NCLU **Monthly Compliance & Legislation Update**

Presenter:



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

This webinar covers changes during the month of December 2020

Lettie Janse van Vuuren CA(SA)

22 JANUARY 2021



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.





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WHAT'S ON THE AGENDA?

Table of Contents

Accounting Update Auditing Update **Company Secretarial Update** COVID-19 Update Employment Law Update Other Laws & Regulations Update : Taxation Update **Regulator News General Announcements**



- : 2 items
- : 4 items
- : 0 items
- : 5 items
- : 4 items
- date : 7 items
 - : 17 items + 3 court cases
 - : 17 items
 - : 2 items



What the new year brings to you will depend a great deal on what you bring to the year. - Vern McLellan

Results take action!

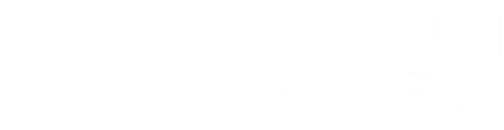
- Tony Robbins







ACCOUNTING UPDATE





Accounting Update

The following items are dealt with here:

- 1. IFRS Monthly News Summary *nothing really new or important*
- 2. FAQ on accounting for subsequent expenditure on biological assets
 - This FAQ highlights the accounting treatment for subsequent expenditure on biological assets, measured at fair value less costs to sell within the scope of IFRS

AUDITING UPDATE







Auditing Update

The following items are dealt with here:

Standards:

- - Effective as of 16 November 2020
- > Webinar to be presented by Lettie: ± March 2021

Legal/Ethics:

auditor

Other:

31 December 2020)

1. Updated SAAPS 3 (Revised May 2019) - Illustrative Reports

189 pages: Updated in May 2020 for Conforming Amendments to the IAASB's International Standards as a Result of the Revisions to the IESBA Code

2. Audits of Investment Properties and/or Property Companies

1. IRBA expresses disappointment at soft sanction against Deloitte

1. SAICA issued Medical Schemes Accounting Guide (for the year ended)





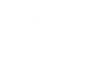
COMPANY SECRETARIAL UPDATE





Companies and Intellectual Property Commission

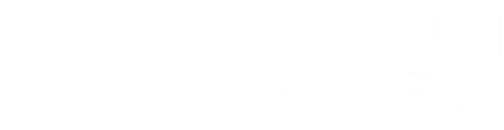
a member of <mark>the dti</mark> group



Company Secretarial Update

The following items are dealt with here:

- 1. The only notices issued from 1 December 2020 to date, relate to scheduled maintenance on certain CIPC systems and office/service centres closure
- 2. Remember that CIPC Service Centres will be closed until **29 January 2021**
- 3. However, all services remain available through the online channels, i.e. E-Services (https://eservices.co.za); New eservices (https://eservices.co.za); Bizportal (https://bizportal.gov.za)



COVID-19 UPDATE



COVID-19 Update

The following items are dealt with here:

Practical guidance / New Announcements:

- 1. An Employer's Guide to the Adjusted Level 3 Regulations
- 2. Summary of Level 3 Regulations (as of 29 December 2020)
- 3. Latest on the impact of COVID-19 on SARS ① https://www.sars.gov.za/Media/Pages/CoronaVirus.aspx
- 4. FAQs Tax relief

① https://www.sars.gov.za/Media/Pages/FAQs---Tax-Relief.aspx

COVID-19 Update (continued)

The following items are dealt with here (continued):

- 5. Useful links
 - (i) Tax relief measures only for COVID-19
 - Customs relief measures only for COVID-19
 - **Business Development**

 - List of Tax offices temporarily closed



(i) Apply for Small Business Relief through the Department of Small

(i) Apply for UIF through the Department of Employment and Labour (i) List of Customs borders, ports and offices temporarily closed



EMPLOYMENT LAW UPDATE





Employment Law Update

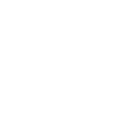
The following items are dealt with here:

- 1. Banking on a resignation with immediate effect? Don't count on it!
 - The issue is now settled: Resignation with immediate effect cannot be used as a mechanism to escape disciplinary action
- 2. Can South African employers impose mandatory COVID-19 vaccination policies as a pre-requisite to return to work or as a precondition for employment?
- 3. Compliance with the retrenchment process in South Africa's second wave of Covid-19
- 4. Public holidays for 2021: How to turn 15 work days into '40 leave days'
 - https://www.thesouthafrican.com/lifestyle/when-are-public-holidays-2021-calendar-what-leave-dates-best-to-book-off/



OTHER LAWS & REGULATIONS





Other Laws & Regulations

The following items are dealt with here:

- 1. SAICA Legal Update Volume 15 Issue 20 up to 7 December 2020 Already included in Dec 2020 MCLU Ο
- 2. "Add to cart": Doing business in a Covid-19 world Concluding contracts online

> Webinar to be presented by Lettie: ± March 2021

- 3. Big changes for drivers planned for South Africa in 2021 including alcohol limits, new number plates and licenses
 - National Road Traffic Amendment Bill is out for public comments due by 20 January 2021
- 4. Publications out for Comments:
 - 2020 National List of Occupations in High Demand (OIHD) published Ο
 - Employment Equity Amendment Bill (B14-2020) released for comment Ο
 - Proposal to increase national minimum wage out for comment Ο



COIDA Update

The following items are dealt with here:

- 1. COID Amendment Bill (B20-2020) released for comment
 - Public comments due by 19 February 2021 0
 - Proposal to remove exclusion of domestic workers from the definition of Ο employee
- administrative fines
 - harsher penalties to be levied upon employers regarding unlawful conduct in connection with workers' compensation
 - In light of an over-crowded court roll, employers will no longer face criminal sanctions by a court of law. These sanctions will instead be replaced with more extreme penalties, which can be objected against and appealed to the Compensation Fund, and subsequently then to the courts should they wish to persist

2. COIDA Amendment Bill: A changing work order - employers beware of









TAXATION UPDATE





Taxation Update

The following items are dealt with here:

Guides (new, updated & issued):

- 1. VAT 409 (Issue 6) Guide for Fixed Property and Construction for Vendors
 - The updated guide deals primarily with vendors that are involved in transactions Ο concerning the development, construction and selling of fixed property
- 2. Customs: Frequently Asked Questions (FAQs) on AfCFTA African Continental Free Trade Area (AfCFTA) Implementation FAQs
- 3. Guide on the Declaration of Dividends Tax via eFiling (Version 8) updated with the HTML DTR02 form Ο
- 4. Guide for Transfer Duty via eFiling (Version 15)
 - updated with the changes including the new eFiling redesigned payment screens
- 5. Guide to the SARS Online Query System (Version 2)
 - updated the guide with Request to be updated as the Registered Representative 0 query







Taxation Update (continued)

- **Interpretation Notes issued:** •
 - IN 68 Provisions of the Tax Administration Act, 2011, that did not commence on 1 October 2012 under Proclamation No. 51 (GG 35687) Due date for public comment: 5 February 2021 Ο
- Draft IN 91 (Issue 2) Concession or compromise of a debt **Binding Rulings (Private/Class/General) issued:**
 - None \bullet
- Enhancements issued:
 - CIT (Corporate Income Tax)
 - VAT
 - Transfer Duty
 - **Dividends** Tax
 - PIT (Personal Income Tax)
 - Trusts (ITR12)





Taxation Update (continued)

Notices and other publications issued:

- 1. Updated Venture Capital Companies (VCC) list with 2 new companies
- 2. Updated Tables A and B of the Average Exchange Rates next update can be expected in March 2021
- 3. Trade Testing and Go-live date
- 4. Updated PAYE BRS Employer Reconciliation version 19.5
- 5. The Send us a Query functionality has been further enhanced
- 6. Information from SARS re extension of lock-down period
- 7. Numerous amendments were made i.r.o. the Customs & Excise Act, 1964 during December 2020: • o Refer to the SARS website for further detail



Taxation Update (continued)

- SARS Scams
 - 1. Courier related scam
 - 2. Taxpayers must not be duped by criminals posing as tax practitioners/payroll companies
- Court cases published during the period: 0 Tax Court case
 - I High Court case
 - CSARS v Zikhulise Cleaning Maintenance and Transport CC, Mpisane v Zikhulise Cleaning Maintenance and Transport CC and Another
 - 1 Constitutional Court case
 - Public Protector v CSARS and Others (refer to Media Summary)
 - I SCA case
 - Consol Glass (Pty) Ltd v CSARS

REGULATOR NEWS





Regulator News

The following items are dealt with here:

IRBA press releases & other publications: IRBA News #52 – October to December 2020

SAICA press releases & other publications:

- 1. SAICA's Communication: JSE Listings Requirements: Section 3.84(k) -The auditor's perspective
- 2. SAICA SMP quarterly newsletter
- 3. SAICA Training Office update specific focus on NEW Training **Regulations effective 1 January 2021**

> Webinar to be presented by Lettie: 29 January 2021

Regulator News (continued)

• Companies Tribunal:

5 Decisions reached on cases heard \bigcirc (1 Name dispute, 1 Exemption, 3 AGM, 0 Directorship disputes, 0 Review)

Competition Commission: lacksquare

Automotive Guidelines issued

IFAC:

Anti-Money Laundering – The Basics

> Webinar Series to be presented by Lettie: starting in March 2021



Regulator News (continued)

- **FSCA** publications & press releases: \bullet
 - 1. FSCA request for information from insurers
 - 2. Declaration of crypto assets as a financial product
 - 3. Guidance on the lapsing of licences
 - 4. Cheques will no longer be used in the national payment system
 - 5. Fintech innovation in South Africa in the era of data security and protection
 - 6. FSCA publishes research insights on Open Finance
 - 7. FSCA's investigation on Mirror Trading International nears completion
 - 8. Contingent Business Interruption Insurance Cover
 - > 0 Warnings issued to the public against fraudulent FSPs



Regulator News (continued)

• LPC:

Ο

• SARS:

1. Tax Practitioner Connect Issue 20 Refer to Taxation Update for other SARS Media releases issued



Legal Practice Council welcomes the appointment of Legal Services Ombud



GENERAL ANNOUNCEMENTS & NEWSY ARTICLES





Media articles: WhatsApp

The 6 big changes coming to the instant messaging application in 2021

- Internal announcements on WhatsApp and new terms of use 1.
- Holiday mode 2.
- Purchases directly from the app 3.
- Calls and video calls Desktop version 4.
- Choice of many devices 5.
- Self-destruction of certain visual content 6.

WhatsApp, a misconceived menace to society?

- Ο Facebook to offer integration across all Facebook products
- Ο are also increasing by the minute!
- Ο 15 May 2020

Privacy policy update relates to how it processes the data of users, how businesses can utilise Facebook services to store their (business) chats and who partners with

Concerns re personal data/information being misused is increasing. Telegram users

Hot off the press: WhatsApp have delayed the effective date of their new T&Cs until





QUESTIONS





Formal Q&A Session

 \triangleright Please use the chat sidebar to the right of the video / presentation on the screen to ask your questions.

If you would like to e-mail a question please use: technicalquestions@accountingacademy.co.za

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

- Remember: A Q&A summary will also be uploaded to your profile, where applicable
- E-mail general comments to info@accountingacademy.co.za

for your participation!



