of an investor (shareholder), the after-tax yield of an investment in a company is not solely dependent on the tax rate at which profits of the company is taxed (i.e. the corporate tax rate) but also the tax consequences of the subsequent distributions of such after-tax profits. The pending reduction in the corporate tax rates should

therefore also be seen in light of other applicable tax rates (normal tax, the inclusion rate of capital gains tax (CGT), and the tax rate on dividends). For an investor investing in a company in South Africa the subsequent distribution of after-tax profits could be subjected to dividends tax, CGT if shares are held with a capital intent as an investment, or even a combination of both. The effective CGT rate is the product of a CGT inclusion rate in taxable income and normal tax rates. The CGT inclusion rates, normal tax rates, and the tax rate at which dividends are taxed in South Africa are amended during the Budget Speech in February of each year.

Consecutive increases in the CGT inclusion rate in South Africa from 1 March 2012 resulted in companies currently standing to include 80% (compared to the initial 50% when CGT was introduced) and individuals including 40% (compared to 25% when CGT was introduced) of aggregate capital gains in taxable income which is subject to normal tax. The rate at which dividends are taxed in South Africa could also be amended during the Budget Speech in February of each year. Dividends were subject to a Secondary Tax on Companies rate of 10% prior to 1 April 2012 and subject to a dividends tax rate of 15% since 1 April 2012. The dividends tax rate was also increased from 15% to 20% in respect of dividends paid on or after 22 February 2017. Dividends between resident companies (corporates) are then exempt from dividends tax and the liability for dividends tax ultimately arises when distributed to a non-exempt shareholder – most commonly individuals (or natural persons). Individuals would then only be afforded an exemption from dividends tax in a few exceptional instances (for example, when investing in an approved section 12T tax-free investment).

The effective CGT rate and the rate at which dividends are taxed from 2008 to 2023 are illustrated in Figure 1 for individuals (highest rate, middle rate, and lowest rate based on progressive normal tax tables) as well as corporates.

Figure 1: Tax rates



Notes: Tax rates are based on Tax Pocket Guides issued by SARS for each tax year (SARS, n.d.). The corporate tax rate decrease commenced in tax years ending between 1 April 2008 and 31 March 2009 (SARS, 2009) resulting in inclusion from the 2009 tax year. Dividends tax applied to dividends declared and paid on or after 1 April 2012 (SARS, 2019) resulting in inclusion since the 2013 tax year (STC only applied until 31 March 2012, thus for one month during the 2013 tax year). The dividends tax rate increase applied to dividends paid on or after 22 February 2017 (SARS, 2019) resulting in inclusion since the 2018 tax year due to a marginal overlap of six days with the 2017 tax year.

Evident based on Figure 1 is the fact that the rate of tax on dividends as well as the effective CGT rates have increased notably since the introduction of dividends tax, from the 2013 tax year. For individuals (natural persons) the dividends tax rate is of particular interest as individuals would only be afforded exemption in a few exceptional instances – the 5% increase from the 2018 tax year would accordingly have directly reduced the after-tax receipt of dividends. The only conceivable relief in respect of dividends tax would be for non-resident individuals in terms of Double Tax Agreements (DTAs) that could lower the rate of dividends tax, in turn, could encourage foreign direct investment in South Africa. However, resident individuals would be subject to the 20% dividends tax rate if a distribution constitutes a dividend as defined for tax purposes. A distribution that is not a dividend as defined would be subjected to the effective CGT rates (if a capital intent for investment purposes is assumed) that have also increased from the 2013 tax year – the 4.7% increase in the effective CGT rate for individuals (subject to the highest rate based on progressive normal tax tables) would have reduced the after-tax receipt of a distribution which is not a dividend as defined. The notable increases in the applicable rate of taxes would have discouraged, rather than encouraged, investments in South Africa since the 2013 tax year.

In conclusion, the proposal to reduce the corporate tax rates from the 2023 tax year is a positive tax reform

that could encourage economic growth in South Africa and possibly also investments. However, the overall reduction in the corporate tax rate of 1% since 2013 is not comparable to the 5% increase in the dividends tax rate as well as the 4.7% maximum increase in the effective CGT rate for individuals since 2013 that would have discouraged investments. Further tax reform relating to individuals should be considered in order to encourage investments – such tax reform could be in the form of reduced tax rates, tax incentives for investing in equity, or even a simplification of the current South African tax system which has numerous anti-avoidance provisions relating to investing in financial instruments. An ideal tax reform to encourage investments should therefore not be aimed at only one aspect (i.e. the corporate tax rate deduction) but also include other tax reform measures.


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The fractional share right (or 'FSR') transformed, or rather levelled, the playing field for all South African investors alike, by granting lower-income investors access to these most coveted listed shares.

FSR'S: A GLANCE AT FINTECH REVOLUTION IN LIGHT OF ESTABLISHED TAX PRECEPTS ■

BY CHRISTOFF JACQUES BOTHA, TAXATION LECTURER

The 'new normal' a phrase and oxymoron that has become part of public discourse in recent years, and with good reason, if one is to take cognisance of the barrage of global upheavals experienced to date. Although a farcical term on the face of it, it does hint towards a deeper, hidden meaning, being the tendency of society to continuously adapt, and even innovate. This even rings true for the financial sector, particularly with respect to financial products currently on offer to the public. I am, of course, alluding to the recent and novel financial product as introduced by Satrix, in partnership with the EasyEquities platform, in the form of 'fractional share rights'.

The FSR

Up until its introduction a few years ago, investment in the more prestigious and 'blue-chip' listed shares, was only accessible to the more affluent individuals in society. This was mainly due to the exorbitant listed prices of some of these 'blue-chip' shares, rendering them unaffordable to your 'average Joe'. The fractional share right (or 'FSR') transformed, or rather levelled, the playing field for all South African investors, by granting lower income investors access to these most coveted listed shares. By investing whatever funds available to the investor in such listed shares, the investor effectively acquires a contractual right to a 'fraction' (or percentage) of the economic value and rights inherent to the listed shares. This percentage of entitlement is calculated based on the value of the funds invested by the investor relative to the value of a full listed share at that stage. For example, if an investor wishing to invest in a R500 JSE-listed share, were to only invest R200 with EasyEquities, said investor would acquire an FSR over the listed share with a contractual entitlement of 40% (R200/R500) to any dividends and capital appreciation on the underlying listed share. The inverse, unfortunately, is also true, meaning that such investor would also be contractually liable for 40% of any adverse movement in the value of the underlying share.

FSR: Normal tax implications

Despite being lauded from different corners of society for its revolutionary impact, a question mark loomed over certain of its regulatory implications, particularly from a tax perspective. The novel nature of the FSR naturally meant 'unchartered territory' insofar as the South African normal tax consequences for a retail investor (that is, an investor other than a financial institution) were concerned. That is, until recently, when a research paper by C. Botha and C. Greeff

(2022), analysed this intricate financial product in terms of normal tax legislation using a combination of the integration and bifurcation approaches to research. The number of 'cogs' to this new 'FinTech'-entrant meant a great deal of difficulty in finding specific provisions that would apply to it in the Income Tax Act No. 58 of 1962. The aforementioned tailored approach therefore compensated for the 'outdated' nature of the Act and entailed, amongst other things, a comparison with the tax treatment of other products sharing similarities (such as the contract-for-difference) and analysing individual components of the FSR in terms of general provisions of the Act.

Although the abovementioned study inevitably ventured down the avenue of the provisions pertaining to 'derivatives', it was concluded that the FSR rather constituted a 'financial instrument' as contemplated in the Act. Under the assumption that the majority of the FSR's target market (that being lower income investors) would most likely hold these financial instruments on capital account, it was ultimately concluded that these instruments would give rise to capital gain or loss implications, but only upon the eventual closure thereof. Furthermore, in a surprising twist, it was concluded that where a retail investor became entitled to a fraction of any dividends declared on the underlying listed share, this fraction would not be seen as 'dividends' as envisaged per the Act.

Conclusion

Aside from these findings, one of the more important take-aways from the study is the utility of the integration and bifurcation approaches in analysing the normal tax implications of emerging fintech products. And considering the rapid pace of development within this industry, it is unlikely to be the last time that these approaches will be used.

VALUES AND BELIEFS: TRANSITIONING TO A NEW ERA ■

BY PROF RIAAN RUDMAN, AUDITING LECTURER AND AMATEUR FUTURIST



The world is entering a period of significant change.



The world is entering a period of significant change. Whether it be exponential changes in use, application and power of technology, climate change, or expected shifts in the political and social spheres, the influence of the change has a fundamental impact on all aspects of modern life. Most of these changes have been brought about by the Fourth Industrial Revolution and amplified by the COVID-19 pandemic. The purpose of this article is to touch on some of these changing concepts and ideas. The reader is encouraged to investigate these changes further.

Industrial revolution

Society is amidst the next industrial revolution in which new technologies or novel ways of perceiving the world trigger changes in economic and social structures. Industrial revolutions are not only about the technology

driving the change, the social and economic changes and their impacts are equally important, as they have a significant impact on the way society does things and



Society is amidst the next industrial revolution in which new technologies or novel ways of perceiving the world trigger changes in economic and social structures.



perceives the world. The Fourth Industrial Revolution (4IR) is where the blurring of lines between digital, physical and biological systems occurs. This evolution is different from previous industrial revolutions in that there is exponential acceleration in computational ability with technology developing cognitive abilities at different levels of learning and thinking. The digital and physical are being connected, and in some cases, humans and computers are connected through shared data. 4IR is not only going to impact technology, products and services, it is also impacting our value and belief systems and will require that some existing ideas, theories and beliefs be revised.

Changing values and beliefs

On the one hand history has shown that capitalism has left a large divide between the 'haves' and the 'have nots'. On the other hand, socialism has not delivered on its promises either. Democracy also has its challenges, with futurists expecting a new hybrid model to emerge driven by the democratisation of 'everything' through applications of modern technologies.

In recent years, there has been shift away from maximising short-term profit at all cost to creating shareholder value, with the focus of forward-looking firms falling on considering the stakeholders and those in the ecosystem in which organisations find themselves. The moment when the ecosystem is considered it requires organisations to consider the long-term sustainable prospects of all those in the (focused) ecosystem and requires an organisational shift from having a finite mindset, where they obsess about beating their competition, to an infinite mindset, where they are obsessed with their vision and where they're going in the long-term. The organisational focus is on vision, culture and values that will help build organisations that outlast generations and their current leaders. The organisation's values, vision and mission must be articulated to ensure that employees feel part of an idea bigger than themselves.

Although there is a place for a finite mindset, to make decisions using an infinite mindset, new performance metrics are required and therefore also new reporting mechanisms. In the capitalism era, it was sufficient to only consider the bottom line, but a change in the social fiber of society saw the evolution from annual reports to the rise in popularity of Integrated Reporting with the increasing focus on sustainability. This shift away from historical financial information to forward-looking, future focused, business decision relevant information and predictions has practical implications. Futurists argue that to understand the ecosystem, Environmental, Social and Governance (ESG) reporting is paramount to enable organisations to be more transparent about strategies, related risks and the opportunities they face. This required both qualitative disclosures and quantitative metrics.

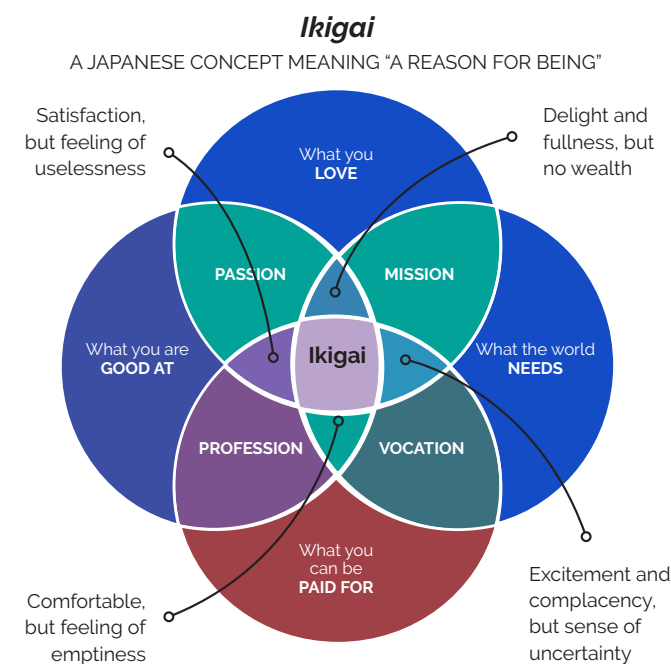
Established business models and theories are also being questioned. There is a growing call for moving away from traditional consumption / linear economy (where products and services are being made, used and disposed of) to a circular economy (where the principles of make, use and return is gaining prominence with business). These and other models are based on the premise that the world has limited resources and value can only be created when shared equitably amongst all in a sustainable manner. One permutation of this is the shift away from organisations being ethical (based on a set of predefined principles as determined by an organisation itself or other bodies) to value driven actions taken, where values are determined by a set of principles underlying society and at the time which an organisation finds itself. An emerging system is built around IKIGAI, a Japanese concept meaning a 'reason for being'.

Social impact, transformation and social justice

There has also been a change in how the interaction with stakeholders and society can be viewed. Organisations have moved away from 'community service' to wanting to make a societal impact through everything they do. In a university context this extends to the research conducted and the attributes developed in the students delivered to the marketplace. These attributes include an enquiring mindset, engaged citizen, a dynamic professional, while being a well-rounded individual. Professional bodies also consider competency and skills development as equally important to technical content.



The values, norms and beliefs of the past won't last forever. Values, norms and beliefs.... are and forever will be a work in progress.



Conclusion

To quote two lines from the biopic of the life of late associate justice of the Supreme Court of the United States, Ruth Bader Ginsburg, "A court ought not be affected by the weather of the day, but will be by the climate of the era". The premise on which this quote is based as well as the underlying principles, apply to the current changing world. The values, norms and beliefs of the past won't last forever. Values, norms and beliefs.... are and forever will be a work in progress. But let us also realise that "the times have already changed". It is now for those charged with governance to understand the changes that are occurring, as well as the values and beliefs of the era, as opposed to those of the day, and react.



No one can dispute the impressive growth that Bitcoin has shown as an asset class since its inception in 2010. Whilst some maximalists regard Bitcoin as the biggest discovery since the Internet, many question its true utility, labeling it as a bubble that will eventually burst. This article will address some of the common arguments made by Bitcoin sceptics.

1. It is not backed by anything!

It is interesting to note the necessity for people that money is backed by something to be considered true money. Why was gold considered true money, what was it backed by? The response would probably be that it does not have to be backed by anything, as the item itself is tangible and actually exists. It is not something just "made up". The need for the money to be tangible, or at least backed by something that is tangible, probably stems from the need for the item to have limited supply. Before the invention of Blockchain, it was impossible for a digital item to be scarce. It is therefore reasonable that a person who does not understand how Bitcoin works, would deem it "not existing". It is also interesting to note that fiat currency is, since the abandonment of the gold standard, not backed by anything. Many Bitcoin maximalists make a distinction between "currency" and "money". They deem all items of medium of exchange before the abandonment of the gold standard as "money", and fiat as mere "currency".



Understanding how Bitcoin truly has limited supply is crucial before one could argue whether it constitutes "true money".



The supply of Bitcoin is strictly controlled by its algorithm. This is no mean feat and was a problem computer programmers tried to solve for decades before the introduction of Bitcoin by Satoshi Nakamoto. Before Bitcoin, trusted central intermediaries needed to be in control of digital payments to prevent double spending. This was due to digital items being easy to copy and paste, requiring these intermediaries to keep track of all parties' electronic ledgers.

How was Nakamoto able to create a digital currency that is scarce? Creating Proof-of-Work (PoW) in a Peer-to-Peer (P2P) system. Simply having an algorithm that controls supply is, on its own, not enough, as one would need a trusted central party to protect and enforce that code. Running the algorithm in this P2P system is completely voluntary. PoW provides an incentive for each node to act honestly, by awarding rewards only if their ledger agrees to those of others.

The supply of Bitcoin is limited to 21 million coins. The supply will expand with block rewards, as dictated by the halving rules. These rules cannot be broken. There is no "place" to hack the algorithm, as each node runs its own algorithm independently. A node or group of nodes can easily change this algorithm at will, but this would simply lead to a fork of a new currency. Understanding how Bitcoin truly has limited supply is crucial before one could argue whether it constitutes "true money".

2. It does not create anything!

Another counterargument often used (by Warren Buffet among others), is that Bitcoin has no value as it does not "create something". Shares in a company represent shareholding in a business that manufactures something or delivers a service, which generates profits that could be distributed as dividends and therefore represents return on investment.

Bitcoin should however not be compared to shares, as it is not intended to be an investment. Although many people buy and sell Bitcoin speculatively with the aim of making profits, it is not its primary function as intended by Nakamoto. Bitcoin should be compared with other forms of money.

3. It has no intrinsic value!

Others would also say that Bitcoin, unlike gold, has no intrinsic value. Gold can be used for jewelry, while Bitcoin is simply a number on a screen and has no use.

Money does not need "value" to function, because money was invented as an intermediary item to address the drawbacks of barter trade. The products that are traded require utility. The medium of exchange that facilitates this trade does not. Money does not have value but is rather an instrument used to measure value. It is a language of value.

4. It is too volatile!

Steve Forbes states that Bitcoin cannot be seen as money, as it is too volatile. In his opinion, Bitcoin cannot be a unit of account, because a unit of Bitcoin will represent "a steak today, dog food the next and caviar thereafter". It is true that current volatility makes Bitcoin difficult to use as money for everyday transactions. However, as Andreas Antonopoulos points out, Bitcoin is currently still a very small currency and new technology. Its current volatility is mainly due to the small group of people using it, and mostly for speculative reasons. As commercial adoption increases, volatility will decrease. It is therefore wrong to say that Bitcoin won't become mass adopted due to volatility, as the volatility is due to it still being novel, and therefore it would be like saying "Bitcoin will not reach mass adoption, because it has not reached mass adoption".

Bitcoin today is seen by most as a risky method to make some money. Perception drives behavior, and so unfortunately Bitcoin is exactly that – a speculative instrument. Theoretically however, to its architectural core, Bitcoin is the purest form of value we can have. As education on blockchain technology reaches a wider audience, public perceptions should eventually align with Bitcoin's design, making it the primary universal tool we use to measure the value of anything.

This article does not constitute financial advice. Opinions expressed are meant to open discussions and spark debate. Should you be interested in registering for a short course on Blockchain Technologies presented by the author, contact hammans@sun.ac.za.



As education on blockchain technology reaches a wider audience, public perceptions should eventually align with Bitcoin's design, making it the primary universal tool we use to measure the value of anything.





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IFRS 16 LOW VALUE ASSETS: HOW LOW CAN YOU GO? ■

BY LIZE MARIE SAHD, LECTURER IN FINANCIAL ACCOUNTING

In 2016, the International Accounting Standards Board (IASB), issued IFRS 16 Leases to replace the old IAS 17. The new standard came into effect on 1 January 2019. IAS 17 was often criticised for not reflecting the economic reality of entities that hold significant lease contracts and not providing the necessary transparent information to users. Leasing is an important and commonly used financing solution; however, many leases were not reflected in statements of financial position (SFPs) under IAS 17 regardless of having a clear financing element. The fundamental purpose of IFRS 16 is to improve comparability of SFPs with regard to financing as well as assets, regardless of the manner in

which these assets are acquired.



The most significant feature of IFRS 16 is the recognition of a right of use asset (RoU) and related lease liability for lessees.



The most significant feature of IFRS 16 is the recognition of a right of use asset (RoU) and related lease liability for lessees. The standard does recognise that

accounting for these RoU assets and lease liabilities may be onerous, especially for entities that lease on shorter terms and that lease high volume lower value assets. IFRS 16 paragraph 5 includes an exemption that allows the lessee to elect not to recognise a RoU asset and a lease liability if the lease is a short-term lease (less than 12 months) (par 5(a)) or if the underlying asset that is leased, is a low value asset (par 5(b)).

What many entities might have missed in applying a low value threshold for their leased assets is that the IASB states in Appendix B of IFRS 16 that the assessment of whether the underlying asset is a low value asset or not, should not be affected by the size,



The fundamental purpose of IFRS 16 is to improve comparability of SFPs with regard to financing as well as assets, regardless of the manner in which these assets are acquired.



nature, or circumstances of the lessee or whether those leases are material to the lessee. The intention here was that entities of varying sizes should reach the same conclusion as to whether an underlying asset is of low value.

The problem that arises in the application of paragraph 5(b) and Appendix B is that the threshold of a low value asset is applied subjectively, and in practice may differ substantially among entities of varying sizes. In order to illustrate their intention with the threshold, the IASB indicates in paragraph BC100 of the Basis for Conclusions (which accompanies IFRS 16) that in 2015, while the standard was being developed, they had an asset value of \$5 000 in mind as the threshold for a low value asset.

So, in short, what should entities be considering when determining their low-value thresholds?

- Many entities may be assessing their low-value threshold based on their own size, turnover or asset values. This is, however, not achieving the objective of the standard.
- Many entities may default on the use of this \$5 000 threshold, but for entities that do not have the USD as functional and presentation currency, the \$5 000 needs to be converted to (for example) a ZAR equivalent. This may mean that the threshold moves with exchange rate movements, and again, this is not in the spirit of the standard.
- The \$5 000 threshold was suggested in 2015 and should be considered for relevance in 2022. Entities need to consider inflationary adjustments.

While the relief of paragraph 5(b) may be applied by many entities, the question is whether the true spirit of IFRS 16 is being embodied in this application, and whether the intention of the IASB is being achieved.

DECOLONISING THE HIGHER EDUCATION ACCOUNTING CURRICULUM ■

BY SHER-LEE ARENDSE-FOURIE, LECTURER IN FINANCIAL ACCOUNTING

Literature explores decolonization of curriculum across various disciplines. However, apart from guidance from Terblanche and Waghid (2020) on how the Chartered Accountant educational landscape can produce responsible and socially just leaders, limited guidance exists on how to decolonize the Higher Education Accounting curriculum specifically. The SOA sought guidance from Dr Judith Terblanche, who has conducted research around decoloniality and ubuntu of the Chartered Accountant profession. On Friday 27 May 2022, Dr Terblanche presented a talk on Decoloniality in Accounting wherein she shared her thoughts on why and how we should decolonize the Accountancy curriculum. The workshop was largely practical. After listening to Dr Terblanche, staff from the various disciplines were divided up into smaller groups (breakout rooms in MS Teams) based on the subject area lectured and brainstormed how to practically adapt our curriculum and pedagogy in each of the different subjects."

Dr Terblanche described that in terms of structure, we as lecturers in Accounting are set in terms of standardised methods. We teach content and assess in certain ways aligned in some form to the Initial Test of Competence and we follow structure that allows for the level of success we achieve. Interestingly, part of this process is that the lecturer dictates, and the student absorbs the knowledge. The challenge for decolonisation is the consequence that the student is excluded from the learning process and there is no co-creation, no discussion and no deliberation. We may not feel comfortable to facilitate an inclusive setting, but this exclusion becomes a silencing factor. This is a form of structural violence in our educational space because of our content - "It is what it is - for every debit there is a credit." We don't invite the student into the space. Dr Terblanche explains a power imbalance if students are excluded from the pedagogical process and knowledge. There is a lack of critical discussion, and the student is silenced. There is a dominant reliance on Western thinking and disregarding of lived experiences. There may therefore be violence in our pedagogy.

Dr Terblanche explains that if we don't introduce other perspectives, we are disregarding the lived reality of the majority of our students which was the destructive parts of colonialism by removing the local voices.

"...one of the most destructive effects of colonialism was the subjugation of local knowledge and promotion of Western knowledge as universal knowledge..." [Heleta, 2016]

Dr Terblanche suggests we alter our learning and teaching practice by adding other paradigms, facilitate deliberation and changing assessment methods by adding more than predominantly tests. We should consider how the content speaks to society around us. We should experiment with different styles of teaching and invite the students to co-create. For citizenship we should access embodied knowledge and give recognition to the lived inequality around us. In all our endeavours what should be core to our attempts to decolonize is the aim of 1. recognizing shared humanity (co-belonging and co-creating); 2. critical reflection and 3. solving of societal challenges. Dr Terblanche explains that we should keep these three aspects in mind when considering how we are in or outside of the classroom, in the content we add and in the way we facilitate and assess.

"Ubuntu advocates for providing equally enabling and liberating power of education to all individuals and groups in society for their own rights and the sheer interests of all linked by the humanists web of interdependence" [Assie-Lumumba, 2018]

To make big changes is too risky and vulnerable but in small steps we can take the step forward.

Dr Terblanche provided a few practical examples to be applied within the various disciplines, specified below.

Strategy - Dr Terblanche believes there is ample scope for decolonization in this discipline. In Integrated Reporting, entities will declare their vision and mission statement. Instead of trying to teach a value session, Dr Terblanche suggests one can provide students with a task by selecting a few companies and asking students to look at their mission and vision statements. Students can then debate or reflect on their views on whether the vision is broad enough, if it takes South Africa and the broader social context into account. It is about trying to get people to read wider and interpret what they have read. The second task is to ask students based on Chairman's and CEO reports whether there are any indications that the company has acted contrary to the vision and mission statement. Switching it around and asking of students to critically reflect allows a space for students to give their feedback.

Auditing - Ask students what's the purpose of an auditor's report. Develop a flipped approach and ask students to present on what is the importance of auditor's issuing an audit opinion using real-life scenarios that have led to dire social complexities as a result of an incorrect audit opinion. We should not

teach students about the values; we should put the task on them for critical reflection and allow students to bring the theory. As lecturers we are often afraid to give up control. However, there are theories students can master themselves. Allow students to discover the consequences associated with values. Allow students to teach to the class. Lecturers can probe and facilitate.

Management Accounting and Finance - Dr Terblanche challenges the lecturer to think of relevant scenarios that are happening for critical reflection. It is further important to connect Stakeholder Theory with capital structure. An example would be a feedback group project wherein, based on what students have read, they can determine whether within the context of South Africa, Stakeholder Theory was considered or whether there are other aspects that should have been considered.

Colleagues subsequently entered breakout rooms on MS Teams based on their different disciplines and brainstormed ideas on how to decolonize the Accounting curriculum. The following additional suggestions of possible practical interventions for decolonisation were mentioned by lecturers.

Group: Financial Accounting

Lecturers agree that it may be difficult to implement decolonization in Financial Accounting because aspects such as debits and credits are set and standardised. However, lecturers agree decolonization links to critical thinking and citizenship and have never thought about it that way. Students should be allowed to build their own knowledge. For assessments it is suggested to ask students their opinion in terms of accounting treatment.

Grant the power to the student by asking the student to explain what they have learnt. Beware of the different backgrounds, in terms of bridging the gap and when looking at industry. Everyone owns a t-shirt but not everyone has been on an aeroplane. Where lecturers want to use a complex industry, make sure the industry is explained to students where it may not be familiar to them. Show students a video of a business conducting operations and grant students the opportunity to discuss ethical and societal implications.

Group: Management Accounting

In CIMA (Chartered Institute of Management Accounting) lecturers believe they are equipping students to actively make a contribution for responsible citizenship. Lecturers mentioned that students are well aware of their rights, but they need to know and learn about their responsibilities. It was noted that often we see news where things go wrong, such as corruption. Within management accounting there is a view of value from a profit and shareholder maximisation point of view. A suggestion was made to instead have a discussion with students on whether this is an appropriate objective.

Group: Taxation

Lecturers suggested asking students to reflect on the purpose of paying taxes and to question why it is important to pay taxes.

Group: Auditing

It was suggested that instead of teaching the Code of Professional Conduct as a theoretical concept, allow students to discover the code and only teach it at a later stage. This will require co-ordinated thinking and a portfolio of examples. Auditing lecturers further identified curriculum overload and non-engagement by students as risks. It was noted that, in order to give students responsibility for learning, we need to raise our expectations. We need to learn to let go and empower students to rise to occasion. Consider discussions such as "What is the impact of an ex-gratia payment on the university as business and what are the consequences such as reputational damage and going concern etc.?"

Group: General

Lecturers note that students are a lot more capable of thinking for themselves than we give them credit for. We have the tendency of thinking the lecturer knows best. Due to lockdown it appears students don't know how to talk to each other, or some may not have made friends. Consider that students don't know people studying with them. Put students in groups to learn to talk to each other.

Dr Terblanche noted that the word decolonization may be unfamiliar and daunting. She noted that most of the curriculum content will actually stay the same. She concluded that where we need to change is to hand power over to the students through small steps. We need to grow and understand that it is okay to let go of power. We should note that we are not any less in our role as lecturers. The lecturer role hasn't diminished because we are allowed to have students co-create knowledge and learning. It's a cultural change, daily or weekly or monthly practise where we all need to be allowed to co-belong and have a shared humanity. Enabling students to find their voice needs to happen consistently. Dr Terblanche asks of us to be intentional and initially from first year we should allow students to fill the silence. It is about thinking differently and not just teaching the theory. Bring the student into the room and co-belong with students. One should not only think technical but about broader society. Decision-making needs to consider broader perspectives and how a small profit can be taken with less harmful consequences. Lecturers should think about the way they present and grant opportunities for the students to present and let students discover the value or the implications if that value isn't met. It is about finding examples and thinking of how to transfer the power to the student. We should also consider what has informed us to use certain parameters in our decision-making when we work with data. We should consider what was excluded, which is most likely excluded due to western capitalised thinking and void of ubuntu paradigm etc.

THUTHUKA'S CONTRIBUTION TO STUDENTS OF COLOUR ACHIEVING THEIR DREAMS. ■

BY ILSE FRANS - STUDENT AFFAIRS OFFICER IN THE EMS FACULTY DEAN'S OFFICE (AND FORMER SOA COLLEAGUE)



From the study it is evident that the structure of the Thuthuka programme aims to ultimately contribute to the success of students by not only providing financial support, but academic and personal support as well.



Initial interest in my Master's research topic was sparked by the idea of the transformation of the accountancy profession and how the implementation of the Thuthuka Bursary programme contributes to the transformation of the profession. The outcome of the study however related more to the programme's contribution to the acceleration of transformation in the profession. The study tried to ascertain what type of support provided by the Thuthuka Bursary programme will assist with transformation and better equip individuals who enter the profession.

Although there are many bursary programmes, many merely provide funding and do not actively facilitate the initiative's success. Transformation is not dependent on financial forces alone and therefore a more holistic approach to transformation is required. Apart from funding, students require social and emotional support. The Thuthuka programme offers a comprehensive programme to facilitate the success of students completing their degree programme.

Respondents in the study comprised of current Thuthuka students as well as alumni who are at various stages of becoming Chartered Accountants or those who have already qualified. The respondents to both the questionnaire and interview agree that the Thuthuka programme goes to great lengths to support students. The contribution of the Thuthuka programme to the academic success was acknowledged by many of the participants in the study. Gratitude was also expressed for the significant financial contribution made throughout the course of their studies. One

respondent regards the Thuthuka programme as the greatest contributor to him/her becoming a Chartered Accountant. The mentorship programme was highlighted as an important contributing factor to their academic success.

Some of the respondents expressed that there was no doubt that the support of the Thuthuka programme greatly contributed to the completion in their studies. One respondent even said that the Thuthuka programme has changed his/her life. There were two respondents who had failed their postgraduate year and had to repeat it. With this came the feelings of despondency and wanting to give up. Thuthuka however provided them with another opportunity to complete their postgraduate year. One respondent stated, "they were there every single step of the way, and they tried as much as they could to give extra help...in terms of that, them not giving up on us that indirectly taught me to never give up." It is obvious that the Thuthuka programme makes an immeasurable impact in the lives of its students.

From the study it is evident that the structure of the Thuthuka programme aims to ultimately contribute to the success of students by not only providing financial support, but academic and personal support as well. Based on statistics, the national Thuthuka bursary programme contributes, to an extent, to changing the demographic composition of Chartered Accountants by having added over 1400 CAs of colour since the inception of the programme.



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KEEPING UP IN A TRANSITIONING PROFESSION ■

BY PROF RIAAN RUDMAN, LECTURER IN AUDITING



The fourth industrial revolution (4IR) is where the blurring of lines between digital, physical and biological systems occurs. The accounting profession is not immune, and the assurance landscape is also expected to change.



Society is going through a period of significant change, amidst the next industrial revolution in which new technologies trigger change in economic and social structures. The fourth industrial revolution (4IR) is where the blurring of lines between digital, physical and biological systems occurs. The accounting profession is not immune, and the assurance landscape is also expected to change. In order to be ahead of the curve, the accounting and auditing professions need to reposition themselves to remain relevant and upskill themselves for 4IR within an audit context. One example of significant change expected in the accounting profession is changes to reporting and reporting mechanisms of decision useful information in the form of dashboards and visualisations. Many have argued that financial statements do not reflect the actual value of a business with many analysts focusing on the cash flow statement and other indicators to evaluate a company. Ironically, the cash flow statement is also the part of the financial statements which has the least rules to follow and is the least complex to understand. Carrying amounts in financial statements no longer reflect market values of traded equities. This is particularly true for inter alia so-called 'modern businesses, such as start-ups.



The MCom Computer Auditing degree is aimed at upskilling Chartered Accountants and other auditing professionals to re-think and re-conceptualise their approach to auditing in the modern era.



Integrated reporting has gained prominence in recent years, with a renewed international focus on Environmental, Social and Governance (ESG) reporting. Professional services firms in most major



capital markets such as the United States of America, United Kingdom and Asia have reported high growth in employing ESG reporting specialists. Not only have there been developments on increased disclosure, but new reporting frameworks are also being developed, such as the recognised comprehensive accounting principles (RCAP) Reporting 3.0 accounting blueprint which is built around a multi-layered income statement and balance sheet which report on full comprehensive income and total comprehensive assets and liabilities.

Auditors need to be able to respond by changing their assurance models and assurance approaches to changes in the reporting landscape. The MCom Computer Auditing course offered by the School of Accountancy exposes students to technical details in modern information technology environments that enable them to apply computer assurance principles and equip them with the conceptual skills to deal with future technologies, whether it is a blockchain accounting system or an adaptive dashboard. It teaches students key concepts to reconceptualise auditing in the modern organisation. The MCom Computer Auditing degree is aimed at upskilling Chartered Accountants and other auditing professionals to re-think and re-conceptualise their approach to auditing in the modern era. The goal is to teach key principles to focus on aspects of assurance that matter in a cyber-physical world. The programme consists of a lectured component in the first year of study, and the writing of a dissertation in the second year. The programme allow for virtual attendance of lectures as well as in-person block lectures. The next cycle of the MCom Computer Auditing programme is expected to commence in 2024, with registration opening during the second semester of 2023.

For information, click [here](#) or contact Ms Fayrouz Khan at Fayrouz@sun.ac.za or visit [http://www.sun.ac.za/english/faculty/economy/accounting/programmes/academic-programmes/masters-lectured-options-mcom-\(computer-auditing\)](http://www.sun.ac.za/english/faculty/economy/accounting/programmes/academic-programmes/masters-lectured-options-mcom-(computer-auditing)).

STUDENTS

ITC RESULTS ■

266

The 266 students from this cohort who sat for the exam is the most candidates of all 15 SAICA accredited residential universities and private providers.

ITC Results of the South African Institute of Chartered Accountants

The BAccHons and PGDA students of 2021 of the School of Accountancy (SOA) sat for the Initial Test of Competence (first professional exam) of the South African Institute of Chartered Accountants (SAICA) exam in January this year. The 266 students from this cohort who sat for the exam is the most candidates of all 15 SAICA accredited residential universities and private providers. On this basis, the SOA is the largest residential provider nationally.

The SOA 2021 students' pass rate



This pass rate places SU third among the 15 residential providers nationally, with the University of Pretoria and North-West University ranked joint first. This pass rate speaks directly to one of the elements of the SOA's vision, namely maintaining excellent pass rates in external professional exams.

SU also delivered by far the largest number of candidates nationwide of all residential universities and private providers who passed the exam the first time with

257
PASSES

National pass rate



SU has five candidates amongst the Top 10 nationally, all of whom passed the exam with honours (75% or more). They are:

- ▶ **Lauren Tsafandakis**
(Top position)
- ▶ **Caleigh Robson**
(3rd position)
- ▶ **Petra Laubscher**
(one of our 2022 academic trainees) (6th position)
- ▶ **Dillon Ribeiro**
(7th position)
- ▶ **Robert Searle**
(joint 9th position)

ITC results of the Institute of Chartered Accountants of Namibia

7 out of the 7 SU candidates who wrote the January 2022 ITC of the Institute of Chartered Accountants of Namibia passed the exam. Furthermore, the third position nationally in Namibia is held by our alumnus Kirsten Viviers.



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TOP STUDENTS 2021 ■

Prize

Best first-year BAcc student	Hans Roux Hay
Best second-year BAcc student	Carly Londt
Best third-year BAcc student	Christa Jean Albertyn
Second-best third-year BAcc-student	Julia Fiona Bishop
Best first-year BAcc student in professional subjects	Hans Roux Hay
Best second-year BAcc student in professional subjects	Kirsten Lee Thompson
Best third-year BAcc student in professional subjects	Christa Jean Albertyn
Best second-year BAcc student in Financial Accounting, Taxation and Management Accounting	Kirsten Lee Thompson
Best third-year BAcc student in Financial Accounting, Tax and Management Accounting	Julia Fiona Bishop
Best third-year BCom student in Financial Accounting, Taxation and Management Accounting	Hendrik Albertyn Louw
Best second-year BAcc student in Financial Accounting and Taxation	Emma Elizabeth Coetzee
Best third-year BAcc student in Financial Accounting and taxation	Annika Behrens
Best Progress in Financial Accounting II by a BAcc student	Thando Ntinkama
Phumzile Njomose Memorial Prize	William Leo Villet
Best second-year BAcc student in Financial Accounting and Auditing	Kirsten Lee Thompson
Best third-year BAcc student in Financial Accounting and Auditing	Julia Fiona Bishop

Financial Accounting

Best first-year BAcc Financial accounting student	Emma C'Moon van Tonder
Best second-year BAcc student in Financial accounting	Rochan Simonis
Best third-year BAcc student in Financial accounting	Julia Fiona Bishop

BCom Financial Accounting

Best first-year BCom Financial Accounting student	Shreya Nair
Best second-year BCom Financial Accounting student	Tasha Govender
Best third-year BCom Financial Accounting student	Hendrik Albertyn Louw
Second best third-year BCom Financial Accounting student	Matida Vimbai Churu

Auditing

Best second-year BAcc student in Auditing	Kirsten Lee Thompson
Best third-year BAcc student in Auditing	Christa Jean Albertyn

Best students in BAcc Honours/PGDA	
Best BAcc Honours/PGDA student	Lauren Tsafandakis
Second-best BAcc Honours /PGDA student	Petra Laubscher
Best BAcc Honours/PGDA student in Taxation	Lauren Tsafandakis
Best BAcc Honours/PGDA student in Auditing	Lauren Tsafandakis
Best BAcc Honours/PGDA student in Financial Accounting	Lauren Tsafandakis
Best BAcc Honours/PGDA student in Public Administration	Lauren Tsafandakis

Best BCom Honours student in Public Administration	Nicola Jennette Sloane
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TOP ACADEMIC PERFORMER LAUREN TSAFANDAKIS RECEIVES FACULTY'S HIGHEST ACCOLADE ■

AUTHOR: DANIEL BUGAN

Alumna **Lauren Tsafandakis** was recently announced the winner of the prestigious CGW Schumann Medal for the best postgraduate student in 2021 in the Faculty of Economic and Management Sciences at Stellenbosch University.

The medal, named after Prof CGW Schumann, a pioneer lecturer in the Faculty from 1924 and also dean for a quarter of a century from 1935, has been awarded annually since 1986. The award is the highest student accolade in the Faculty.

Tsafandakis, who is currently doing her training contract at PwC, completed her undergraduate degree (BAcc) with a weighted average of 92.7% in 2020, and BAccHons with an average of 87.1% in 2021.

It is an honour to receive recognition from Stellenbosch University, and a great validation to my hard work over the years.

"It is an honour to receive recognition from Stellenbosch University, and a great validation to my hard work over the years," an elated Tsafandakis said.

The Pretoria native, who draws inspiration from creative people such as musicians and artists who are passionate about what they do, also had high praise for the academics at SU.

"The lecturers at Stellenbosch truly are phenomenal, they are always willing to engage in thoughtful questions, and I think that helped me grow tremendously."

Tsafandakis, who attended St Mary's Waverley High School in Johannesburg, also gave credit to her family, friends and school for their part in shaping her into the person she is today.

"My family allowed me to prioritise my academics by consistently creating a very supportive environment in which I could work. The friends I have made helped me to feel confident in myself and to always put my best foot forward. The challenges I faced in high school made me into a more robust person, and the academic excellence pursued by the school created an ideal environment in which I could work."

The Schumann Medal is the latest in a host of accolades the mercurial Tsafandakis had received for her academic efforts. Most recently, she was placed first in the SAICA (South African Institute of Chartered Accountants) Initial Test of Competence (ITC). The ITC is the first of two exams conducted by SAICA that individuals who want to qualify as chartered

accountants in South Africa have to pass. In 2021, Tsafandakis was also honoured with the Rector's Award for Excellence in Academics. In addition, Tsafandakis was the top student in her second and third year, received a first-year achievement award and was also the top micro- and macro-economics student in her first year.

But, in typical fashion, the humble Tsafandakis is quick to downplay the "gifted" tag.

"I do seem to have a knack for academics, but I also worked incredibly hard over the course of my studies. I would like to think that it is a mixture of the two."

However, she lights up when she delves into her favourite pastimes.

"I enjoy creating art, spending time with friends and family, pets, traveling, taking pictures, watching anime and listening to music. I love traveling. I always find there are such wondrous things to see around the world. I have been privileged enough to have travelled to destinations in both the US and Europe, and more recently Japan. I would love to visit Amsterdam in the future," she said.

Dean of the Faculty Economic and Management Sciences Prof Ingrid Woolard, hailed Tsafandakis as a worthy winner with an extraordinary academic record.

"You are a great inspiration to us and to your fellow students. We are very proud to be able to claim you as a Matie, and we look forward to following your future studies and career with great interest!" said Woolard.



You are a great inspiration to us and to your fellow students. We are very proud to be able to claim you as a Matie, and we look forward to following your future studies and career with great interest!

PROF INGRID WOOLARD

Creative

ACCOUNTANTS ■



This was a great initiative by the class representatives and hopefully a start of a new tradition for the PGDA and BAccHons students.



Whoever said that accountants are boring is mistaken! The Postgraduate Diploma in Accounting (PGDA) and BAccHons students have changed this misperception for sure. The class of 2022 decided to end their last day of lectures on 31 August 2022 on a high note by putting on their creative caps and "dressed up like a standard" for the day. The idea was formulated by the class representatives and the students were asked to dress up as whatever standard they would like, whether it is an International Financial Reporting Standard (IFRS), International Accounting Standard (IAS), International Standard on Auditing (ISA), taxation legislation or a concept from one of the other disciplines. The students embraced this initiative

and ISA 260 Communication with those charged with governance (Auditing), IAS 21 The Effects of Changes in Foreign Exchange Rates (Financial Accounting) and IAS 38 Intangible Assets (Financial Accounting) were well-represented on the day. One student also dressed up like "Death" and represented IAS 12 Income Taxes, with specific focus on deferred tax (arguably one of the most feared standards amongst students). Even one of the lecturers, Mari Patterson, who presented on the day dressed up as a "bargain purchase" by wearing a new sweater that she purchased on a sale – swing ticket still attached. This was a great initiative by the class representatives and hopefully a start of a new tradition for the PGDA and BAccHons students.



The class representatives are from left to right: Danielle Louw, Mila Ottavini and Natasha Giesemann



From left to right: Rufus Dercksen, Tristan Fortune, Yasti Reddy, Mark King, Mila Ottavini, Shuaib Parker, Danielle Louw, Keyanna Perumal, Chaz Willemse, Samantha Williams and Tumelo Mofokeng

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ACADEMIC, CAREER, EMOTIONAL AND PSYCHOLOGICAL SUPPORT OFFERED TO STUDENTS ■

BY JUAN ONTONG AND MARELI ROSSOUW



These in-person group sessions focused on time management, stress management, study skills and exam strategies.



With the upcoming assessments in mind, the Economic and Management Sciences Faculty recently hosted Liezl Kloppe, a qualified educational psychologist, to offer four support sessions to students over a period of two weeks. The sessions arranged by Mareli Rossouw (School of Accountancy), Ilse Frans (Dean's Office) and Juan Ontong (School of Accountancy), were offered in addition to the existing sessions held by the Centre for Student Counselling and Development. These in-person group sessions focused on time management, stress management, study skills and exam strategies. The sessions were well attended by students across the EMS Faculty and based on the positive feedback, the sessions might well be presented once per semester in the future.

Comments by a participant in one of the sessions:

"I think the instructor was very well prepared and I left with a lot of new information that will help me."

"... many students never learned how to learn, and this workshop is a great opportunity to do so."

"That the session was relevant, and it was an eye-opening session helped me realize many things and that you can't pile up your emotions..."

A brief description of each session is given below. Students can reach out to the Centre for Student Counselling and Development for access to these trainings and a range of additional resources. Contact details are provided below.

Time Management

The aim of this session was to assist students to manage their time better by teaching them the necessary skills and strategies to improve, adjust and enhance the way they manage their time.

Stress Management

The aim of this session was to promote healthy stress management skills and assist students with developing them. This session included equipping students with the ability to understand and manage stress; identify physical, emotional, mental and behavioural symptoms of stress and know when to seek professional help to alleviate stress.

Study Skills

The aim of the study skills session was to closely look at students' current study strategies and skills to better understand where and how students can improve, enhance and adjust for a better outcome.

Exam Strategies

The "Be exam ready" session aimed to equip students with different memory techniques, and help students identify study areas of growth, understand the difference between good and bad stress, and help them prioritise tasks. In addition, it aimed to expose students to effective methods for preparing for exams and helping them improve their coping mechanisms during exam time.

Students are reminded that academic, career, emotional and psychological support is always available:

- Academic/Career support: studysuccess@sun.ac.za
- Emotional/Psychological support: 021 808 4707 supportus@sun.ac.za
- ER24 emergency service: ER24 renders a free after hour emergency service for emotional or medical emergencies to all registered Stellenbosch University students. Students can call 010 205 3032.



STELLENBOSCH THUTHUKA 2022 ■

It was amazing to really “meet” our current first and second year Thuthuka students and be able to see what each person looks like without a mask in the second semester of 2022. It was like meeting old friends again whom we haven't seen for years with the current third years and PGDA students.

During our forced online years, we have learnt much about technology, and how to continue to use it to our advantage even now with all students back on campus. Thuthuka students can now attend workshops and other events together with Thuthuka students from all campuses in the country.

The start of the first semester still had various restrictions in place, but we could meet in person (with masks and limited numbers) and gradually started to return to in-person activities, while having online options where necessary.

The Stellenbosch Thuthuka Society could function to its full strength again. Here are a few examples, written by our group leaders as part of their Societies Council Year Report.

The first term of 2022 began with COVID-19 restrictions still in place and all the activities and events planned had to take that into account. Group leaders worked hard to ensure the restrictions are adhered to during the welcoming week, social event and group meeting which were planned for the term.

Welcoming

The Society had a welcoming programme for the first years which was led by the mentors. The welcoming programme included signing of bursary contracts, academic sessions and fun activities to help the first years have a smoother transition from high school to university and to feel welcomed.

A mentor is a newcomer's first contact with the culture of the society, so the welcoming team worked above and beyond to be of aid to the newcomers to make them feel welcomed and to help them build relationships amongst each other. The week started off with the information session for the newcomers and their parents where the students were hosted in one room and the parents in a different room to accommodate the COVID-19 restrictions at the time. The rest of the week included various icebreakers and team building activities to get the newcomers to get to know each other, as well as sessions where mentors and group leaders shared their own experiences.



Welcoming information session



Ice breaker



Sports day

Social: braai day

The social event was an outdoor braai which was aimed to be a very informal and intimate event for the students of different year groups to interact and get to know each other better while adhering to COVID-19 protocols. The social was a success, it enabled the students to have a safe environment where they were not scared to get out of their shells and have fruitful interactions with each one another.



Community service

The community service event was a walk up Coetzenburg mountain trails. Students donated non-perishable food items as entry fees to the walk. The theme of the walk was “WALK A MILE, FOR A CHILD” as collections were donated to a charity which fights poverty. The number of items an individual donated indicated the number of laps they must do on the trails (if they can). The food items received were donated to the Clay Foundation, a non-profit association based in Idas Valley, which is focused on nutrition, education and sport. They supply food to more than six hundred people on Tuesdays in Idas Valley and Cloetessville.



Reflection from the 2022 group leaders and mentors

As our term is coming to an end, we can confidently say that we have done our best and exceeded the expectations that we set for ourselves at the beginning of our journey. We have come out on the other end as better individuals who have grown as persons and developed everlasting connections with others.

In conclusion, the focus of the Thuthuka Programme is to provide all Thuthuka students with the necessary academic and non-academic support and to ensure that individuals are equipped with the necessary resources to perform well academically as well as to experience personal growth. Furthermore, enhancing and developing skills and competencies required to become well-rounded individuals and future CAs(SA). As the meaning of Thuthuka translates to “to develop,” it perfectly reflects transformation and sustaining the future of the CA(SA) profession by advancing education and empowering the youth.



As the meaning of Thuthuka translates to “to develop,” it perfectly reflects transformation and sustaining the future of the CA(SA) profession by advancing education and empowering the youth.



CELEBRATING 15 YEARS OF HELPING STUDENTS TO REALISE THEIR DREAMS ■

The Thuthuka Stellenbosch programme, an initiative aimed at encouraging previously disadvantaged learners to pursue a career as Chartered Accountants, recently celebrated its 15th anniversary at Stellenbosch University (SU) with a gala dinner and dance. Thuthuka is a Zulu verb meaning "to develop," which is exactly the purpose of this project of the South African Institute of Chartered Accountants (SAICA). Through comprehensive support programmes by the Thuthuka Bursary Fund and the Thuthuka Education Upliftment Fund, SAICA has helped thousands of students to realise their dreams.

The theme of the gala event was Night at the Oscars. Guest speaker, Mr. Uwais Asmal, an alumnus of the SU School of Accountancy (SOA), shared his career journey with the students and gave valuable tips on study and exam techniques. Now a Chartered Accountant, Asmal is the head of advisory services at Outsourced CFO. He is also a social media influencer on platforms such as LinkedIn, YouTube and Clubhouse.

Launched in 2007 with 20 first-year students, the Stellenbosch Thuthuka programme has developed

to include almost 100 BAccounting students from first year to postgraduate diploma level annually. It has three main components to support students, namely academic support; life skills (which are taught in residences, workshops and via practical work experience at auditing firms); and serving (as part of SU's community service projects).

Mrs Sybil Smit, lecturer at the School of Accountancy, shared: "We look back over the past 15 years with great gratitude, knowing that the Stellenbosch Thuthuka programme has made a difference in many students' lives, as well as those of their families and communities." "Seeing the majority of our students becoming well-rounded Chartered Accountants makes us proud and thankful to be part of this programme," she added.

We would like to thank SAICA, SU, the Faculty of Economic and Management Sciences and especially the staff of the SOA who all work together in the best interests of our students to make the Stellenbosch Thuthuka programme a success.



First years 2022



Second years 2022



Third years 2022



PGDA 2022

COMMONWEALTH GAMES IN BIRMINGHAM, ENGLAND ■

JP Fouche was selected to represent the Namibian lawn bowls team at the Commonwealth Games in Birmingham, England.

STUDENT FEEDBACK ON RETURN TO CAMPUS ■

The Annual Report asked students how they perceived the return to campus in 2022.



The return to campus has been very helpful when it comes to learning and socializing with other like-minded people. The interactions between lecturers and students have definitely helped and improved the way work is learnt.

MOEGAYUDEEN ALLIE

Good because there was more interaction in the classes and more attendance in classes.

GABRIEL FRANCKE

The return to campus is a good idea since I was struggling with online classes.

BOIKETLO MATLALA

I think going back to campus has really helped me get into a routine, it definitely makes class more interactive. Campus life is more enjoyable, and I feel like I'm getting a real university experience. However, I think if possible if you (the University) could still please upload recordings as I know they still and always have been doing this at UCT. (My sister has found it very helpful). I'd find it highly beneficial because sometimes I'm sick or cannot make a lecture and I don't know exactly what was covered and fall even more behind. Last term, although there was less in-person, I was more on top of my work because it was easier to access and catch up and I now find myself falling even more behind with no online support.

HOLLY MCDONALD

Overwhelming!

ROMI VAN ROOYEN



RESEARCH

RESEARCH ■



Dr Rudie Nel

Rudie Nel, Nicolene Wesson, and Lee-Ann Steenkamp published an article entitled "The relationship between investor tax preferences and the pay-out methods of JSE listed companies" in the *South African Journal of Economic and Management Science* in 2022 (Forthcoming).

This study investigated the relationship between investor tax preference parameters (of individuals, corporates, and institutions) and pay-out methods (namely dividends, capital distributions, additional shares, and share repurchases). Investor tax preference parameters have been included as an explanatory variable for changes in pay-out methods in developed countries. There is, however, a lack of research in this area in developing countries. Tax reform in South Africa – comprising a change in the tax regime and successive increases in tax rates – offers a unique setting to examine investor tax preference parameters

as a contribution to literature. The study used data collected in respect of companies listed on the Johannesburg Stock Exchange (JSE) in South Africa for the financial reporting periods ranging from 2012 to 2019. A regression analysis of panel data was employed to relate the changes in pay-out methods to changes in profits, investor tax preference parameters, the lagged levels of variables, and ownership concentration dummy variables. The empirical evidence of this study revealed that investor tax preferences affected dividends as pay-out method. This accordingly suggests that the tax differential of dividends and capital gains affect the supply of dividends in South Africa. The study contributes empirical evidence in support of the taxes and tax clienteles' theory from a developing country perspective. This could suggest that tax reform in a developing country, in this case, South Africa, has a more pronounced effect on pay-out methods than in developed countries. ■



Prof Riaan Rudman

Prof **Riaan Rudman** believes that most professionals, including accounting (and auditing) professionals, have no realisation of the full impact of the fourth industrial revolution (4IR). Most accounting professionals do not understand what 4IR is, and those who do, may only understand it at a high-level and have not 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. In order to address this, Riaan wrote an article published in Accountancy SA, titled: "*A changing world... with subtle, yet powerful implications*" to highlight changes in society (as a whole) which fundamentally impact our understanding of the world and challenges accepted norm and theories. Given his unique perspective on the impact of advanced technology on different sectors of the economy, he was invited as a guest speaker to the Independent Regulatory Board for Auditors (IRBA) to talk about the "*4th industrial revolution [4IR]: transforming business, academia & a profession*" with the specific purpose to make recommendations about the world of work in the auditing profession and how technology would impact academia and the competency framework used by the IRBA when evaluating the competency of auditors. He was also invited to be part of a panel of experts at SAAA national conference with the theme "*Digitalising Accountancy: Are we keeping up with the curve?*" held virtually on 30 June 2022, which interrogated whether the accountancy profession and academia are keeping up with the pace of digital evolution and are responding appropriately to changes in the profession. Riaan was invited to speak at the 11th Accounting History conference held

in Portsmouth, England and at the SAICA Spring conference held in Limpopo in September 2022 on the future of work, with a specific focus on the accountancy profession. The common message underlying these presentations were that much work is still to be done to gain a deeper understanding of technology, but accounting professionals are uniquely positioned with the right skills sets to adapt and upskill in response to future challenges. He presented an argument against the generally held view that accountants will become obsolete because of technology, arguing that technology would allow accounting professionals to add more value and insights into business. A cautionary message was also made, that accounting professionals must respond now, to obtain a deeper understanding of technology and not wait until perceived risks are realised.

This lack of a proper understanding of the full impact of technology on everyday life and the rapid transition to online learning (due to the COVID-19 pandemic) necessitated Prof. Rudman to investigate the consequences of online teaching and learning. The research was conducted to obtain a better understanding of the impact on students, staff and the university as an institution. This resulted in three research outputs which highlighted the risks and consequences of poorly planned and considered online behaviour. The first, was an accredited article titled: "Understanding the unintended consequences of online teaching" published in the *South African Journal of Higher Education*, 35(4). The second commissioned article titled: "Emergency online remote learning's unintended consequences" was published as a leading article in *University World News*, an education publication syndicated across the globe. This article was also widely shared on social media platforms and is a practical example of research with an impact. While most research focused on the positive aspects of online learning, this was one of the first research outputs which considered not only the negative impact on students and staff, but also highlighted the legal and governance implications. Third, he presented a paper titled: "The dark side of online teaching" presented at the SU Conference on the Scholarship of Teaching and Learning held virtually on 8/9 November 2022 where Prof Rudman did not say a single word, nor did he make voice recordings before the presentation. The entire conference presentation was made using an avatar with a digital voice. The presentation itself highlighted the risks relating to making biometric data available via voice and video recordings available online. At the same time, it showcased what can be expected in the future of academia and the future where the *Metaverse* is a reality.

In recent years, working in collaboration with Mrs Natasha Sexton, much time has gone into obtaining an understanding of the auditing process, what is taught in auditing and how auditing is taught in class. In response to the CA2025 framework and students'

changing needs, they embarked on program renewal of the course content to ensure relevance. This program renewal was supported by scholarly work which resulted in several research outputs which occurred in three phases. It was necessary to understand the deficiencies in the auditing standards and thereafter, design appropriate academic responses or initiatives. Finally, the appropriateness of the initiatives and students' feedback and reactions needed to be considered and evaluated. Two accredited articles titled: "Deficiencies in the external auditing standards in addressing IT control risk: A GAP analysis with future research opportunities and recommendations" and "Program renewal: Students perception on changes to teaching pedagogy in Auditing" was published in *South African Journal of Accountability and Auditing Research* and *South African Journal of Higher Education*,

respectively. Two other co-authored papers about the various initiatives into the auditing courses were published in SAICA: Accounting Teaching and Learning Journal in December 2021.

In order to present a balanced view about a career in academia, Riaan wrote an opinion piece in the April 2022 edition of *Accountancy SA*, titled "The romanticism and reality of a career in academia." The article highlighted that a CA(SA) can have a career in academia and addressed some myths around working as a lecturer.

Prof Rudman works with various journals, as well as serving on local and international organising committees of conferences. He is also co-presents and course leader of the SOA's Master's in Computer Auditing course. ■



Juan Ontong

Co-authors **Chrystal Schonken, Juan Ontong, Armand Bruwer's** article titled "The effectiveness of a first-year module presented as an accelerated learning programme to repeating students for subsequent learning" was accepted for publication in *Perspectives in Education*.

The use of an accelerated learning programme as an intervention to allow failing students to repeat a module in an accelerated format instead of having to redo a module over a semester or academic year has various academic, economic, and social benefits. Accelerated learning programmes are, however, often criticised in the literature for surface learning that may influence subsequent learning. Using a quantitative approach, this study statistically analysed the grades achieved by three distinct groups of students for a first-year financial accounting module and their subsequent second-year financial accounting module. The study found no statistical difference between students who repeated a module over the traditional academic period and those who repeated the module in an accelerated format. This study contributes to the limited research on accelerated learning programmes for repeating a module. The results provide empirical evidence that supports the questioning of the notion that accelerated learning programmes only lead to surface learning, and results are presented that advocate for the implementation of accelerated learning programmes as an effective mode for repeating students to follow to achieve academic success, given the various benefits. ■



Armand Bruwer



Chrystal Schonken



Juan Ontong



Dr George Nel



Sher-Lee Arendse-Fourie

Co-authors **Juan Ontong, George Nel and Sher-Lee Arendse-Fourie's** article titled "The association between optimism and future performance: Evidence of impression management from chief executive officer and chairperson letters" was accepted for publication in the *South African Journal of Business Management*.

Their article examines the sincerity of two sets of narrative disclosures in the letters of chairpersons (CPs) and chief executive officers (CEOs) to stakeholders. The study sought to compare the level of optimism between the two letters and whether such optimism (as per its link to future performance) was sincere or not and the differences in the level of sincerity between the two letters.

Chairpersons' and chief executive officers' letters as contained in annual reports for firms listed on the Johannesburg Stock Exchange over a 4-year period were analysed. Textual analysis software was used to measure optimism in 200 CPs' and 200 CEOs' letters. The level of optimism was compared using mixed-model repeated measures analysis of variance. Sincerity was operationalised as the positive association between the level of optimism and future performance and a negative association as evidence of impression management. Two-way linear fixed effect regression models were used.

This study found that CPs' letters were more optimistic than those of CEOs. More specifically, the results point to impression management in both CPs' and CEOs' letters, with only CPs' letters indicating a significant negative association. Relative to the CEOs, CPs may use more optimistic writing styles to sway stakeholders who are anticipating worse-than-expected future performance; readers should be aware of the potential consequences of such practices. The results provide support for the obfuscation hypothesis as a theoretical underpinning regarding CPs' and CEOs' letters. Overall, the results question the ability of such narratives to lessen agency costs. ■



Danielle van Wyk



Andrea van der Merwe

To dispose of a residential property in terms of a lottery transaction is a change in the business manner how residential properties are usually being disposed of, namely either through an estate agent or a private sale. A number of these transactions have occurred in South Africa in the last six years. In 2022, **Danielle van Wyk** co-authored an article with **Andrea van der Merwe** titled "An Exploratory study on Value-Added Tax consequences of a residential property lottery in South Africa" and published in the *South African Journal of Accounting Research*. Available at <https://doi.org/10.1080/10291954.2022.2069388>

This article considers a scenario where the main parties who participate in the lottery transaction are: the seller of the property, the winner of the property (multiple persons can purchase a lottery ticket, but only one person wins the property) and the attorney who oversees the lottery and is a non-resident of South Africa for tax purposes. Since a lottery transaction is seen as a different way of how residential properties are normally being sold, the main objective of this article is to explore the possible value-added tax (VAT) consequences for the different parties, depending on whether the parties are registered for VAT in South Africa or not. To meet this objective, a doctrinal research approach was followed by analysing South African and international literature to determine the recommended VAT treatment of these property lottery transactions, as no clear guidance can be found on this. It is suggested that the South African Revenue Service should consider issuing clear guidelines in respect of the VAT consequences of property lottery transactions. ■



Natasha Sexton



Prof Riaan Rudman

Natasha Sexton and **Riaan Rudman**, as a collaborative teaching and research team, have over the past year continued to focus their efforts on understanding how auditing is taught at undergraduate level within the context of advancements in technology and the impact of COVID on higher education. They had two articles published in the *SAICA: Accounting Teaching and Learning Journal* which suggest new ways of keeping students engaged even if they are uncomfortable. These were titled: "Doing something old in a new way" and "Overcoming the challenges of online teaching and learning: A proposed solution," respectively. This also aligns to their publication in the *South African Journal of Higher Education*, Vol. 36(3), titled: "Program renewal: Students perception on changes to teaching pedagogy in Auditing" about the student perceptions on the pedagogical changes made to how substantive procedures are taught using a wide range of teaching tools that are blended and face-to-face learning activities. The purpose was a framework with several learning interventions to create opportunities for students to navigate the entire learning cycle (Kolb 1984) and reflected on the student perceptions as to whether the planned outcomes were reached, whether competencies were developed, and how effective the interventions were. The results indicate that including these activities in the proposed framework supported the students' deeper learning, engaged in all elements of the learning cycle (Kolb 1984). It also highlighted the need for lecturers to take the lead and being willing and having the courage to disrupt the status quo, being willing to make the students uncomfortable, and to change the culture of learning.

Within their area of specialisation their joint research on the potential deficiencies in the external auditing standards in addressing IT control risks was also published in the *South African Journal of Accountability and Auditing Research*. The article titled: "Deficiencies in

the external auditing standards in addressing IT control risk: A GAP analysis with future research opportunities and recommendations." This paper argues that external auditors must evolve to respond to the risks that arise from IT on audits. In small and medium sized audit firms, where in-house IT specialists may not have developed custom audit methodologies, guidance may be limited to the International Standards on Auditing (ISA) and other authoritative text. The problem arises where auditor's methodology may not have evolved sufficiently with IT. The paper investigated what guidance is available to the external auditor and investigate the appropriateness thereof to enable the identification of the control risk exposure in the IT controls relevant to the audit using a systematic approach. The research identified technology level control risks relating to the hardware and software components of the access path which were not adequately addressed in the authoritative text and called for further guidance from standard setting bodies.

Natasha is currently working on research to obtain a better understanding of the competencies developed through conducting a large research project in which the students investigate a research topic, determine their own research question, decide on the most appropriate research methodology and execute and document the findings to form one cohesive argument. The preliminary findings indicate that a large research project take students out of their comfort zone, exposing them to a more creative problem-solving paradigm and develops competencies not really developed during a student's undergraduate studies. The findings also allowed her to make some interesting observations about how students study at an undergraduate level and how their perception is influenced by lecturers' views on teaching and learning and research. ■

Overview of publications

1. Rudman RJ. & Sexton, N. 2021. Deficiencies in the external auditing standards in addressing IT control risk: A GAP analysis with future research opportunities and recommendations. *South African Journal of Accountability and Auditing Research*, 23(1): 1-15.
2. Sexton, N. & Rudman R. 2022. Program renewal: Students perception on changes to teaching pedagogy in Auditing. *South African Journal of Higher Education*, 36(3): 249-268.
3. Rudman RJ. & Sexton, N. 2021: Doing something old in a new way. *SAICA: Accounting Teaching and Learning Journal*, 2 (December 2021): 9-12.
4. Sexton, N. & Rudman RJ. 2021: Overcoming the challenges of online teaching and learning: A proposed solution. *SAICA: Accounting Teaching and Learning Journal*, 2(December 2021): 24-28.



Dr George Nel



Roelof Baard

Co-authors **George Nel** and **Roelof Baard** published an article titled "Investor communication channels: the case of e-mail and corporate websites – mutually exclusive or complementary?" in *Corporate Communications*. Available at: <https://doi.org/10.1108/CCIJ-08-2021-0086>

The aim of this study was threefold: to examine companies' e-mail handling performance, to ascertain whether companies' view corporate websites and respond to e-mail requests as mutually exclusive or complementary, and finally to gauge the strategic importance of retail investors.

The findings are based on an analysis of the corporate websites and e-mail handling performance of the 77 smallest companies listed on a South African stock exchange. A "mystery investor" approach was employed to measure companies' e-mail handling performance in terms of responsiveness, timeliness and relevance of responses. A disclosure score was calculated for each company based on a content analysis of corporate websites.

An opportunity for improvement exists, as evidenced in the fact that only 53% of companies responded to an e-mail request from a retail investor. The results suggest that corporate websites and the e-mail functionality are not used in isolation but as complementary. Although the results suggest that companies neglect retail investors, companies that provided a dedicated investor relations (IR) contact address prioritised both their corporate websites aimed to a wide range of stakeholders, as well as responding to an e-mail request received from a retail investor. ■



Anne-Marie Eloff



Shené Steenkamp

Anne-Marie Eloff and **Shené Steenkamp** co-authored an article titled "Integrated report quality and earnings management – Evidence from South Africa," that was published in the *South African Journal of Economic and Management Sciences* 25(1), a4581. Available at <https://doi.org/10.4102/sajems.v25i1.4581>

No prescribed standard disclosure requirements for integrated reporting exist. Instead, the International Integrated Reporting Framework is widely adopted, which provides guidelines for integrated reporting to improve the quality of information reported to end-users. These guidelines, however, allow management a degree of freedom in implementing integrated reporting, making the quality of disclosure thereof dependent on management's approach to reporting. In contrast to the purpose of integrated reporting stands the management of earnings where management can use judgement to manipulate financial reports to mislead end-users. The conflicting theoretical objectives of integrated reporting and earnings management (EM) pose the question of how these two variables relate to one another.

This study examined the association between the quality of integrated reports and EM. The sample consisted of 238 company-years from 2013 to 2017 that were listed as part of the Johannesburg Stock Exchange (JSE) top 100 companies and were ranked on Ernst and Young (EY's) annual Excellence in Integrated Reporting Awards. The likely association between integrated report quality (IRQ) and EM was identified based on theoretical frameworks, including the stakeholder and agency theories. A robust, one-way cluster regression was performed on their main empirical model, measuring IRQ on rankings, determined by the annual EY Excellence in Integrated Reporting Awards and EM through discretionary accruals.

We found a statistically significant negative association between EM, measured as income increasing accruals, and IRQ. Results suggest that companies with income increasing EM activities are less likely to disclose higher quality integrated reports. ■



Michelle de Bruyn

Michelle de Bruyn's article titled "Emotional intelligence capabilities that can improve the non-technical skills of accounting students," was published in *Accounting Education*, pp.1-29 in 2022. Available at <https://doi.org/10.1080/09639284.2022.2032221>

The International Federation of Accountants (IFAC) requires its member professional accounting organisations and their authorised educators to adopt the overarching guidelines that are provided in the International Education Standards (IES). Despite these requirements, which include that accounting students develop several non-technical skills (NTS), students fail to adequately develop such skills. Furthermore, several studies advise that accounting programmes must incorporate emotional intelligence (EI) development initiatives, but this requirement is excluded from the IES. Consequently, educators may disregard EI development within accounting programmes, especially since these programmes are already considered overloaded. This study investigates whether it is possible to advance the NTS of accounting students while facilitating the development of their EI competencies by aiming to answer the following question: which EI capabilities can improve the NTS of accounting students? By following a qualitative research approach and performing a systematic literature review, the study found that the enhancement of multiple EI capabilities can lead to the improvement of several NTS of accounting students. Educators that want to renew their NTS development offering, or introduce EI development initiatives within their accounting programmes, can use these findings as a guide to determine which EI capabilities (or combination thereof) can advance the essential NTS of accounting students. ■



Prof Stiaan Lamprecht

Proff **Stiaan Lamprecht** and Hentie van Wyk (UFS) published a *Southern African Business Review* (Vol. 26) paper in 2022 titled "Annual Financial Reporting: A Quantitative Analysis of the Temporal Going Concern Status during Business Rescue Proceedings." Available at <https://unisapressjournals.co.za/index.php/SABR>

This paper follows the authors' 2020 paper in which context-specific indicators to guide the judgement of a going concern for a company in business rescue were qualitatively explored using a systematic literature review. In this 2022 paper, the authors used some of the indicators of the 2020 paper to quantitatively investigate the temporal going concern status in the context of a South African company listed on the Johannesburg Stock Exchange (JSE) while under business rescue. This was done by collecting empirical data from accounting and business rescue experts. This was done by using a questionnaire. The data was then analysed using descriptive and inferential statistics to detect patterns of association between variables of interest. The empirical evidence supported the authors' prior qualitative findings. It showed, in particular, that if a South African listed company files for business rescue protection, the company may not be regarded as a going concern, for annual financial reporting purposes, up to the adoption or rejection of a business rescue plan. Furthermore, the evidence shows that when a business rescue plan is adopted that aims to offer a better settlement than under immediate liquidation (the secondary goal under business rescue legislation), the company cannot be considered a going concern during the business rescue proceedings. Moreover, should a business rescue practitioner aim for a return to solvency (the primary goal under business rescue legislation), the evidence shows that the company can only be likely regarded as a going concern when the business rescue plan is substantially implemented. The implications are important. In the case of a "better-settlement-than-under-immediate-liquidation goal", the evidence implies an underlying assumption other than the going concern assumption. This is also implied in the case of a "return-to-solvency" goal prior to the substantial implementation of the business rescue plan. Without any other defined underlying assumption, the liquidation basis is the *de facto* alternative. Moreover, the underlying assumption with a "return-to-solvency" goal (up to just before substantial implementation of the plan) will likewise be the liquidation basis in the absence of another defined underlying assumption. The paper urges standard-setters to provide more guidance on the matter. ■



Shaneen Conradie



Prof Stiaan Lamprecht

Shaneen Conradie and **Stiaan Lamprecht** co-authored an article titled "A quantitative analysis of valuation disclosure in published business rescue plans," published in the *Southern African Business Review*, Vol 25 (2021). Available at: <https://unisapressjournals.co.za/index.php/SABR/article/view/9746>

Given the importance of valuations in business rescue and the vague guidance provided by the Companies Act 71 of 2008, the study analysed valuation-related disclosure in published business rescue plans (PPs) in South Africa (SA). The main objective of the paper, in addition to being exploratory of actual practices, was to highlight a need for improvements in the Companies Act legislation to support more consistent practices.

A quantitative content analysis was done of 55 PPs between 2013 and 2018, using descriptive content analysis and inferential statistical techniques. The study found that primarily, the list of material assets was disclosed at accounting book values in PPs, and liquidation values were mostly independently determined. PPs described various risks relating to the implementation of the PP; however, the PPs mostly

lacked calculations of how the risk will affect the business rescue value. On average, the business rescue value exceeded the liquidation value with 36.4 cents for concurrent creditors compared to 33.7 and 21.2 cents for preferent and secured creditors, respectively. Notably, when the PP included a sale of the business, offers received were, on average, 2.5 times the liquidation value and represented 57% of the book value of the company's assets at the time.

The study suggests improvements to the Companies Act to support more consistent valuation-related disclosure in PPs in SA, in particular, the disclosure of the valuation basis used, the average business rescue premium and offers relative to asset values. Such disclosure would provide evidence to investors of the sound potential of investing in a financially distressed company in SA but, simultaneously, set realistic sale expectations for both creditors, BRPs and shareholders.

Shaneen Conradie and **Stiaan Lamprecht** co-authored a second article titled "A qualitative exploration of the bidding processes used in business rescue," published in the *Journal of Economic and Financial Sciences* in 2022 (in press).

In business rescue, when pursuing the sale of the business to a third party, the business rescue practitioner (BRP) may use different bidding processes to interact with and select buyers. This study aimed to provide a framework to classify and describe the various bidding processes, including identifying the factors that would preserve value to the benefit of creditors and shareholders. Chapter 6 of the Companies Act is silent on the requirements regarding bidding processes. Therefore, the industry and legislator may benefit from guidance from industry experts. The research approach was qualitative exploratory, using semi-structured interviews with 11 South African senior business rescue practitioners.

The study identified three types of bidding processes. In a sophisticated bidding process, information is communicated to buyers using a virtual data room. The second bidding process is less sophisticated; printed document packs are provided to bidders, and bids are submitted in tender boxes. Thirdly, the private bid-out process, where preferred bidders compete against each other in a closed envelope boardroom auction. The findings also revealed that deal certainty is more important in business rescue than ordinary mergers and acquisitions. Moreover, an equitable value, rather than a general market value, is often applied because of the bidding process. Lastly, the study identified a need for the pre-involvement of the BRP before a company files for business rescue, an aspect not currently allowed by the Companies Act. The classification and description of the various bidding processes and key considerations in the context of a business rescue will assist BRPs in South Africa in preserving value under business rescue and guide the legislator in amending the Companies Act. ■



Christoff Botha

Christoff Botha and **Cecileen Greeff** recently published an article titled "An investigation into the normal tax implications of fractional share rights in South Africa" in *The South African Journal of Accounting Research*.

A recent development in the financial service industry is the introduction of the fractional share right that allows a retail investor to invest in a fraction of a listed equity share. Fractional share right is not defined in the Income Tax Act No. 58 of 1962 ('the Act'), nor has it been subject to scrutiny in South African courts. Uncertainty exists regarding the normal tax implications of fractional share rights in South Africa. This article investigated the possible normal tax implications of a fractional share right for a retail investor. The research



Cecileen Greeff

followed a qualitative approach through the analysis of primary and secondary sources. The article established that a fractional share right is essentially a contract for difference, with a fraction of a listed equity share serving as the reference instrument. It was ascertained, based on a combination of the integration and bifurcation approaches, that a contract for difference in respect of a fractional share right constitutes a financial instrument for purposes of the Act. Due to the absence of specific provisions in the Act dealing with the normal taxation of financial instruments for retail investors, it was ascertained that the amounts stemming from the contract for difference in respect of a fractional share right may be taxed according to the general provisions of the Act – sections 1(1) and 11(a) of the Act. ■

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