



SAA | ACCOUNTING
ACADEMY

Connect. Partner. Succeed.

Compliance & Legislation Update

Presenter: **Lettie Janse van Vuuren CA(SA)**

25 NOVEMBER 2020

*Stay informed on the multitude of
Compliance and Legislation Updates*

This webinar covers changes during the month of October 2020

Presenter

Lettie Janse van Vuuren CA(SA), RA, CBA(SA)

- Lettie joined SA Accounting Academy in November 2017 as Head of Technical. She is a Chartered Accountant, Registered Auditor and Certified Business Accountant.
- She is a **professional trainer and webinar host**, and with her relaxed and humorous presentation style, she is able to hold the attention of an audience. She has a unique ability to communicate with delegates at their respective levels of knowledge and experience. Over the last 20 years, she has trained thousands of partners, managers, trainee accountants and other professionals.
- She is responsible for our MCLU (Monthly Compliance and Legislation Updates).
- She was the Professional Development Manager at SAICA for 4 years and in charge of accrediting new training offices and monitoring existing ones (including the moderation of training offices and trainee assessments).
- Lettie is passionate about improving the efficiency and standardisation at practices. She has extensive experience on a variety of technical and practical topics which she consults on, including: SAICA re-accreditation assistance and preparation, IRBA inspection assistance and preparation, audit file reviews (post-issuance monitoring and EQCR), Quality control implementation, other office-specific manuals, and FASSET skills development facilitation.



About SAAA

Creating opportunities to connect our partners to succeed

SAAA offers CPD training for accountants, auditors, bookkeepers and tax practitioners. We give you access to professional and technical content that ensures both your knowledge and skills are maintained so you remain professionally competent.

The CPD policy is compliant with IFAC IES7

All training offered by SAAA is recognised for CPD hours by the relevant professional bodies.

SAAA Rewards

CPD Subscribers gain access to various rewards

These can be accessed from your profile by logging in and navigating to your **“My Rewards”** > **“Find out more”** to see the reward partner benefits and claim it.

These rewards include discounts, reduced premiums and free stuff.

Reward Partners



Acts Online provides legislation, including amendments and regulations, in an intuitive, online format.



Draftworx provides automated drafting and working paper financial software.



EdNVest offers an exciting and unique product that leverages Section 10(1)(q) of the Income Tax Act



InfoDocs Company Secretarial Software.

Reward Partners



Practice Ignition simplifies onboarding - from engagement letter creation to securing client signatures.



QuickBooks Cloud Accounting Platform: The one place to grow and manage your entire practice.



Join the largest accounting and tax franchise in Southern Africa.

Webinar Housekeeping

The **Source Documents** will be uploaded to your SAAA profile after the webinar – it's usually a good idea to check the next day.

The **webinar recording** and **presentation** will also be available at the end of the webinar within your SAAA profile.

These can be accessed from your profile by logging in and navigating to your **“My Dashboard” > “View Events”** and then clicking on **“Links & Resources”** next to the webinar title.

The webinar is available under the **“Recording(s)”** tab and the **Source Documents and Presentation** under the **“Files”** tab.

Claiming CPD Hours

You can claim your CPD hours for this webinar at the end of the webinar within your SAAA profile.

This can be accessed from your profile by logging in and navigating to your [“My Dashboard”](#) > [“View Events”](#) and then clicking on [“Links & Resources”](#) next to the webinar title.

Complete the [Self-Assessment Questions](#) to qualify for an additional 1 bonus hour of CPD

The [“Claim My CPD”](#) option is available under the [“CPD”](#) tab. Once claimed you will be able to view and download your certificate.

Ask Questions

To ask questions and interact during the webinar please use the chat sidebar to the right of the video / presentation on the screen.

Feel free to ask your questions during the webinar in the chat, these will be addressed in the formal Q & A at the end of the presentation.

Where appropriate, a **Q & A Summary will be uploaded to your profile as soon as all answers have been documented.**

Disclaimer

Disclaimer

Whilst every effort has been made to ensure the accuracy of this presentation and handouts, the presenters / authors, the organisers do not accept any responsibility for any opinions expressed by the presenters / author, contributors or correspondents, nor for the accuracy of any information contained in the handouts.

Copyright

Copyright of this material rests with SA Accounting Academy (SAAA) and the documentation or any part thereof, may not be reproduced either electronically or in any other means whatsoever without the prior written permission of SAAA.

Quote

*If you don't like something,
change it.*

*If you can't change it, change
your attitude!*

- Maya Angelou

WHAT'S ON THE AGENDA?

Table of Contents

Accounting Update	:	2 items
Auditing Update	:	3 items
Company Secretarial Update	:	3 items
COVID-19 Update	:	1 item
Employment Law Update	:	2 items
Other Laws & Regulations Update	:	2 items
Taxation Update	:	12 items + 10 court cases
Regulator News	:	10 items
General Announcements	:	2 items

ACCOUNTING UPDATE

Accounting Update

The following items are dealt with here:

1. IFRS Monthly News Summary
 - *nothing really new or important*
2. Applying IFRS Standards in 2020 to reflect the impact of COVID-19
 - This article provides an overview of the key financial reporting considerations associated with COVID-19

AUDITING UPDATE

Auditing Update

The following items are dealt with here:

Standards:

1. IRBA approves 2 revised standards for adoption and issue:
 - ISA 315 (Revised 2019) effective for audits of financial statements for periods beginning on or after 15 December 2021
 - ISRS 4400 (Revised) effective for AUPs for which the terms of engagement are agreed on by or after 1 January 2022

Legal/Ethics:

1. IFAC's IESBA Code – Installment 10 Pressure to Breach the Fundamental Principles
2. IFAC's IESBA Code – Installment 11 The Role and Mindset of the Professional Accountant (issued 30 October 2020)

Webinar series presented by Lettie: 27 Nov 2020, 1 Dec 2020 & 15 Dec 2020

COMPANY SECRETARIAL UPDATE

Company Secretarial Update

The following items are dealt with here:

1. Notice 44 of 2020: New email addresses for applications relating to Co-ops amendments
2. Notice 46 of 2020: New e-services functionality: on-line Co-operative registration now available
3. Notice 49 of 2020: Recommencement of legal filing obligations

COVID-19 UPDATE

COVID-19 Update

The following items are dealt with here:

Practical guidance:

1. COVID-19: SAICA Educational Material – 13 sets of material

[COVID-19: SAICA Educational Material](#)

Access the 13 SAICA educational materials aimed at assisting members on the application of IFRS in a COVID-19 environment.

EMPLOYMENT LAW UPDATE

Employment Law Update

The following items are dealt with here:

1. Deemed if you do, deemed if you don't!

- What is the difference between a TES (Temporary Employment Service) and an independent service provider/contractor?

2. COIDA & Domestic worker court case

- re new COIDA Amendment Bill
- A domestic worker in a private home for 22 years. On 31 March 2012 the deceased drowned in her employer's pool in the course of executing her duties as a domestic worker
- On 17 October 2019 the High Court ordered that the declaration of invalidity apply retrospectively to provide relief to other domestic workers who were injured or died at work prior to the granting of the order.
- Retrospective effect = from 27 April 1994

OTHER LAWS & REGULATIONS

Other Laws & Regulations

The following items are dealt with here:

1. SAICA Legal Update **Volume 15 Issue 18** – *up to 26 October 2020*
 - The Disaster Management Act (Directions);
 - The Expropriation Bill 2020;
 - Local Government Municipal Finance Management Act (Supply chain management);
 - The National Environmental Management Act (Hazardous chemicals and pesticides); and
 - The South African Police Services Act (Draft Amendment Bill 2020)
2. 2 New Bills released for comments:
 - The Conduct of Financial Institutions (CoFI) Bill and
 - The Auditing Profession Amendment Bill

TAXATION UPDATE

Taxation Update

The following items are dealt with here:

- **Guides (new, updated & issued):**

1. 3 Updated guides now reflecting the HTML5 format of the forms and eFiling redesigned screens:
 - [How to report suspected non-compliance to SARS](#)
 - [Guide to the Tax Compliance Status functionality on eFiling](#)
 - [Guide to the Complaints functionality on eFiling](#)
2. Updated Guide to Bulk and Additional Payments on eFiling with new validation rules for bulk payments.
3. 3 Updated guides relating to Tax Directives - The email addresses have been replaced with the new email address.
 - [Guide to Complete the Tax Directive Application Forms](#)
 - [Completion Guide for IRP3a and IRP3s Form](#)
 - [Guide to Complete Submit and Cancel a Recognition of Transfer](#)
4. Guide on the Taxation of Professional Sports Clubs and Players (Issue 2)

Taxation Update *(continued)*

The following items are dealt with here *(continued)*:

- **Interpretation Notes issued:**

- None

- **Binding Rulings (Private/Class/General) issued:**

- None

- **Bills issued:**

- The Minister of Finance introduced the following taxation Bills in the National Assembly on 28 October 2020:
 - Taxation Laws Amendment Bill [B27—2020]
 - Tax Administration Laws Amendment Bill [B28—2020]
 - Rates and Monetary Amounts and Amendment of Revenue Laws Bill [B26—2020]

Taxation Update *(continued)*

The following items are dealt with here *(continued)*:

- **Notices and other publications issued:**

1. Estates:

- A new Estates webpage was created for Deceased Estates, Insolvent Estates and Liquidation.

2. Tax Directive:

- Enhancements to the Tax Directive functionality on eFiling

- **SARS Scams**

1. Payment notice

2. Test of the SARS emergency notification system

Tax Court cases:

10 High Court cases published during the period

REGULATOR NEWS

Regulator News

The following items are dealt with here:

- **SAICA press releases & other publications:**
 1. SAICA Guide: Engagement letter for tax services
- **IRBA press releases & other publications:**
 - IRBA News #51 – *July to September 2020*
- **Companies Tribunal:**
 - Companies Tribunal Bulletin Volume 2 of 2020
 - 14 Decisions reached on cases heard (*4 Name disputes, 3 Exemptions, 4 AGM, 2 Directorship disputes, 1 Review*)
- **LPC:**
 1. Watch out for Audit Refund scam doing the rounds

Regulator News *(continued)*

- **CGSO:**
 1. Q3 Newsletter
- **FSCA publications & press releases:**
 1. FSCA fines Markus Jooste and others **R241 million** for insider trading breaches
 - *The insider trading breaches were i.r.o. share transactions in Steinhoff International Holdings NV (Steinhoff) during November and December 2017*
 2. FSCA conducts search operations at Mirror Trading International
 - *3 Warnings issued to the public against fraudulent FSPs*
- **SARS:**
 1. SARS employee arrested in sting operation
 2. SARS welcomes High Court judgment on taxpayer obligations

GENERAL ANNOUNCEMENTS & NEWSY ARTICLES

Managing an audit team remotely

- What are the challenges?
- Solutions = Communication & infrastructure

Cybersecurity provides opportunities for auditors to serve

- **Assessment engagements.** Auditors can provide services to help companies identify key areas of cybersecurity risk, discover gaps in processes and controls, and develop effective controls.
- **Attestation engagements.** Practitioners can perform an examination engagement in accordance with the AICPA's attestation standards to provide an independent report on whether management's description of the cybersecurity risk management program meets the specifications of the company's reporting framework. The criteria in the AICPA's SOC for Cybersecurity framework can be used to underpin such an engagement.

QUESTIONS?



Formal Q&A Session

We will now take a **quick comfort break** before we discuss some questions received during the webinar.

Remember: A Q&A summary will also be uploaded to your profile

If you would like to e-mail a question please use:

technicalquestions@accountingacademy.co.za

E-mail general comments to info@accountingacademy.co.za

**Thank you for your
participation!**

SAA | ACCOUNTING
ACADEMY

Your source for accounting knowledge