



# COMPETENCY FRAMEWORK

## 2022

### Competencies of an AGA(SA) at the point of the entry into the profession

#### 2022

This document must be read together with the following documents:

- Preface to the AGA(SA) Competency Framework 2022
- Guidance on the Content, Development and Assessment of Competencies in the SAICA Academic Programme 2022
- Guidance on the Content, Development and Assessment of Competencies in the SAICA Training Programme 2022
- Comparison between Foundation & Elective Competencies in the AGA Academic Programme 2022

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Riyaan Mabutha	University of Cape Town
Thabiso Madiba	University of Johannesburg
Mariska McKenzie	University of Johannesburg
Ben Mogapi	University of Johannesburg
George Nel	University of Stellenbosch
Kato Plant	University of Pretoria
Nkathazo Radebe	Walter Sisulu University
Alex Van der Watt	Independent
Milan Van Wyk	University of Johannesburg
Haneke Van Zyl	University of the Free State

## INDEX

- A. [INTRODUCTION](#)
- B. [AGA COMPETENCY FRAMEWORK SUITE OF DOCUMENTS](#)
- C. [THE AGA\(SA\) AT POINT OF ENTRY TO THE PROFESSION](#)
- D. [ROUTES TO THE AGA\(SA\) QUALIFICATION](#)
- E. [STRUCTURE OF THE COMPETENCY FRAMEWORK](#)
- F. [PROFICIENCY LEVELS](#)
- G. [THE CONTEXT IN WHICH COMPETENCIES ARE TO BE DEVELOPED AND ASSESSED IN THE ACADEMIC PROGRAMME](#)
- H. [COMPONENTS OF THE COMPETENCY FRAMEWORK](#)
- I. [OUTCOME OF THE COMPETENCY FRAMEWORK](#)
- 1. **PROFESSIONAL VALUES AND ATTITUDES**
  - I [Ethics Values and Attitudes](#)
  - II [Citizenship, Values and Attitudes](#)
  - III [Lifelong Learning Values and Attitudes](#)
- 2. **ENABLING COMPETENCIES**
  - Z [Business Acumen](#)
  - Y [Decision Making Acumen](#)
  - X [Relational Acumen](#)
  - W [Digital Acumen](#)
- 3. **TECHNICAL COMPETENCIES**
  - FR [Financial Reporting](#)
  - AA(F) [Assurance - Foundation](#)
  - AA(E) [Assurance - Elective](#)
  - MAF(F) [Management Accounting and Finance - Foundation](#)
  - MAF(E) [Management Accounting and Finance - Elective](#)
  - SRG(F) [Strategy, Risk Management And Governance - Foundation](#)
  - SRG(E) [Strategy, Risk Management And Governance - Elective](#)
  - TX(F) [Taxation - Foundation](#)
  - TX(E) [Taxation - Elective](#)

## A. INTRODUCTION

1. The primary role of an AGA is to measure and enhance organisational value. An AGA, at point of entry into the profession (i.e., having completed the required education and training programmes and being eligible to register as an associate of the South African Institute of Chartered Accountants (SAICA) in order to use the AGA(SA) designation), should demonstrate ethical behaviour, professional competence and the potential to accelerate progress and measure and enhance value.
2. The competency framework identifies and describes the professional competencies (professional values and attitudes, enabling competencies and technical competencies) that an AGA should demonstrate at entry point to the profession. It provides a reference point for current and prospective AGAs, employers and the public, thus enabling a clear understanding of the foundational professional competencies the AGA has command of as he/she embarks upon their career. The competency framework also provides the base upon which the education and training programmes of SAICA are developed and delivered.
3. Foundational professional competencies can be refined to support specialist roles after entering the AGA profession. As lifelong learners, AGAs need to undertake relevant continuing professional development (CPD) activities to achieve competence for post-qualification roles. CPD activities that take place after entering the AGA profession have the purpose of ensuring practitioners maintain and develop the competencies required to continue to perform their roles competently.

## B. AGA COMPETENCY FRAMEWORK SUITE OF DOCUMENTS

### A. PREFACE

- Sets out the
  - components of the qualification process
  - definitions of key concepts used in the AGA Competency Framework Suite of Documents

### B. AGA(SA) ENTRY-LEVEL COMPETENCY FRAMEWORK

- Identifies and describes the professional competencies (professional values and attitudes, enabling competencies and technical competencies) that an AGA(SA) should demonstrate at entry point to the profession.

### C. GUIDANCE ON THE CONTENT, DEVELOPMENT AND ASSESSMENT OF COMPETENCIES IN THE ACADEMIC PROGRAMME

- Provides providers of the academic programme with guidance for the development and implementation of SAICA-Accredited Academic Programme.

### G: GUIDANCE ON THE CONTENT, DEVELOPMENT AND ASSESSMENT OF COMPETENCIES IN THE TRAINING PROGRAMME

- Provides providers of the training programme with guidance for the development and implementation of the SAICA-Accredited Training Programme

### D. COMPARISON BETWEEN THE FOUNDATION AND ELECTIVE COMPETENCIES

- Provides providers of the academic programme with a comparison between the competencies and levels of proficiency of the foundation and elective competencies

## C. THE AGA(SA) AT POINT OF ENTRY TO THE PROFESSION

### 1. Defining AGAs

- 1.1. For the purposes of this framework, AGAs are those professionals who are:

Managers who behave ethically and who drive operational excellence and bridge the day-to-day operational and financial expertise of the operational employees with the executive and strategic leadership.

- 1.2. *Manager*: An AGA is a responsible manager with a specific background in professional accountancy. This implies that an AGA should always display professional values and attitudes, have the full range of technical competencies of a professional accountant and also those enabling competencies to demonstrate responsible managerial qualities in a specific domain.
- 1.3. *Behave ethically*: SAICA is committed to maintaining public confidence through an overriding commitment to its members and associates behaving ethically in all professional tasks and interactions with others. All AGAs are required at all times to uphold ethical principles and to conduct themselves professionally, in a manner that exemplifies and enhances the reputation of the AGA and of SAICA.
- 1.4. *As ethical managers* AGAs:
- a) Measure and enhance organisational value in the short, medium and long term by taking cognisance of the organisation's strategy, governance, performance and prospects in the context of its external environment;
  - b) Demonstrate an awareness of the integration of information and data to assess the relationships between the different capitals used in the organisation's integrated report and how these are used to create sustainable value for stakeholders;
  - c) Prepare and report on relevant financial information to identify relevant analytical comparisons;
  - d) Prepare and report on disclosures of non-financial information (e.g., presented as integrated reports, sustainability reports, social and environmental reports, governance reports, annual reports) in relation to financial statements (consolidated, unconsolidated or combined).

### 2. AGAs beyond entering the profession

- 2.1. AGAs are lifelong learners who undertake relevant CPD activities to achieve competence for post-qualification roles. These include, amongst others, to measure and enhance organisational value and drive operational performance through financial expertise and big-picture perspectives in diverse environments, which are deemed complex and/or ambiguous.
- 2.2. *Lifelong learning*: The development and acquisition of competencies after entry to the profession (post qualification) are not limited to demonstrating abilities in relation to enhancing and measuring organisational value and driving operational performance, but are likely to occur in many spheres of competence, depending on the specific roles and responsibilities to which an AGA is exposed. Professional competence needs to be maintained (by remaining abreast of changes in existing technical and enabling competencies) and developed (to incorporate new technical or enabling competencies or improve proficiency levels linking to technical and enabling competencies) in areas which relate to a particular field/role in which an AGA is generally active after entering the profession. In order for these competencies to be effectively and appropriately maintained and developed, AGAs need to embrace lifelong learning as a professional value and attitude.

- 2.3. From the above, it is therefore clear that the competency framework is contextualised within the fundamental concepts of measuring and enhancing organisational value and driving operational performance. Furthermore, the fundamental principles of ethical behaviour, professional competence and ethical management guide the qualities, characteristics or attributes of AGAs and provide the foundation for their professional conduct.

### **3. Fundamental concepts**

#### **3.1. Organisational value**

Value is created through an organisation's business model, which takes inputs from the capitals and transforms them through business activities and interactions to produce outputs and outcomes that, over the short, medium and long term, create or destroy value for the organization, its stakeholders, society and the environment.

#### **3.2. Operational performance**

Organisation's performance measured against standard or prescribed indicators of effectiveness, efficiency, and environmental responsibility such as, cycle time, productivity, waste reduction, and regulatory compliance.

### **4. Fundamental principles**

#### **4.1. Ethical behaviour**

Adhering to the principles of integrity, objectivity, professional behaviour, confidentiality and professional competence at all times. It includes drawing on personal values and the ability to act with honesty, integrity, accountability and trustworthiness to demonstrate moral and ethical behaviour in the business context and to protect the public interest.

#### **4.2. Professional competence**

Having the necessary knowledge, skills and experience to provide quality deliverables (contributions, services, products and experiences)

#### **4.3. Ethical management**

Displaying respect and courage, considering the future and focusing on creating sustainable value

## D. ROUTES TO THE AGA(SA) QUALIFICATION

Route	Qualification	SAICA Training Programme	Work experience requirement	TEA <sup>1</sup>
1	Accredited CA(SA) degree	3 years	None	No
2		Incomplete/None	48 months	Yes
3	Accredited AGA(SA) degree	3 years	None	No
4		Incomplete/None	48 months	Yes
5	Members of Professional Accountancy Organisations that are recognised by SAQA and who have completed a degree (NQF7)	Incomplete/None	48 months	Yes
6	Holders of foreign academic qualifications which are assessed by SAQA as equivalent to a South African BCom Accounting Degree (NQF7)	Incomplete/None	48 months	Yes

This AGA(SA) Competency Framework addresses the academic qualifications referred to in routes 1 to 4 above.

## E. STRUCTURE OF THE COMPETENCY FRAMEWORK

### 1. Compulsory

Financial Reporting must be offered over two years of study and substantially all competencies related to Financial Reporting are to be developed to the level indicated in the AGA(SA) Competency Framework.

Professional values and attitudes and Enabling competencies (defined as acumens) are to be integrated throughout the academic and training programmes and are to be developed to the level indicated in the AGA(SA) Competency Framework.

### 2. Elective

At least one of the other disciplines, in addition to Financial Reporting, must be offered over two years of study and the competencies related to the competency area are to be developed to the proficiency level stipulated for elective competencies in the AGA(SA) Competency Framework.

### 3. Foundation

The remaining disciplines need only be offered only over one year of study and the competencies related to the competency area are to be developed to the proficiency level stipulated for foundation competencies in the AGA(SA) Competency Framework .

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<sup>1</sup> Training Equivalence Assessment: The purpose of the assessment is to enable Candidates to demonstrate that, as a result of learning through work experience, they have mastered the competencies and pervasive qualities and skills that are substantially equivalent to those prescribed for the SAICA Training Programme



## **F. PROFICIENCY LEVELS**

1. AGAs at entry-level are expected to demonstrate competence at defined levels of proficiency. Three levels of proficiency (ranging from 1 (the lowest) to 3 (the highest)) are explained in this section and cover competency development from foundational to advanced levels.
2. A proficiency level is specified for each of the professional values and attitudes, enabling competencies and technical competencies. The competency framework defines levels of proficiency at entry level to the profession. Guidance documentation to academics and training officers provides further clarity on proficiency levels for competencies to be obtained during the education and training programmes. The academic guidance document also specifies proficiency levels for elements of technical competencies which should be achieved during the education programme, to reach the overall level of proficiency per technical competency as specified in the competency framework.
3. The proficiency levels are illustrated in the tables below:

PROFESSIONAL VALUES AND ATTITUDES			
	1 Foundational level of competence	2 Intermediate level of competence	3 Advanced level of competence
Proficiency levels are distinguished with reference to: (i) frequency and (ii) context			
<b>Display professional values and attitudes:</b>			
(i) <i>Frequency</i>	Occasionally	Always under specific circumstances	Always under all circumstances
(ii) <i>Context</i>	In a simple context with straightforward situations and/or circumstances	In an easily understood context with complexity limited to specific situations and/or circumstances	In a difficult context with complex situations and/or circumstances

ENABLING COMPETENCIES (ACUMENS)			
	1 Foundational level of competence	2 Intermediate level of competence	3 Advanced level of competence
Proficiency levels are distinguished with reference to: (i) type of task, (ii) level of task understanding, (iii) knowledge and skills needed for task performance, (iv) dependencies and (v) level of guidance			
<b>Use enabling competencies during task performance:</b>			
(i) <i>type of task</i>	During task involvement	To initiate tasks and perform tasks on a preliminary /preparatory basis	To complete all steps in tasks
(ii) <i>level of task understanding</i>	Displaying a basic level of task understanding (key ideas and principles)	Displaying an intermediate level of task understanding (detailed knowledge including some analysis/ evaluation)	Displaying an advanced level of task understanding (clear problem identification, thorough analysis /evaluation and useful recommendations are made)
(iii) <i>knowledge and skills needed for task performance</i>	Using limited knowledge and skills needed to perform the task	Using multiple knowledge sources and skills in certain areas and limited in others to perform the task	Integrating multiple knowledge sources and skills in all areas, to perform a task
(iv) <i>dependencies</i>	Mainly relying on others' actions rather than on your own	Relying on own actions complemented by actions of others for which limited or informal responsibility is carried	Relying on own actions complemented by actions of others for which formal responsibility is carried
(v) <i>level of guidance</i>	Obtaining frequent guidance	Obtaining limited guidance	Obtaining little or no guidance

### TECHNICAL COMPETENCIES





	1 Foundational level of competence	2 Intermediate level of competence	3 Advanced level of competence
Proficiency levels are distinguished with reference to: (i) level of knowledge of the subject matter, (ii) level of application and (iii) problem solving to distinguish proficiency levels. <b>Display technical competence by:</b>			
<i>(i) Knowledge dimension</i>	Identify and describe the key ideas / principles / fundamental concepts of the subject matter [Technical expertise or detailed knowledge not required]	<ul style="list-style-type: none"> <li>• Demonstrate a comprehensive understanding of the fundamental concepts of the subject matter.</li> <li>• Demonstrate a limited understanding of the subject matter pertaining to non-routine situations and exceptions.</li> </ul>	Demonstrate an in-depth knowledge and rigorous understanding of the subject matter
<i>(ii) Application dimension</i>	Identify & explain the significance and relevance of the subject matter, and recognise the linkages with other subject matter(s).	<ul style="list-style-type: none"> <li>• Apply the knowledge where some data is provided in a semi-structured form and/or derived from a limited number of sources.</li> <li>• Limited integrated thinking is expected.</li> </ul>	<ul style="list-style-type: none"> <li>• Apply the knowledge where the data is unstructured and/or is derived from multiple sources.</li> <li>• Integrated thinking is required.</li> </ul>
<i>(iii) Problem solving dimension</i>	Recognise issues when encountered and seek further depth / guidance	Prepare and Analyse solutions for specified problems and applying some judgement	Evaluate solutions for specified and implicit problems - applying a high degree of rigour, and/or exercise sound judgement in making recommendations / formulating solutions

## **G. THE CONTEXT IN WHICH COMPETENCIES ARE TO BE DEVELOPED AND ASSESSED IN THE ACADEMIC PROGRAMME**

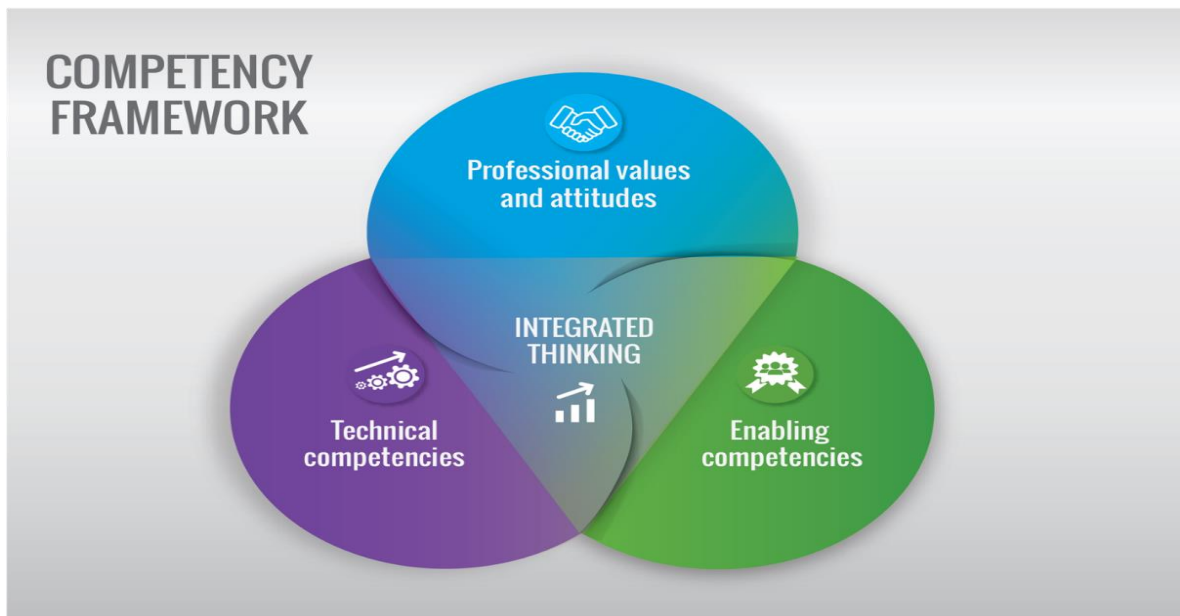
1. At the point of qualification, entry level AGAs(SA) are expected to consistently demonstrate the competencies in the Competency Framework (at the levels indicated) in relation to entities, situations, events, or transactions that are:
  - 1.1. prevalent, determined with reference to how frequently they occur in practice and how relevant they are in practice; and
  - 1.2. of a size or degree of complexity likely to be encountered by a AGA(SA) at the point of qualification.
2. For situations, events or transactions that are unlikely to be encountered by AGAs(SA) at the point of qualification, but are nonetheless 'prevalent', the entry level AGA(SA) is expected to demonstrate a 'level 1 foundational level of competence'.

## H. COMPONENTS OF THE COMPETENCY FRAMEWORK

1. The competency framework is made up of the following components which in implementation are all integrated:

	Icon	Elements of the professional competencies
 <p><b>Managers who behave ethically and who drive operational excellence and bridge the day-to-day operational and financial expertise of the operational employees with the executive and strategic leadership</b></p>		1. Professional values and attitudes
		2. Enabling competencies (defined as acumens)
		3. Technical competencies

2. AGAs need all relevant competencies (professional values and attitudes, enabling competencies and technical competencies) to provide quality deliverables (inputs, services, products and experiences) on a wide range of inputs, activities and outputs that lead to outcomes in an organisation’s value creation process. This requires some integrated thinking (also presented as an enabling competency below) to achieve viable solutions whilst considering all alternatives, by ing a broader understanding of an issue, creating a design or formulating a plan etc.



This integrated thinking concept is illustrated in Figure 2 above:

3. A glossary of key terms related to this competency framework is provided in Appendix A.



## I. THE COMPETENCY FRAMEWORK



### 1. PROFESSIONAL VALUES AND ATTITUDES – COMPULSORY

Professional values and attitudes are defined as the professional behaviour and characteristics that identify AGAs as members of the accountancy profession (IFAC, 2017).

<b>PROFESSIONAL VALUES AND ATTITUDES</b> Competency area pervasive in all other competencies		<b>ELEMENTS</b>	
<b>I</b>	<b>Ethics, values and attitudes</b>	I1	Personal ethics
		I2	Business ethics
		I3	Professional ethics
<b>II</b>	<b>Lifelong learning, values and attitudes</b>	II1	Self-development
		II2	Adaptive mind set and agility
<b>III</b>	<b>Citizenship, values and attitudes</b>	III1	Personal citizenship
		III2	Corporate citizenship
		III3	Professional citizenship
		I1	Personal ethics

Detailed information on professional values and attitudes is presented in the table below:

<b>I</b>	<b>ETHICS, VALUES AND ATTITUDES</b>
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This competency area includes personal, business and professional ethics and describes the ethical principles, values and attitudes an individual must apply, also when interacting with others.

<b>I1</b>	<b>Personal ethics</b>
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*Personal ethics refers to a personal value system applied by an individual to decision-making, conduct and interaction between the self and others.*

**Learning outcomes**

a)	Act honestly and demonstrate personal integrity, accountability and trustworthiness whilst interacting with others	<b>Level 3</b>
b)	Carry out work in a manner that protects public interest, the client, employer and other relevant stakeholders, and put these before one's own interest	
c)	Evaluate the impact of different value systems implicit in, among others, religion, culture, social standing, economic status and personal experiences	
d)	Understand ethics theories (normative and applied) and apply relevant theories when solving personal ethical dilemmas or making personal ethical decisions.	

<b>I2</b>	<b>Business ethics</b>
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*Business ethics refers to the ethical principles and values applied by the organisation to decision-making, conduct and the relationship between the organisation, its stakeholders and society (King IV).*

**Learning outcomes**

a)	Evaluate the significance of ethics within the business environment, and the ways in which it is managed within an organisation, as part of its ethical organisational culture	<b>Level 3</b>
b)	Analyse the interrelationships between governance, ethics, work values and the law	
c)	Display ethical behaviour whilst interacting with the organisation's stakeholders	
d)	Explain available and relevant processes for the reporting of ethics-related issues to higher levels of management, legal or regulatory authorities or others, when appropriate	
e)	Understand ethics theories (normative and applied) and apply relevant theories when solving business ethical dilemmas or making business ethical decisions.	

<b>I3</b>	<b>Professional ethics</b>
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*Professional ethics refers to the fundamental ethical principles and values applied by a professional CA to decision-making, conduct and the relationship between the professional, its stakeholders and society*

**Learning outcomes**

a)	Relate professional ethics to the notion of public interest by being competent and delivering quality work	<b>Level 3</b>
b)	Distinguish between ethical principles and rules of conduct, and apply the fundamental ethical principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour when rendering services	
c)	Identify threats to ethical principles and apply appropriate safeguards to facilitate ethical behaviour	

<b>I3</b>	<b>Professional ethics</b>	
d)	Use an ethical reasoning process (based on ethics theories and professional values and attitudes and the code of professional conduct) to solve professional ethics dilemmas	
e)	Analyse all courses of potentially unethical action as well as the consequences of each (e.g., disciplinary actions)	
f)	By way of general conduct, demonstrate a commitment to the ethical values upheld by the profession	

## II CITIZENSHIP, VALUES AND ATTITUDES

“Citizenship” is most often used to indicate nationality and explain the rights and responsibilities attached to “membership” of a nation state. Although it is the individual/the person who is a citizen, a citizen cannot exist without belonging to a state.

<b>II1</b>	<b>Personal citizenship</b>	
<i>Personal citizenship is used to indicate that there are rights/responsibilities to being a member of multiple communities (see details of the communities that individuals belong to at II1 Personal citizenship and II2 relates to membership of the accountancy profession).</i>		
<b>Learning outcomes</b>		
a)	Seek opportunities to demonstrate a responsive, valuing and tolerant approach to cultural diversity and individual differences	Level 3
b)	Evaluate, for a specific course of action, its impact on the community in which you live and work, and on the local environment	

<b>II2</b>	<b>Corporate citizenship</b>	
<i>Corporate citizenship relates to the corporation’s responsibilities/rights in society which has long been part of the field of business ethics (see I2 Business ethics).</i>		
<b>Learning outcomes</b>		
a)	Identify relevant stakeholders in a business environment	Level 3
b)	Evaluate the extent to which a business demonstrates a responsive, valuing and tolerant approach to cultural diversity and individual differences	
c)	Weigh up short-term financial benefits against the long-term strategic and/or societal impact of a decision	
d)	Understand that business plays in achieving SDGs and critique a predominant focus on delivering short-term financial results, often at the expense of long-term societal and strategic risks	
e)	Contribute to the community at large through, for example, acts of philanthropy, social responsibility and environmental stewardship	

<b>II3</b>	<b>Professional citizenship</b>	
<i>Professional citizenship is used to indicate that there are rights/responsibilities to being a member of multiple communities (see details of the communities that individuals belong to at II1 Personal citizenship and II2 relates to membership of the accountancy profession).</i>		
<b>Learning outcomes</b>		



<b>II3</b>	<b>Professional citizenship</b>	
a)	Demonstrate professional behaviour in personal branding and business etiquette	<b>Level 3</b>
b)	Demonstrate an understanding of the concept of the profession serving the public interest	
c)	Evaluate, for a specific course of action, its likely impact on the public interest, the profession and on society	

### **III | LIFELONG LEARNING, VALUES AND ATTITUDES**

**Life-long learning refers to the process of self-initiated education aimed at self-development and acquiring an adaptive and agile mind set**

<b>III1</b>	<b>Self-Development</b>	
<i>Self-development refers to the planning and management of personal development and an appreciation of how personal strengths and weaknesses may impact work, learning and goal attainment.</i>		
<b>Learning outcomes</b>		
a)	Adopt an attitude of life-long learning and stay abreast of current trends and emerging issues	<b>Level 3</b>
b)	Take responsibility for one's own development needs and opportunities	
c)	Actively seeks appropriate learning opportunities (technical and other professional development) in a variety of different ways	
d)	Set and monitor personal learning and development objectives through a wide range of life-long learning opportunities	

<b>III2</b>	<b>Adaptive mind set and agility</b>	
<i>Adaptive mind set and agility refers to taking initiative to improve performance and well-being by reviewing and reflecting on work performance.</i>		
<b>Learning outcomes</b>		
a)	Acquire new knowledge, skills and experiences to remain relevant, adapt career goals, and empower others	<b>Level 3</b>
b)	Identify and distinguish between the need to learn, unlearn and relearn, so as to facilitate adaptation to changing practices, roles and work contexts	
c)	Demonstrate the mind set and behaviours required to work in an agile way to deal with complexities	



## 2. ENABLING COMPETENCIES - COMPULSORY

Enabling competencies demonstrate the essential skills that influence ways that AGAs work, ways that they think and tools that they use in the workplace. These comprise business, decision-making, relational and digital acumens. Acumen is defined as “the ability to judge well; keen discernment, insight” (Collins English Dictionary, 2008). These acumens are necessary qualities of an AGA, enabling the performance of his/her work in the value creation process.

ACUMENS		Competency short name	
Z	Business acumen	Z1	Business internal environment
		Z2	Business external environment
		Z3	Innovation and creativity
Y	Decision-making acumen	Y1	Analytical/critical thinking
		Y2	Integrated thinking
		Y3	Problem solving
		Y4	Judgement and decision-making
		Y5	Professional scepticism
X	Relational acumen	X1	Communication skills
		X2	Leadership skills
		X3	People skills
		X4	Relationship-building skills
		X5	Teamwork
		X6	Self-management
		X7	Managing others
		X8	Emotional intelligence
W	Digital acumen	W1	Computational thinking
		W2	Data knowledge and strategy
		W3	Data analytics
		W4	Automation
		W5	New developments and protocols (e.g. artificial intelligence (AI), blockchain, Internet of Things etc.)
		W6	Cyber security
		W7	User competencies

Detailed information on enabling competencies is presented in the table below:

<b>Z</b>	<b>BUSINESS ACUMEN</b>
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<b>The ability to make quick correct and/or focused strategic decisions and good judgements in a business or business division</b>
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<b>Z1</b>	<b>Business internal environment</b>
<i>Using your understanding of the business' internal operations, make quick, correct and/or focused strategic decisions and good judgements in a business or business division</i>	
<b>Learning outcomes</b>	
a) Evaluate the role of business in society by distinguishing between traditional measures of business success (including the drivers impacting profitability, cash flow and market orientation) and value creation in business (with reference to the six capitals)	<b>Level 3</b>
b) Distinguish between different types of entities (profit, non-profit and public sector) and the roles they play in society	
c) Communicate how an organisation creates value through the business model	
d) Use a holistic perspective to analyse an organisation's business processes (including how it serves stakeholders such as customers, employees, surrounding community and investors)	

<b>Z2</b>	<b>Business external environment</b>
<i>Using your understanding of the business' external environment, make quick, correct and/or focused strategic decisions and good judgements in a business or business division</i>	
<b>Learning outcomes</b>	
a) Evaluate local and global influences (including stakeholder relationships) on measures of business success and value creation	<b>Level 2</b>
b) Evaluate and properly interpret the influence of the external environment (political, economic, social, technological, legal, and environmental) on and as context for an organisation's strategy, business model and processes	
c) Use a broad perspective (taking into account, for example, competitive advantage and threats, industry trends, emerging technology/industry disruptors, market opportunities, stakeholder focus) together with an organisation's mission/strategy, to analyse an organisation's business model	

<b>Z3</b>	<b>Innovation and creativity</b>
<i>Developing new concepts, innovative ways or new ideas promoting a business success or wide-spread use, using a questioning or inquisitive mind-set.</i>	
<b>Learning outcomes</b>	
a) Address problems or situations from a fresh perspective and challenge existing paradigms and ways of doing business	<b>Level 2</b>
b) Suggest innovative or different approaches to a particular problem or situation	<b>Level 1</b>
c) Champion innovation and ways to improve business outcomes	
d) Serve as a role model and support others to overcome challenges and uncertainty	

**Y | DECISION-MAKING ACUMEN**

**This competency area refers to cognitive processes to decide on actions or between alternatives and includes analytical / critical thinking, integrated thinking, problem-solving, judgement and decision-making and professional scepticism**

**Y1 | Critical thinking**

*Research, investigate, critically analyse, reflect and apply professional judgement to the evaluation of data and information from a variety of sources and perspectives.*

**Learning outcomes**

a) Demonstrate an intellectually disciplined questioning mind-set to develop a purpose, problem or question.	<b>Level 3</b>
b) Source, select and manage information (quantitative as well as qualitative) from multiple sources and perspectives through research, analysis, synthesis and integration	
c) Conceptualise, apply, analyse, synthesize, and evaluate information gathered	
d) Identify, and question/challenge information /assumptions, empirical grounding, and bias behind received and discovered information to gain a high level of understanding and to interpret the results or analysis	
e) Use critical analysis and reasoning strategies or techniques to uncover key and/or underlying issues, and identify connections or patterns across diverse situations	<b>Level 2</b>
f) Recognise causes, implications and consequences of actions/events to facilitate informed decision-making	

**Y2 | Integrated thinking**

*Integrative thinking is a decision making approach for complex problems based on finding new, creative solutions rather than merely choosing the best solution from a list of alternatives.*

**Learning outcomes**

a) Synthesis and sense-making of ideas and information from a variety of sources to create a design, formulate a plan, arrive at a viable solution to a problem, obtain a broader understanding of an issue etc.	<b>Level 3</b>
b) Apply the above (a) in the interpretation, analysis and evaluation of financial and non-financial information for impactful decision-making	<b>Level 2</b>

**Y3 | Problem solving**

*Collate and compare information from multiple sources to correctly define a problem, assess alternative solutions against decision criteria and make the optimal decision.*

**Learning outcomes**

a) Use a questioning mind-set during problem identification and analysis	<b>Level 3</b>
b) Weigh the relevance and accuracy of information; challenge assumptions, and probe for detail	
c) Use reasoning, critical analysis and innovative thinking to identify likely impacts of different issues and the implications of corresponding courses of action	<b>Level 2</b>
d) Demonstrate flexibility, creativity and innovation in generating solutions and identifying new opportunities	
e) Make decisions and recommendations on a rational and timely basis, supported by facts and research	

<b>Y3</b>	<b>Problem solving</b>	
f)	Identify when to seek assistance from experts/specialists to expedite problem-solving, decision-making and/ or reaching conclusions (based on theoretical scenarios provided)	<b>Level 3</b>

<b>Y4</b>	<b>Judgement and decision-making</b>	
<i>The ability to make considered and effective decisions, come to sensible conclusions, perceive and distinguish relationships, understand situations, and form objective opinions</i>		
<b>Learning outcomes</b>		
a)	Only exercise judgement and make decisions when a sound and logical solution is found which addresses root causes of problems in collaboration with affected stakeholders	<b>Level 3</b>
b)	Determine for each alternative course of action: <ul style="list-style-type: none"> <li>(i) likely outcome</li> <li>(ii) apparent effectiveness of addressing the root causes of problems</li> <li>(iii) feasibility of effective implementation</li> <li>(iv) stakeholder support for effective implementation</li> <li>(v) ranking in relation to the other identified courses of action</li> </ul>	
c)	Use evidence, experience and technical competencies to make insightful decisions through an interrelated process that includes the following steps: <ul style="list-style-type: none"> <li>(i) Determine the scope of the matter/problem</li> <li>(ii) Collect and verify relevant financial and non-financial information</li> <li>(iii) Apply accumulated knowledge and experience and make use of appropriate concepts, principles, and procedures while also responding appropriately to statutory and professional requirements, regulations and policies (with due recognition of stakeholder interests, and protection of public interest), to investigate a context-based course of action</li> <li>(iv) Negotiate and reconcile differing views to find acceptable compromises leading to agreement where possible</li> <li>(v) Recommend, justify and prioritise the decision, solution, conclusion or course of action based on degree of urgency or some other criterion</li> <li>(vi) Recognise the wider potential impact of decisions and the potential internal and external responses</li> </ul>	
d)	Consider alternative viewpoints, objections, and different frames of reference	

<b>Y5</b>	<b>Professional scepticism</b>	
<i>Having a questioning mind. being alert to anything that may indicate misstatement due to error or fraud. critically assessing audit evidence.</i>		
<b>Learning outcomes</b>		
Apply a diligent and impartial mind-set when making enquiries or questioning others		<b>Level 3</b>
a)	Obtain and understand information in order to challenge views developed by others	
b)	Evaluate the integrity of the information, its source, and the appropriateness of the presentation	
c)	Withhold judgement until completion of a thoughtful consideration of known information in relation to available facts	

<b>Y5</b>	<b>Professional scepticism</b>	
d)	Demonstrate divergent thinking by recognising subtle and patent links between available information sources to find explanations for situations that might not otherwise be discovered	
e)	Demonstrate convergent thinking by testing the plausible explanations through evaluation of assumptions and identification of potential bias and other impediments (e.g., flawed arguments or contradictions)	

## **X** RELATIONAL ACUMEN

**Relational acumen is defined as the “art of developing relationships” (Churchley, Neufeld, Purvey, 2013). It is the ability to develop, maintain and adapt relationships and stakeholder networks to ensure facilitation of required action; the delivery of relevant feedback and the development of relational trust**

<b>X1</b>	<b>Communication skills</b>	
<i>Effectively convey information and ideas to individuals and groups in a variety of situations in a focused way using verbal and non-verbal techniques and skills.</i>		
<b>Learning outcomes</b>		
a)	Apply effective listening, interviewing and discussion techniques to obtain and clarify relevant information	<b>Level 3</b>
b)	Communicate (verbally and non-verbally) using clear and concise messaging, in a professional manner, appropriate to the audience and situation	
c)	Understand the impact of contemporary communication channels (social media)	
d)	Apply contemporary presentation modes (such as visualization) to improve audience’s processing and digesting of information	
e)	Prepare written correspondence so as to meet all legal, ethical, regulatory and business requirements, following due processes (refer to word processing skills)	
f)	Demonstrate awareness of language differences in all cross-cultural communication	

<b>X2</b>	<b>Leadership skills</b>	
<i>Work with others and manage and lead teams.</i>		
<b>Learning outcomes</b>		
a)	Use visible strategic direction to motivate and facilitate others’ efforts to excel, in an accountable, responsible and selfless manner	<b>Level 2</b>
b)	Proactively/pre-emptively take the lead to influence others to work towards common goals, and to challenge them to deliver quality work that meets high standards	
c)	Empower and develop others by providing advice, support and mentorship	
d)	Treat others respectfully, courteously and equitably	<b>Level 3</b>

<b>X3</b>	<b>People skills</b>	
<i>People skills are patterns of behaviour and behavioural interactions. Among people, it is an umbrella term for skills under three related set of abilities: personal effectiveness, interaction skills, and intercession skills</i>		
<b>Learning outcomes</b>		
a)	Apply personal influence and negotiation skills and facilitate discussions and understanding between parties, influencing and negotiating where needed, to reach consensus.	<b>Level 3</b>
b)	Apply conflict resolution skills to minimise impact of or resolve conflict	
c)	Apply consultative skills to obtain information, solve problems and/or maximise benefits from opportunities	
d)	Apply self-management skills to work independently, and to manage work pressure and its impact on others	
e)	Adapt to the management and leadership styles and cultures of an environment	
f)	Apply personal influence and negotiation skills to persuade others and build consensus - . Voice own opinion and debate in an effective manner	
g)	Adapt to cultural differences	
<b>X4</b>	<b>Relationship-building skills</b>	
<i>Build authentic relationships and effective collaboration across a wide range of teams and stakeholders</i>		
<b>Learning outcomes</b>		
a)	Seek opportunities to build strategic professional relationships to achieve common goals	<b>Level 2</b>
b)	Identify and apply strategies to proactively build relationships that extend networks and alliances	
<b>X5</b>	<b>Teamwork</b>	
<i>Interrelated abilities that let you work effectively in an organised group. Teamwork happens when people cooperate and use their individual skills to achieve common goals.</i>		
<b>Learning outcomes</b>		
a)	Work effectively with others as a resourceful and trustworthy team member	<b>Level 3</b>
b)	Share knowledge and demonstrate cooperation and collaboration to achieve team goals (including interactions within and between multi-functional, multi-cultural and multi-disciplinary groups)	
c)	Apply skills of cooperation and delegation to effectively manage teams and projects, thus ensuring timeous and quality outcomes	
d)	Manage conflict between individuals and across teams	
e)	Assume shared responsibility	
f)	Value individual contributions by team members	
<b>X6</b>	<b>Self-Management</b>	
<i>Plan and manage personal development and appreciate how personal strengths and weaknesses may impact work, learning and goal attainment.</i>		
<b>Learning outcomes</b>		
a)	Work independently	<b>Level 3</b>

<b>X6</b>	<b>Self-Management</b>	
b)	Develop time management techniques to prioritise tasks (recognising their resource constraints) so as to achieve academic commitments/outcomes	
c)	Manage overall well-being, maintaining a balanced lifestyle	
d)	Set appropriate goals, monitor and self-reflect on own performance	

<b>X7</b>	<b>Managing others</b>	
<i>Work with others and manage and lead teams.</i>		
<b>Learning outcomes</b>		
a)	Plan time and allocate resources so as to achieve professional commitments/outcomes	<b>Level 2</b>
b)	Develop, organise and prioritise tasks (recognising their resource constraints) and manage progress so as to achieve professional commitments/outcomes	

<b>X8</b>	<b>Emotional intelligence</b>	
<i>Establish and sustain trusting relationships based on self-awareness, sensitivity to the situation, culture and people involved.</i>		
<b>Learning outcomes</b>		
a)	Exercise self-awareness and self-discipline; Apply self-reflection and self-awareness skills and techniques to ensure continuous learning and growth. Accept constructive feedback from others.	<b>Level 2</b>
b)	Display the ability to understand, use, and manage your own emotions in positive ways to communicate effectively, empathise with others, overcome challenges and defuse conflict.	<b>Level 3</b>
c)	Show persistence and resiliency in pursuing goals despite obstacles and setbacks	

## **W** **DIGITAL ACUMEN**

**This competency area refers to digital topics that influence ways of work and business decisions and includes computational thinking, data knowledge and strategy, data analytics, new developments and protocols, cyber security and user competencies.**

<b>W1</b>	<b>Computational thinking</b>	
<i>Computational thinking is a set of problem-solving methods that involve expressing problems and their solutions in ways that a computer could also execute.</i>		
<b>Learning outcomes</b>		
a)	Decompose problems into smaller sub-problems	<b>Level 3</b>
b)	Find patterns (similarities, shared characteristics) among the sub-problems	
c)	Determine relevant characteristics and discard irrelevant characteristics	
d)	Write a basic algorithm to solve a problem, using any programming language (such as Microsoft VBA, Python)	
e)	Evaluate the appropriateness of a presented algorithm to solve a problem	



Note: Proficiency levels detailed below (W2 to W7) are to be read in line with the Technical competency proficiency levels as this part of the digital acumen is more in line with the technical competencies. (i.e. has a knowledge component as well as an application and problem solving component)

It is critical that the below competencies and learning outcomes are integrated fully with all aspects of the technical competencies in the value creation process

<b>W2</b>	<b>Data knowledge and strategy</b>	
<i>Understanding the types of financial and non-financial information available within an entity, identifying possible relationships between data sets, requesting the required data (including normalisation (clean-up) thereof), understanding the security and privacy risks associated with the use, storage and transfer of data, and understanding the importance of the implementation of sufficient data protection policies and controls. Advanced data management should be performed by expert data scientists and/or IT experts.</i>		
<b>Learning outcomes</b>		
a)	Explain underlying characteristics of basic data concepts (such as data structures, data files, databases, normalisation of data and metadata), taking cognizance of how these characteristics influence and interact with one another	<b>Level 2</b>
b)	Describe sources and forms of data <sup>2</sup> (financial and non-financial, structured and unstructured)	
c)	Know how and where to store data and access stored data (e.g., own location, service provider, cloud, etc.)	
d)	Identify the risks, compliance requirements and consequences associated with the specific environments in which data is stored (including geographical legal restrictions in some areas (e.g., POPI in SA, GDPR))	
e)	Identify and distinguish between the ways in which access to data should be controlled (data classification), and determine the consequent risks if the necessary controls are not implemented	
f)	Identify and distinguish between the ways in which local data and data-in-transit should be controlled (including data in transit between systems, and the interfaces involved in the process), and determine the risks (including not reaching a business objective) if the necessary controls are not implemented	
g)	Explain data strategies that deal with data privacy, including ethical issues in data management	
<b>W3</b>	<b>Data analytics</b>	
<i>Performing basic data modelling or where necessary requesting advanced data modelling by experts, and then interpreting the results, concluding and reporting/presenting/communicating as applicable. The W2 competency comprises both a technical computer skill and the ability to apply the underlying technical competency.</i>		
<b>Learning outcomes</b>		
a)	Identify the practical challenges of data analytics (e.g., data volume and quality, and privacy, regulatory and ethical issues)	<b>Level 3</b>
b)	Use processes of inspection, extraction, transformation, loading (ETL) and modelling data (as discussed below (see (i) to (iv)) to discover information able to enhance problem solving and decision-making	
c)	Use data analytic software tools to analyse data (e.g., ACL, IDEA, advanced Excel™ functions)	

<sup>2</sup> Including big data, characterised by its volume, variety, velocity and veracity, and the value of data being created/generated

<b>W3 Data analytics</b>	
d) Interpret the results to solve a defined business or audit problem and suggest further steps to be taken	<b>Level 2</b>
e) Data inspection: <ul style="list-style-type: none"> <li>(i) Describe the elements of a specific business process by documenting the workflow</li> <li>(ii) Define the problem to be solved and determine clear measurement priorities</li> <li>(iii) Identify data sources appropriate to solving the defined problem</li> <li>(iv) Evaluate the input controls responsible for ensuring that the data captured and used is valid, accurate and complete</li> <li>(v) Explain the nature, distribution and limitations of the identified data, and that of the population to be tested</li> </ul>	
f) Data extraction and loading: <ul style="list-style-type: none"> <li>(i) Extract or request the retrieval of the relevant data from various sources.</li> <li>(ii) Examine the data (or evaluate the input controls used) to ensure that the data imported into the data analysis software is valid, accurate and complete</li> </ul>	
g) Data transformation: <ul style="list-style-type: none"> <li>(i) Perform data normalisation (clean-up) (e.g. standardisation of fields and records, removal of duplicates, verification of anomalies, sorting of data)</li> <li>(ii) Identify anomalies in the data by applying professional scepticism</li> </ul>	
h) Data modelling <ul style="list-style-type: none"> <li>(i) Examine the key fields using descriptive statistics to determine their characteristics and statistical parameters</li> <li>(ii) Evaluate the quality of data to determine how well it supports business analysis and decision-making</li> <li>(iii) Choose appropriate analytical methods and identify alternative approaches, taking the data characteristics and the specific analytical task into account</li> <li>(iv) Apply designated quantitative techniques (e.g., statistics, time series analysis, optimisation, simulations) in modelling for analysis and prediction</li> <li>(v) Identify relationships between data in different forms and different data sets, and build relationship models between data sets to achieve a business or audit objective</li> <li>(vi) Use statistical modelling techniques to identify outliers</li> <li>(vii) Evaluate the validity and accuracy of the results by applying professional scepticism</li> </ul>	

<b>W4 Automation</b>	
<i>Automation is the technology by which a process or procedure is performed with minimal human assistance</i>	
<b>Learning outcomes</b>	
a) Outline the benefits and risks associated with the automation of processes	<b>Level 3</b>
b) Identify processes that lend themselves to automation	
c) Evaluate the need for cognitive computing systems in the automation process	

<b>W5</b>	<b>New developments and protocols (e.g. artificial intelligence (AI), blockchain, Internet of Things etc.)</b>	
<b>Learning outcomes</b>		
a)	Understand new developments and use this understanding to investigate the use of new developments and protocols (e.g., identify opportunities to address accounting and business problems, limitations, risks, etc.)	<b>Level 2</b>
b)	Design relevant general, application and data controls to selected new developments and protocols in order to mitigate risks	
<b>W6</b>	<b>Cyber security</b>	
<i>Cyber security is the practice of defending computers and servers, mobile devices, electronic systems, networks and data from malicious attacks</i>		
<b>Learning outcomes</b>		
Explain the impact of cyber risks on the organisation		<b>Level 2</b>
Identify available techniques to mitigate cyber risks.		
<b>W7</b>	<b>User competencies</b>	
<i>Use technology ethically as an enabler to optimise decision making and to promote business efficiencies and controls.</i>		
<b>Learning outcomes</b>		
a)	Apply word processing software skills in a manner relevant to an accounting/business context, to enhance communication (e.g., letters, memorandums, reports, working papers, and other written correspondence), so as to meet all legal, ethical, regulatory and business requirements,	<b>Level 3</b>
b)	Use presentation software in an accounting/ business context	
c)	Use spreadsheet software in an accounting/ business context (e.g., working papers; knowledge of effective utilisation (including short cut keys, macros, pivot tables and other advanced excel functions)	
d)	Use accounting software to create and view financial transactions	
e)	Communicate and collaborate with others using a wide range of digital devices, technologies and platforms	
f)	Apply visualisation techniques and tools to develop simple dashboards	
g)	Secure and safeguard information technology resources such as organisational IT infrastructure, laptops (and other portable devices), software, cloud (and other) storage, and data	



#### 4. TECHNICAL COMPETENCIES

The development of these competencies is a key aspect of the academic programme. Technical competencies reflect the knowledge of AGAs as professional accountants which enables them to deliver quality work in public practice, industry, the public sector, academia and more.

Technical competence is defined as the ability to apply technical competencies (the content that makes up the subject of accountancy, as well as other business disciplines that together constitute the essential body of knowledge for AGAs) and to perform a role to a defined standard.

##### COMPETENCY AREAS

FR	FINANCIAL REPORTING
AA	ASSURANCE
MAF	MANAGEMENT ACCOUNTING AND FINANCE
SRG	STRATEGY, RISK MANAGEMENT AND GOVERNANCE
TX	TAXATION

## FR. FINANCIAL REPORTING

The following important principles should be applied in developing the competencies below:

### **INSTITUTIONS APPLYING THE FULL IFRS STANDARDS:**

Competencies FRE1. to FR11. should be developed within the context of the full IFRS Standards.

### **INSTITUTIONS APPLYING THE IFRS FOR SMES:**

Competencies FR1. to FR11. should be developed within the context of the IFRS for SMEs.

## COMPULSORY

**Must be offered over two years of study and substantially all competencies related to Financial Accounting are to be developed to the level indicated in the AGA(SA) Competency Framework**

FR1.	Fundamental reporting concepts
FR2.	Accounting information systems
FR3.	Financial reporting: in accordance with International Financial Reporting Standards (IFRS)
FR4.	Financial reporting: in accordance with other frameworks
FR5.	Integrating financial and non-financial reporting
FR6.	Reliable information
FR7.	Financial statement results and balances
FR8.	Public Sector Accounting (GRAP)
FR9.	Other not-for-profit entities
FR10.	Significant differences between full IFRS and IFRS for SMEs

FR1.	Fundamental reporting concepts	Level 3
<b>Learning Outcomes</b>		
a)	Interpret users' needs and develop a reporting approach by selecting suitable reporting and regulatory framework(s) which satisfies most users' needs in general purpose reporting by: (i) Applying the fundamental theories related to reporting (ii) Applying the objective, usefulness and limitations of the available reporting frameworks (iii) Applying the objective, nature and characteristics of regulatory frameworks and requirements	
b)	Integrate the qualitative characteristics and principles of useful information	
c)	Identify, interpret and evaluate appropriate reporting boundaries	
d)	Identify, interpret and evaluate the different elements in reporting frameworks	
e)	Apply the recognition and de-recognition criteria to elements of financial statements	
f)	Select and apply a measurement basis to elements of financial statements	
g)	Set-up and generate the organisation's receivables processes (e.g., analyse provisions, reconciliations/comparisons with debtors' records, and evaluate debtor risk mitigation methods)	
h)	Set-up and generate the organisation's accounts payable processes (e.g., reconciliations/comparisons with suppliers' records, evaluate implications of creditor profile information and alternative processes related to payables)	
i)	Set-up and manage the organisation's charts of accounts	
j)	Generate the reconciliation of the entity's tax liability with its financial information	
k)	Generate and interpret presentation and disclosures for a selected framework and reporting boundary	
l)	Generate and interpret non-GAAP disclosures in an ethical manner	
m)	Recognise and interpret the various formats of reporting	
n)	Recognise and interpret emerging trends and forthcoming changes in financial reporting	
o)	Generate components of financial statements (financial position, performance (comprehensive income), cash flow, changes in equity, notes)	
p)	Apply basic group accounting concepts (parent, subsidiaries, associates, joint ventures, non-controlling interests)	
FR2.	Accounting information systems	Level 3
<b>Learning Outcomes</b>		
a)	Select and maintain an accounting information system that is manual, automated or a combination of both.	
b)	Evaluate the effectiveness and efficiency of an entity's accounting information system with reference to its needs and objectives and advise on opportunities to improve an entity's system, particularly within the context of using automated technology solutions to improve the quality and efficiency of its functions	
c)	Comprehend whether an organisation's transactional business processes accurately report performance relative to stated objectives relative to stated objectives (e.g. sales growth; quality of stakeholder relationships, environmental matters, human capital issues):	
d)	Identify and assess the risks pertaining to the organisation's information system environment (hardware, software and networks)	

<b>FR2.</b>	<b>Accounting information systems</b>	
<b>Learning Outcomes</b>		
e) Recommend possible IT and digital solutions to automate and improve existing processes and/or introduce new technologies by considering different alternatives, key factors and cost benefit implications		
<b>FR3.</b>	<b>Financial reporting: in accordance with International Financial Reporting Standards (IFRS)</b>	
<b>Learning Outcomes</b>		
Apply different bases of accounting (accrual, cash, tax) to prepare components of financial statements based on complete and incomplete records		<b>Level 3</b>
<b>FR4.</b>	<b>Financial reporting: in accordance with other frameworks</b>	
<b>Learning Outcomes</b>		
Evaluate and select the reporting framework (other than IFRS), which could be relevant to the reporting entity which is an SME, public sector entity or not-for-profit entity and such entity's users		<b>Level 3</b>
<b>FR5.</b>	<b>Integrating financial and non-financial reporting</b>	
<b>Learning Outcomes</b>		
a) Evaluate the appropriateness of disclosures of non-financial information in relation to general purpose financial statements, prepared in accordance with FR3 and FR4		<b>Level 3</b>
b) Comprehend disclosures of non-financial information (e.g., presented as integrated reports, sustainability reports, social and environmental reports, governance reports, annual reports) in relation to financial statements (consolidated, unconsolidated or combined)		
c) In relation to integrated reporting: Comprehend relevant financial information to identify relevant analytical comparisons (e.g. sales to emissions)		
d) In relation to integrated reporting: <ul style="list-style-type: none"> <li>(i) Demonstrate an understanding of the concept of integrated thinking to evaluate value creation in the short, medium and long term by taking cognisance of the organization's strategy, governance, performance and prospects in the context of its external environment.</li> <li>(ii) Demonstrate an awareness of the integration of information and data to assess the relationships between the different capitals used in the organisation's integrated report and how these are used to create sustainable value for stakeholders</li> </ul>		
e) Assess and report on the effectiveness of the organisation's chart of accounts		
f) Comprehend the positioning of the conceptual framework, relating it to the objective of financial reporting, the qualitative characteristics of useful financial information, relevant stakeholders and stakeholder needs and the necessity for non-financial reporting to meet stakeholder need.		
g) In relation with the SDGs: Demonstrate awareness that the International <IR> framework can be used as a basis for adopting SDG disclosure recommendations		

<b>FR6.</b>	<b>Reliable information</b>	
<b>Learning Outcomes</b>		
a) Analyse and modify policies and procedures to ensure the reliability of the processes used to record transactions		<b>Level 3</b>
b) Analyse, modify and report on the organisation's systems and processes in relation to account reconciliations, month-end closing and comparison of balances to external party records, e.g. banks, customers, suppliers, debtors		
c) Analyse, modify and report on the reliability of the processes used in financial reporting		
d) Review and analyse information and investigate possible signs of errors, fraud and illegal acts, e.g. inconsistency in data, lack of completeness, unexpected trends		
<b>FR7.</b>	<b>Financial statement results and balances</b>	
<b>Learning Outcomes</b>		
a) Describe and evaluate the financial information in the context of the entity's operations and activities during the period using financial statement tools such as ratio and trend analysis		<b>Level 2</b>
b) Prepare a tailored description of the entity's balances as at the reporting date to the different stakeholder groups within the entity		
c) Review the narrative to ensure that it accurately reflects the entity's results and take into account the degree of sophistication of the stakeholder group (in user friendly language that can be understood by all stakeholders)		
d) Calculate and explain any financial key performance indicators (KPIs) or any other KPIs that may have a link to a financial component and explains whether such KPIs are appropriate within the context of the business		
<b>FR8.</b>	<b>Public Sector Accounting (GRAP)</b>	
<b>Learning Outcomes</b>		
a) Identify and interpret the key differences between GRAP and IFRS		<b>Level 3</b>
b) Generate routine and non-routine transactions		
c) Recommend the reporting environment for public sector and SOEs		
d) Apply FR1 - 7 (where appropriate) for similar transactions and events		
<b>FR9.</b>	<b>Other not-for-profit entities</b>	
<b>Learning Outcomes</b>		
a) Generate routine and non-routine transactions		<b>Level 3</b>
b) Recommend the reporting environment for the relevant entity		
c) Apply FR1 - 7 (where appropriate) for similar transactions and events		



FR10.	Significant differences between full IFRS and IFRS for SMEs
<b>Learning Outcomes</b>	
a) Identify and interpret the significant differences between IFRS and IFRS for SMEs	<b>Level 3</b>
b) In relation to full IFRS standards with significant different requirements from IFRS for SMEs requirements: <ul style="list-style-type: none"> <li>(i) Generate routine and non-routine transactions</li> <li>(ii) Apply the recognition and de-recognition criteria to elements of financial statements</li> <li>(iii) Select and apply a measurement basis to elements of financial statements</li> <li>(iv) Generate and interpret presentation and disclosures for a selected framework and reporting boundary</li> <li>(v) Generate and interpret disclosures in an ethical manner</li> <li>(vi) Generate components of financial statements (financial position, performance (comprehensive income), cash flow, changes in equity, notes)</li> </ul>	

**AA. ASSURANCE****FOUNDATION**

If offered only over one year of study, the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

AA(F)1.	Transactional accounting processes
AA(F)2.	Concept of assurance
AA(F)3.	Expectation gap
AA(F)4.	Assurance engagement risk considerations
AA(F)5.	Risks pertaining to the entity's financial information systems
AA(F)6.	Entity's financial information systems, including the related controls
AA(F)7.	Transactional business processes and digital technologies
AA(F)8.	Perform an audit of historical financial statements
AA(F)9.	Audits of historical financial statements of public sector entities
AA(F)10.	Audits of historical financial statements of other not-for-profit entities
AA(F)11.	Assurance engagement on other non-financial information
AA(F)12.	Review engagement
AA(F)13.	Related services engagement
AA(F)14.	Compilation of financial statements

<b>AA(F)1.</b>	<b>Transactional accounting processes</b>	
<b>Learning Outcomes</b>		
a)	Assess the organisation's receivables processes (e.g., analyse provisions, reconciliations/comparisons with debtors' records, and evaluate debtor risk mitigation methods)	<b>Level 1</b>
b)	Assess the organisation's accounts payable processes (e.g., reconciliations/comparisons with suppliers' records, evaluate implications of creditor profile information and alternative processes related to payables)	
c)	Assess the organisation's systems and processes in relation to account reconciliations and month-end closing (such as receivables, accounts payable, inventory and production, human resources and payroll, investing and financing)	
<b>AA(F)2.</b>	<b>Concept of assurance</b>	
<b>Learning Outcomes</b>		
d)	Explain an organisation's need for assurance engagements (public interest; distinction between statutory and voluntary audits)	<b>Level 1</b>
e)	Explain the levels of assurance provided to users from a range of assurance and related services reports that are ordinarily provided by a professional services firm	
<b>AA(F)3.</b>	<b>Expectation gap</b>	
<b>Learning Outcomes</b>		
a)	Explain the expectation gap and how it can be managed	<b>Level 1</b>
b)	Explain the role of professional auditors in assurance engagements from a public interest perspective	
<b>AA(F)4.</b>	<b>Assurance engagement risk considerations</b>	
<b>Learning Outcome</b>		
Explain the matters to be considered before acceptance of an assurance engagement:		<b>Level 1</b>
a)	Competency to perform the engagement and the presence of requisite capabilities including time and resources;	
b)	Relevant ethical requirements;	
c)	Integrity of the client	
<b>AA(F)5.</b>	<b>Risks pertaining to the entity's financial information systems</b>	
<b>Learning Outcomes</b>		
a)	Assess the financial reporting implications arising from the nature of the entity and its business processes	<b>Level 2</b>
b)	Assess the financial reporting implications of the entity's risks and related controls	
c)	Understand the major activities that the entity uses to monitor internal control over financial reporting (including those related to those control activities relevant to the audit) and how the entity initiates remedial actions where there are deficiencies in its controls	

<b>AA(F)5.</b>	<b>Risks pertaining to the entity's financial information systems</b>
<b>Learning Outcomes</b>	
d)	Based on this understanding, identify and evaluate the entity's information risks

<b>AA(F)6.</b>	<b>Entity's financial information systems, including the related controls</b>	
<b>Learning Outcomes</b>		
a)	Select suitable criteria or a recognised framework for control evaluation, and evaluate the internal control system in terms of the criteria / framework	<b>Level 2</b>
b)	Gain an understanding of, and evaluate, the design and effectiveness of internal controls	
c)	Assess the implications of control deficiencies identified, identifies the root causes, and recommend improvements	
d)	Communicate weaknesses in internal controls to the appropriate level of management and/or the audit committee	
e)	Consider IT security requirements and tools and evaluate opportunities to enhance controls through the application of IT, and collaborate with specialists as needed to implement enhancement	

<b>AA(F)7.</b>	<b>Transactional business processes and digital technologies</b>	
<b>Learning Outcomes</b>		
a)	Assess whether an organisation's transactional business processes accurately report performance relative to stated objectives (e.g. sales growth; quality of stakeholder relationships, environmental matters, human capital issues)	<b>Level 2</b>
b)	Identify the risks pertaining to the organisation's information system environment (hardware, software and networks)	
c)	Design and/or evaluate the design of internal controls for an organisation's transactional business processes (including digital technologies) to reduce business risks (relating to completeness, accuracy, validity and integrity of information) to an acceptable level	
d)	Review and analyse information and investigate possible signs of error, fraud and illegal acts (e.g., inconsistency of data, lack of completeness, unexpected trends)	
e)	Describe possible IT and digital solutions to automate and improve existing processes and/or introduce new technologies by considering different alternatives, key factors and cost benefit implications	

<b>AA(F)8.</b>	<b>Perform an audit of historical financial statements</b>	
<b>Learning Outcomes</b>		
a)	Explain the objective of an audit of historical financial statements together with reasonable assurance as outcome, and how it will impact on stakeholders	<b>Level 1</b>
b)	Follow the stages involved in performing an audit:	
(i)	Explain pre-engagement activities and identify relevant issues	
(ii)	Explain audit planning	
(iii)	Understand transactional business processes	
(iv)	Understand the entity's risk assessment processes, also taking into account its corporate governance and risk profiles	

<b>AA(F)8.</b>	<b>Perform an audit of historical financial statements</b>	
<b>Learning Outcomes</b>		
(v)	Explain materiality for the audit engagement	
(vi)	Explain how the risks of material misstatement are assessed at the financial statement level and at the assertion level for different classes of transactions and events, including related disclosures, and account balances with their disclosures	
(vii)	Explain how further audit procedures respond to the identified risks of material misstatement	
(viii)	Explain the completion of the audit phase	
<b>AA(F)9.</b>	<b>Audits of historical financial statements of public sector entities</b>	
<b>Learning Outcomes</b>		
	Describe how AA(F)7 (where appropriate) will apply for similar transactions and events	<b>Level 1</b>
<b>AA(F)10.</b>	<b>Audits of historical financial statements of other not-for-profit entities</b>	
<b>Learning Outcomes</b>		
	Describe how AA(F)7 (where appropriate) will apply for similar transactions and events	<b>Level 1</b>
<b>AA(F)11.</b>	<b>Assurance engagement on other non-financial information</b>	
<b>Learning Outcomes</b>		
a)	Describe the auditor's role in an organisation's combined assurance process	<b>Level 1</b>
b)	Describe how AA(F)7 should be adapted to perform an assurance engagement on other non-financial information	
c)	Adapt AA(F)7 to perform an assurance engagement with respect to internal controls within specified scoping limitations	
<b>AA(F)12.</b>	<b>Review engagement</b>	
<b>Learning Outcome</b>		
	Adapt and follow AA(F)7 to in relation to a review engagement.	<b>Level 1</b>
<b>AA(F)13.</b>	<b>Related services engagement</b>	
<b>Learning Outcome</b>		
	Explain the organisation's need for related services (e.g., agreed upon procedures, compilation of financial statements) and other services (e.g., due diligence, accounting services associated with prospectuses, expert services; consulting services, performance audits)	<b>Level 1</b>

<b>AA(F)14.</b>	<b>Compilation of financial statements</b>
<b>Learning Outcome</b>	
Within the context of AA(F)9, describe the characteristics of a compilation engagement and the related considerations and follow A(F)14 in as far as it is relevant to a compilation engagement.	<b>Level 1</b>

**AA. ASSURANCE****ELECTIVE**

If offered over two years of study the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

AA(E)1.	Transactional accounting processes
AA(E)2.	Concept of assurance
AA(E)3.	Expectation gap
AA(E)4.	Regulatory environment of assurance engagements
AA(E)5.	Assurance engagement risk considerations
AA(E)6.	Risks pertaining to the entity's financial information systems
AA(E)7.	Entity's financial information systems, including the related controls
AA(E)8.	Transactional business processes and digital technologies
AA(E)9.	Perform an audit of historical financial statements
AA(E)10.	Audits of historical financial statements of public sector entities
AA(E)11.	Audits of historical financial statements of other not-for-profit entities
AA(E)12.	Assurance engagement on other non-financial information
AA(E)13.	Review engagement
AA(E)14.	Related services engagement
AA(E)15.	Compilation of financial statements
AA(E)16.	Due diligence engagements
AA(E)17.	Reportable irregularities
AA(E)18.	Communicate audit findings

AA(E)1. Transactional accounting processes	
<b>Learning Outcomes</b>	
a) Assess the organisation's receivables processes (e.g., analyse provisions, reconciliations/comparisons with debtors' records, and evaluate debtor risk mitigation methods)	Level 2
b) Assess the organisation's accounts payable processes (e.g., reconciliations/comparisons with suppliers' records, evaluate implications of creditor profile information and alternative processes related to payables)	
c) Assess the organisation's systems and processes in relation to account reconciliations and month-end closing (such as receivables, accounts payable, inventory and production, human resources and payroll, investing and financing)	

AA(E)2. Concept of assurance	
<b>Learning Outcomes</b>	
d) Explain an organisation's need for assurance engagements (public interest; distinction between statutory and voluntary audits)	Level 1
e) Identify all stakeholders involved in an assurance engagement and the impact of their functions and responsibilities	
f) Explain the levels of assurance provided to users from a range of assurance and related services reports that are ordinarily provided by a professional services firm	

AA(E)3. Expectation gap	
<b>Learning Outcomes</b>	
a) Explain the expectation gap and how it can be managed	Level 1
b) Explain the role of professional auditors in assurance engagements from a public interest perspective	

AA(E)4. Regulatory environment of assurance engagements	
<b>Learning Outcomes</b>	
a) Explain regulatory requirements (laws, regulations, standards) that define/affect/protect the auditor's rights and duties	Level 1
b) Describe regulatory requirements (laws, regulations, standards) pertinent to an assurance engagement in the performance of the engagement	
c) Explain the quality control measures applicable to assurance engagements at firm level, engagement level, and for inter-firm inspections and regulatory inspections	

AA(E)5. Assurance engagement risk considerations	
<b>Learning Outcomes</b>	
a) Describe the sources of liability (including professional negligence) arising from an assurance engagement	Level 1
b) Consider the following matters before acceptance of an assurance engagement: (i) Competency to perform the engagement and the presence of requisite capabilities including time and resources;	



<b>AA(E)5.</b>	<b>Assurance engagement risk considerations</b>	
<b>Learning Outcomes</b>		
(ii) Relevant ethical requirements; (iii) Integrity of the client		
c) Describe the key matters which underlie the agreement of scope and terms of an assurance engagement (new and continuous)		
<b>AA(E)6.</b>	<b>Risks pertaining to the entity's financial information systems</b>	
<b>Learning Outcomes</b>		
a) Assess the financial reporting implications arising from the nature of the entity and its business processes		<b>Level 2</b>
b) Assess the financial reporting implications of the entity's risks and related controls		
c) Understand the major activities that the entity uses to monitor internal control over financial reporting (including those related to those control activities relevant to the audit) and how the entity initiates remedial actions where there are deficiencies in its controls		
d) Based on this understanding, identify and evaluate the entity's information risks		
<b>AA(E)7.</b>	<b>Entity's financial information systems, including the related controls</b>	
<b>Learning Outcomes</b>		
a) Select suitable criteria or a recognised framework for control evaluation, and evaluate the internal control system in terms of the criteria / framework		<b>Level 2</b>
b) Gain an understanding of, and evaluate, the design and effectiveness of internal controls		
c) Assess the implications of control deficiencies identified, identify the root causes, and recommend improvements		
d) Communicate weaknesses in internal controls to the appropriate level of management and/or the audit committee		
e) Consider IT security requirements and tools and evaluate opportunities to enhance controls through the application of IT, and collaborate with specialists as needed to implement enhancement		
<b>AA(E)8.</b>	<b>Transactional business processes and digital technologies</b>	
<b>Learning Outcomes</b>		
a) Assess whether an organisation's transactional business processes accurately report performance relative to stated objectives (e.g. sales growth; quality of stakeholder relationships, environmental matters, human capital issues)		<b>Level 2</b>
b) Identify the risks pertaining to the organisation's information system environment (hardware, software and networks)		
c) Design and/or evaluate the design of internal controls for an organisation's transactional business processes (including digital technologies) to reduce business risks (relating to completeness, accuracy, validity and integrity of information) to an acceptable level		
(i) Financial internal controls		
(ii) Non-financial (e.g. operational and compliance) internal controls		
d) Review and analyse information and investigate possible signs of error, fraud and illegal acts (e.g., inconsistency of data, lack of completeness, unexpected		

<b>AA(E)8.</b>	<b>Transactional business processes and digital technologies</b>
<b>Learning Outcomes</b>	
trends)	
e) Describe possible IT and digital solutions to automate and improve existing processes and/or introduce new technologies by considering different alternatives, key factors and cost benefit implications	

<b>AA(E)9.</b>	<b>Perform an audit of historical financial statements</b>
<b>Learning Outcomes</b>	
a) Explain and apply the objective of an audit of historical financial statements together with reasonable assurance as outcome, and how it will impact on stakeholders	<b>Level 2</b>
b) Follow the stages involved in performing an audit:	
(i) Explain pre-engagement activities and identify relevant issues	
(ii) Plan the audit engagement, taking into account its objectives and the criteria governing the audit opinion	
(iii) Evaluate transactional business processes	
(iv) Assess the entity's risk assessment processes, also taking into account its corporate governance and risk profiles	
(v) Determine materiality for the audit engagement	
(vi) Assess the risks of material misstatement at the financial statement level and at the assertion level for different classes of transactions and events, including related disclosures, and account balances with their disclosures	
(vii) Formulate a suitable overall audit strategy and approach	
(viii) Formulate appropriate further audit procedures based on the identified risks of material misstatement	
(ix) Evaluate the evidence and results of the analysis and procedures	
(x) Document the work performed and its results or observations	
(xi) Draw draft conclusions	
c) Explain different audit opinions	

<b>AA(E)10.</b>	<b>Audits of historical financial statements of public sector entities</b>
<b>Learning Outcome</b>	
Describe how AA(E)8 (where appropriate) will apply for similar transactions and events	<b>Level 1</b>

<b>AA(E)11.</b>	<b>Audits of historical financial statements of other not-for-profit entities</b>
<b>Learning Outcome</b>	
Describe how AA(E)8 (where appropriate) will apply for similar transactions and events	<b>Level 1</b>

<b>AA(E)12.</b>	<b>Assurance engagement on other non-financial information</b>	
<b>Learning Outcomes</b>		
a)	Describe the assurance providers' roles in an organisation's combined assurance process	<b>Level 1</b>
b)	Describe how AA(E)8 should be adapted to perform an assurance engagement on other non-financial information such as health and safety, environmental management, forensics	
c)	Adapt AA(E)8 to perform an assurance engagement with respect to internal controls within specified scoping limitations	
<b>AA(E)13.</b>	<b>Review engagement</b>	
<b>Learning Outcome</b>		
	Adapt and follow AA(E)8 to in relation to a review engagement.	<b>Level 1</b>
<b>AA(E)14.</b>	<b>Related services engagement</b>	
<b>Learning Outcomes</b>		
a)	Explain an organisation's need for related services (e.g., agreed upon procedures, compilation of financial statements) and other services (e.g., due diligence, accounting services associated with prospectuses, expert services)	<b>Level 1</b>
b)	Assess statutory, professional and ethical issues related to the undertaking of the other related services (e.g., codes of ethics, IAASB framework and other regulatory requirements (national and international))	
c)	Adapt and follow AA(E)8 in as far as it is relevant to considerations for other related services	
<b>AA(E)15.</b>	<b>Compilation of financial statements</b>	
<b>Learning Outcomes</b>		
a)	Within the context of AA(E)9, describe the characteristics of a compilation engagement and the related considerations and follow F2 in as far as it is relevant to a compilation engagement.	<b>Level 1</b>
b)	Within the context of AA(E)9, describe the characteristics of a compilation engagement and the related considerations and follow F2 in as far as it is relevant to an agreed upon procedures engagement.	
<b>AA(E)16.</b>	<b>Due diligence engagements</b>	
<b>Learning Outcomes</b>		
	Within the context of AA(E)9 describe the characteristics of a due diligence engagement and the related considerations	<b>Level 1</b>

<b>AA(E)17.</b>	<b>Communicate audit findings</b>
<b>Learning Outcomes</b>	
Communicate matters to be reported to management and those charged with governance	<b>Level 1</b>

## MAF. MANAGEMENT ACCOUNTING AND FINANCE

### FOUNDATION

If offered only over one year of study, the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

MAF(F)1.	Costing systems and processes
MAF(F)2.	Decision-making based on price setting and capacity utilization information
MAF(F)3.	Decision-making based on budgeting and expenditure forecasting
MAF(F)4.	Decision-making based on internal cost allocation
MAF(F)5.	Uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision-making
MAF(F)6.	Reward structures and offering incentives
MAF(F)7.	Working capital management
MAF(F)8.	Sources of funds
MAF(F)9.	Decisions related to distribution of profits
MAF(F)10.	Capital structure appraisal
MAF(F)11.	Capital investment appraisal
MAF(F)12.	Capital allocation process
MAF(F)13.	Concepts of risk and return
MAF(F)14.	Principles of time value of money and the valuation of fixed income instruments
MAF(F)15.	Business plans and financial proposals
MAF(F)16.	Financial analysis
MAF(F)17.	Valuation of a business
MAF(F)18.	Public Sector

<b>MAF(F)1.</b>	<b>Costing systems and processes</b>	
<b>Learning Outcome</b>		
Assess the organisation's costing systems (e.g., use the internally generated data to determine the cost of a cost object (product, service, process, function, department or customer) for decision-making and control purposes)		<b>Level 2</b>
<b>MAF(F)2.</b>	<b>Decision-making based on price setting and capacity utilization information</b>	
<b>Learning Outcomes</b>		
a)	Assess financial information that is relevant to decision-making regarding price setting and capacity utilisation	<b>Level 2</b>
b)	Describe with evaluation the techniques (e.g., target costing, value analysis and the product life cycle) to achieve solutions on alternative pricing options and capacity utilisations, by taking into account Implications of existing constraints; contribution per limiting factor (theory of constraints); applicability of linear programming, and inter-relationships between constraints, where more than one constraint exists	
c)	Criticise the financial impact of business decisions based on price setting and capacity utilisation	
<b>MAF(F)3.</b>	<b>Decision-making based on budgeting and expenditure forecasting</b>	
<b>Learning Outcomes</b>		
a)	Assess whether the budgeting and expenditure forecasting processes translate the organisation's business strategy into financial targets and tactical plans that can be executed in a risk-controlled manner	<b>Level 2</b>
b)	Choose effective and consistent modelling, planning and forecasting processes across business unit(s) to benchmark performance and trends for decision-making	
c)	Assess the organisation's actual performance (using financial and non-financial information) against the budgeting and expenditure forecasting information to interpret variances for decision-making	
<b>MAF(F)4.</b>	<b>Decision-making based on internal cost allocation</b>	
<b>Learning Outcomes</b>		
a)	Demonstrate an understanding of key business processes with regard to costs and income allocation to identify performance issues	<b>Level 2</b>
b)	Distinguish between costing methods (e.g., standard, marginal and absorption methods) to inform decision-making	
c)	Analyse material, labour, variable/fixed overhead and associated variances to inform decision-making	
d)	Describe how costing methods could be adapted to promote sustainability in the organisation's value creation process	
e)	Choose an appropriate basis to allocate indirect costs across business units	

<b>MAF(F)5.</b>	<b>Uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision-making</b>	
<b>Learning Outcomes</b>		
a)	Perform sensitivity and scenario analyses on key variables affecting the financial outcome of the decision, and interpret the result of the calculation	<b>Level 1</b>
b)	Examine the possibility of various outcomes into the decision-making process, including the use of probabilities and expected values	
<b>MAF(F)6.</b>	<b>Reward structures and offering incentives</b>	
<b>Learning Outcomes</b>		
a)	Demonstrate awareness of the effectiveness and appropriateness of the organisation's appraisal methodology with reference to reward structures and measures used to offer incentives, to inform decision-making thereon	<b>Level 1</b>
b)	Discuss whether the organisation's performance management drives value creation for stakeholders, to inform decision-making	
<b>MAF(F)7.</b>	<b>Working capital management</b>	
<b>Learning Outcomes</b>		
a)	Assess cash management processes (analyse and evaluate cash flow and working capital), to ensure financial risks are managed or mitigated	<b>Level 3</b>
b)	Develop strategies for managing and monitor the entity's working capital	
<b>MAF(F)8.</b>	<b>Sources of funds</b>	
<b>Learning Outcomes</b>		
a)	Demonstrate knowledge of basic corporate funding arrangements, including how measures in capital and money markets function	<b>Level 2</b>
b)	Discuss possible sources of funding available to the organisation taking into consideration its size and stage of development (e.g., crowd sourcing for start-up businesses) and identify the most appropriate sources of funding to achieve its business strategies and objectives, including value creation for stakeholders	
c)	Choose appropriate funding arrangements after consideration of related consequences, costs, benefits, implications for operational and future financing decisions and tax, and other legal implications	
<b>MAF(F)9.</b>	<b>Decisions related to distribution of profits</b>	
<b>Learning Outcomes</b>		
a)	Demonstrate an understanding of the manner in which an entity distributes cash or assets to shareholders by means of dividends or share	<b>Level 1</b>

<b>MAF(F)9. Decisions related to distribution of profits</b>	
<b>Learning Outcomes</b>	
buybacks	
b) Give examples of appropriate methods to distribute profits	
<b>MAF(F)10. Capital structure appraisal</b>	
<b>Learning Outcomes</b>	
a) Demonstrate an understanding of appropriate modelling techniques to calculate an organisation's cost of capital using an appropriate methodology	<b>Level 1</b>
b) Demonstrate an awareness of the optimal capital structure for the organisation (quantitatively and qualitatively) by challenging shareholder models, and linking capital structures to value creation for stakeholders	
<b>MAF(F)11. Capital investment appraisal</b>	
<b>Learning Outcomes</b>	
a) Discuss the alternatives for asset-specific finance: Demonstrate an awareness of the cost of asset-specific finance such as a loan, instalment sale and lease, as alternatives to the organisation's usual method of financing acquisitions	<b>Level 2</b>
b) Identify the opportunities (including the growth strategies of the entity), risks, financial and sustainability implications of a proposed start-up or expansion involving the replacement or acquisition of a capital asset, including qualitative and quantitative considerations	
c) Utilise capital budgeting techniques in the analysis of the investment decision, and adequately considers the following issues: <ul style="list-style-type: none"> <li>(i) Differing project life cycles</li> <li>(ii) Capital rationing</li> <li>(iii) Possibility of abandonment or expansion</li> <li>(iv) Impact of inflation</li> </ul>	
d) Calculate an appropriate discount rate, including allowance for risk and the use of probabilities.	
<b>MAF(F)12. Capital allocation process</b>	
<b>Learning Outcomes</b>	
a) Demonstrate awareness the organisation's capital allocation process for alignment with its strategic objectives, including value creation	<b>Level 1</b>
b) Demonstrate awareness of the available methods of capital allocation (mergers and acquisitions, investment in organic growth, repurchase shares, pay down debt and pay dividends) for the organisation to inform decision-making	



<b>MAF(F)13. Concepts of risk and return</b>	
<b>Learning outcome</b>	
Identify and analyse the relationship between risk and return.	<b>Level 2</b>
<b>MAF(F)14. Principles of time value of money and the valuation of fixed income instruments</b>	
<b>Learning outcome</b>	
Calculate, evaluate and assess the future values and present values of annuities, perpetuities, cashflows growing at a constant rate as well as nominal and effective interest rates.	<b>Level 3</b>
<b>MAF(F)15. Business plans and financial proposals</b>	
<b>Learning Outcomes</b>	
a) Discuss business plans or financial proposals, based on the intended purpose and audience	<b>Level 2</b>
b) Discuss whether the plan or proposal contains relevant and accurately prepared information, including – (i) business strategy and strategic plan (ii) strengths and weaknesses of the plan or proposal (iii) the resources needed to complete the plan or proposal (iv) the anticipated costs and recoveries (v) suitable sources of financing (e.g. debt, issuance of shares, additional private investors)	
c) Identify and recognise all underlying assumptions made	
<b>MAF(F)16. Financial analysis of a business</b>	
<b>Learning Outcomes</b>	
a) Demonstrate and awareness of various methods to analyse financial performance of a business (e.g. trend analysis, common size financial statements, indexed financial statements).	<b>Level 2</b>
b) Perform and interpret financial performance using ratio analysis	
<b>MAF(F)17. Valuation of a business</b>	
<b>Learning Outcomes</b>	
a) Demonstrate and awareness of appropriate valuation methods (e.g., asset-based approaches, multiplier based approaches, discounted cash flow, market-based approaches) to analyse and interpret a plausible range of values for a business unit or an organisation	<b>Level 1</b>
b) Demonstrate an awareness of the influence of the entity's competitive, economic, social, political and internal factors (culture, incentives) on	

<b>MAF(F)17. Valuation of a business</b>	
<b>Learning Outcomes</b>	
the results	
c) Demonstrate an understanding of the impact of the above on affected stakeholders	
d) Identify the critical assumptions and facts that underlie the valuation estimate, for review and input by others, including – (i) ownership structures (e.g. shares or assets, private company, partnership, listed or not) (ii) legal risk (e.g. completeness of liabilities) (iii) risks related to both business sustainability and general sustainability (iv) growth strategies and growth prospects	
<b>MAF(F)18. Public sector</b>	
<b>Learning Outcomes</b>	
a) Describe the processes to provide for identification, collection, recording, reconciliation and safeguarding of information about revenue in the public sector	<b>Level 1</b>
b) Discuss the reporting requirements regarding unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct	
c) Demonstrate and awareness of the provisions of the Public Finance Management Act and/or the Municipal Financial Management Act as may relate to their specific areas of operation and influence	

## ELECTIVE

If offered over two years of study the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

MAF(E)1.	Costing systems and processes
MAF(E)2.	Decision-making based on price setting and capacity utilization information
MAF(E)3.	Decision-making based on budgeting and expenditure forecasting
MAF(E)4.	Decision-making based on internal cost allocation
MAF(E)5.	Uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision-making
MAF(E)6.	Reward structures and offering incentives
MAF(E)7.	Working capital management
MAF(E)8.	Sources of funds
MAF(E)9.	Decisions related to distribution of profits
MAF(E)10.	Capital structure appraisal
MAF(E)11.	Capital investment appraisal
MAF(E)12.	Capital allocation process
MAF(E)13.	Concepts of risk and return
MAF(E)14.	Principles of time value of money and the valuation of fixed income instruments
MAF(E)15.	Business plans and financial proposals
MAF(E)16.	Financial analysis
MAF(E)17.	Valuation of a business
MAF(E)18.	Public sector

<b>MAF(E)1.</b>	<b>Costing systems and processes</b>	
<b>Learning Outcome</b>		
Assess the organisation's costing systems (e.g., use the internally generated data to determine the cost of a cost object (product, service, process, function, department or customer) for decision-making and control purposes)		<b>Level 3</b>
<b>MAF(E)2.</b>	<b>Decision-making based on price setting and capacity utilization information</b>	
<b>Learning Outcomes</b>		
a)	Assess financial information that is relevant to decision-making regarding price setting and capacity utilisation	<b>Level 3</b>
b)	Evaluate the techniques (e.g., target costing, value analysis and the product life cycle) to achieve solutions on alternative pricing options and capacity utilisations, by taking into account Implications of existing constraints; contribution per limiting factor (theory of constraints)	
c)	Demonstrate awareness of linear programming, and inter-relationships between constraints, where more than one constraint exists	
d)	Criticise the financial impact of business decisions based on price setting and capacity utilisation	
<b>MAF(E)3.</b>	<b>Decision-making based on budgeting and expenditure forecasting</b>	
<b>Learning Outcomes</b>		
a)	Assess whether the budgeting and expenditure forecasting processes translate the organisation's business strategy into financial targets and tactical plans that can be executed in a risk-controlled manner	<b>Level 3</b>
b)	Choose effective and consistent modelling, planning and forecasting processes across business unit(s) to benchmark performance and trends for decision-making	
c)	Assess the organisation's actual performance (using financial and non-financial information) against the budgeting and expenditure forecasting information to interpret variances for decision-making	
<b>MAF(E)4.</b>	<b>Decision-making based on internal cost allocation and transfer pricing options</b>	
<b>Learning Outcomes</b>		
a)	Assess key business processes with regard to costs and income allocation to identify performance issues	<b>Level 3</b>
b)	Differentiate between costing methods (e.g., standard, marginal and absorption methods) to inform decision-making	
c)	Assess material, labour, variable/fixed overhead and associated variances to inform decision-making	
d)	Recommend how costing methods could be adapted to promote sustainability in the organisation's value creation process	
e)	Advise an appropriate basis to allocate indirect costs across business units	

<b>MAF(E)5. Uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision-making</b>	
<b>Learning Outcomes</b>	
a) Construct sensitivity and scenario analyses on key variables affecting the financial outcome of the decision, and interpret the result of the calculation	<b>Level 2</b>
b) Advise of the possibility of various outcomes into the decision-making process, including the use of probabilities and expected values	
c) Identify alternatives and recommend a course of action, considering both quantitative and qualitative factors, and whether the proposed decision is consistent with the organisation's strategic objectives and plans	
<b>MAF(E)6. Reward structures and offering incentives</b>	
<b>Learning Outcomes</b>	
Question the effectiveness and appropriateness of the organisation's appraisal methodology with reference to reward structures and measures used to offer incentives, to inform decision-making thereon	<b>Level 2</b>
Assess whether the organisation's performance management drives value creation for stakeholders, to inform decision-making (eg Balanced scorecard)	
<b>MAF(E)7. Working capital-management</b>	
<b>Learning Outcomes</b>	
a) Appraise cash management processes (analyse and evaluate cash flow and working capital), to ensure financial risks are managed or mitigated	<b>Level 3</b>
b) Develop strategies for managing and monitor the entity's working capital	
c) Demonstrate awareness of cash management solutions (including foreign currency cash flows) for the organisation's usual funding needs, also considering complex or unusual business requirements	
d) Demonstrate awareness of alternative cash management solutions in the market and consider these in relation to the organisation's strategic objectives	
<b>MAF(E)8. Sources of funds</b>	
<b>Learning Outcomes</b>	
a) Demonstrate knowledge of basic corporate funding arrangements, including how measures in capital and money markets function	<b>Level 2</b>
b) Assess possible sources of funding available to the organisation taking into consideration its size and stage of development (e.g., crowd sourcing for start-up businesses) and identify the most appropriate sources of funding to achieve its business strategies and objectives, including value creation for stakeholders	
c) Identify appropriate funding arrangements after consideration of related consequences, costs, benefits, implications for operational and future	

<b>MAF(E)8. Sources of funds</b>	
financing decisions and tax, and other legal implications	
<b>MAF(E)9. Decisions related to distribution of profits</b>	
<b>Learning Outcomes</b>	
a) Criticise the manner in which an entity distributes cash or assets to shareholders by means of dividends or share buybacks	<b>Level 2</b>
b) Investigate the most appropriate method to distribute profits	
<b>MAF(E)10. Capital structure appraisal</b>	
<b>Learning Outcomes</b>	
a) Use appropriate modelling techniques to calculate an organisation's cost of capital using an appropriate methodology	<b>Level 2</b>
b) Review the optimal capital structure for the organisation (quantitatively and qualitatively) by challenging shareholder models, and linking capital structures to value creation for stakeholders	
<b>MAF(E)11. Capital investment appraisal</b>	
<b>Learning Outcomes</b>	
a) Assess major capital expenditure and investment decisions using appropriate capital budgeting techniques (large complex projects and expenditure relating to e.g., property, plant and equipment, and research and development)	<b>Level 3</b>
b) Review investment appraisals in accordance with the strategic objectives of an organisation, including value creation for stakeholders and other non-financial considerations.	
c) Evaluate the alternatives for asset-specific finance: Assess the cost of asset-specific finance such as a loan, instalment sale and lease, as alternatives to the organisation's usual method of financing acquisitions	
d) Assess the opportunities (including the growth strategies of the entity), risks, financial and sustainability implications of a proposed start-up or expansion involving the replacement or acquisition of a capital asset, including qualitative and quantitative considerations	
e) Identify appropriate capital budgeting techniques in the analysis of the investment decision, and adequately considers the following issues: (i) Differing project life cycles (ii) Capital rationing (iii) Possibility of abandonment or expansion (iv) Impact of inflation	
f) Calculate an appropriate discount rate, including allowance for risk and the use of probabilities.	
g) Assess key variables affecting the value of the investment, including the performance of sensitivity analysis and application of equivalent annual	

<b>MAF(E)11. Capital investment appraisal</b>	
<b>Learning Outcomes</b>	
annuities, etc.	
h) Demonstrate awareness of key variables impacting on foreign capital investment decisions	
<b>MAF(E)12. Capital allocation process</b>	
<b>Learning Outcomes</b>	
a) Demonstrate awareness the organisation's capital allocation process for alignment with its strategic objectives, including value creation	<b>Level 1</b>
b) Demonstrate awareness of the available methods of capital allocation (mergers and acquisitions, investment in organic growth, repurchase shares, pay down debt and pay dividends) for the organisation to inform decision-making	
<b>MAF(E)13. Concepts of risk and return</b>	
<b>Learning outcome</b>	
Identify and analyse the relationship between risk and return.	<b>Level 2</b>
<b>MAF(E)14. Principles of time value of money and the valuation of fixed income instruments</b>	
<b>Learning outcome</b>	
Calculate, evaluate and assess the future values and present values of annuities, perpetuities, cashflows growing at a constant rate as well as nominal and effective interest rates.	<b>Level 3</b>
<b>MAF(E)15. Business plans and financial proposals</b>	
<b>Learning Outcomes</b>	
a) Prepare and/or Assess business plans or financial proposals, based on the intended purpose and audience	<b>Level 2</b>
b) Review the plan or proposal to ensure that it contains relevant and accurately prepared information including – (i) the business strategy and strategic plan (ii) the strengths and weaknesses of the plan or proposal (iii) the resources needed to complete the plan or proposal (iv) the anticipated costs and recoveries (v) suitable sources of financing (e.g. debt, issuance of shares, additional private investors)	
c) Identify all underlying assumptions made	

<b>MAF(E)16. Financial analysis</b>	
<b>Learning Outcomes</b>	
a) Apply various methods to analyse financial performance of a business (e.g. trend analysis, common size financial statements, indexed financial statements).	<b>Level 2</b>
b) Perform and interpret financial performance using ratio analysis	
<b>MAF(E)17. Valuation of a business</b>	
<b>Learning Outcomes</b>	
a) Describe and apply appropriate valuation methods (e.g., asset-based approaches, multiplier based approaches, discounted cash flow, market-based approaches) to determine a plausible range of values for a business unit or an organisation	<b>Level 2</b>
b) Describe the influence of the entity's competitive, economic, social, political and internal factors (culture, incentives) on the results	
c) Demonstrate an awareness of valuation methods to value new-age businesses	
d) Examine the impact of the above on affected stakeholders	
e) Analyse the critical assumptions and facts that underlie the valuation estimate, for review and input by others, including – <ul style="list-style-type: none"> <li>(i) ownership structures (e.g. shares or assets, private company, partnership, listed or not)</li> <li>(ii) legal risk (e.g. completeness of liabilities)</li> <li>(iii) risks related to both business sustainability and general sustainability</li> <li>(iv) growth strategies and growth prospects</li> </ul>	
<b>MAF(E)18. Public sector</b>	
<b>Learning Outcomes</b>	
a) Describe the processes by which information about revenue in the public sector can be identified, collected, recorded, reconciled and safeguarded.	<b>Level 1</b>
b) Demonstrate awareness of the reporting requirements regarding unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct	
c) Examine the provisions of the Public Finance Management Act and/or the Municipal Financial Management Act as may relate to their specific areas of operation and influence	



## SRG. STRATEGY, RISK MANAGEMENT AND GOVERNANCE

### FOUNDATION

If offered only over one year of study, the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

SRG(F)1.	Strategy development process
SRG(F)2.	External and internal influences on the organisation's strategy
SRG(F)3.	Implementing strategy
SRG(F)4.	IT and data strategy
SRG(F)5.	Building blocks of the business model
SRG(F)6.	Disruptive business models
SRG(F)7.	Change management process
SRG(F)8.	Risk management systems and processes
SRG(F)9.	Control systems and processes
SRG(F)10.	Governance fundamentals
SRG(F)11.	The entity's governance structure
SRG(F)12.	The role of governing bodies
SRG(F)13.	Internal audit

<b>SRG(F)1. Strategy development process</b>	
<b>Learning Outcomes</b>	
a) Following a multi-capital management approach, discuss the overall purpose of an organisation (to provide sustainable value to the organisation and its stakeholders) with its context, values, and mandates	<b>Level 1</b>
b) Demonstrate an awareness of the strategy development process of the organization	
c) Describe key stakeholder roles and responsibilities in the organisation's business plan and the execution of its business strategy	
d) Understand the organisation's strategic direction and highlight areas of potential value and risk	
<b>SRG(F)2. External and internal influences on the organisation's strategy</b>	
<b>Learning Outcomes</b>	
a) Assess the contextual influencers on an organisation's external and internal environment (also taking into account, economic, industry, competition, market, social, natural, technology and political spheres) by using relevant strategic analysis tools, frameworks and models	<b>Level 2</b>
b) Discuss the impact of organisational internal factors (e.g., tone of the leadership, human resources policies, personnel selection and development, remuneration strategies, management/trade union relationships) on the organisation's strategy	
c) Discuss the impact of events and activities related to the organisation's context while creating their business strategy	
d) Describe with evaluation the significant opportunities and risks associated with the entity's external and internal environments	
<b>SRG(F)3. Implementing strategy</b>	
<b>Learning Outcomes</b>	
a) Review context relevant models to appraise the organisation's capabilities to achieve the business strategy and purpose	<b>Level 1</b>
b) Identify and evaluates significant business risks, strengths, weaknesses, opportunities and threats associated with the organisation's external and internal environments	
c) Discuss with evaluation priorities and actions either to mitigate critical risks or capitalise on opportunities	
d) Demonstrate an awareness of the risk tolerance of the entity's stakeholders' and its balance with opportunity	
e) Outline a strategic response to the entity's competitive environment by applying strategic analysis tools to identified external and internal factors	
f) Discuss with evaluation insights into the impact of future opportunities and risks	
<b>SRG(F)4. IT and data strategy</b>	
<b>Learning Outcomes</b>	
a) Demonstrate an understanding of the organisation's overall IT and data strategy (e.g., data quality, accessibility, interoperability and compliance with standards)	<b>Level 1</b>
b) Demonstrate an awareness of the organisation's business strategy, business model and IT to its data strategy and objectives	
c) Review recommendations for improvement of the organisation's existing IT and data strategy	

<b>SRG(F)5. Building blocks of the business model</b>	
<b>Learning Outcomes</b>	
a) Assess the business model of the organisation in terms of its key building blocks	<b>Level 2</b>
b) Consider and apply different perspectives to evaluate the organisation's business model (e.g., risk, innovation, investment, etc.)	
c) Criticise the organisation's business model as a vehicle for the implementation of its business strategy	
d) Criticise the organisation's business model as a vehicle for long-term value creation for stakeholders	
<b>SRG(F)6. Disruptive business models</b>	
<b>Learning Outcomes</b>	
a) Examine the effectiveness or threat of disruptive business models	<b>Level 2</b>
b) Assess the organisational pursuit of, and responses to disruptive business models	
<b>SRG(F)7. Change management process</b>	
<b>Learning Outcomes</b>	
a) Investigate how management changes impact on business strategy, other strategic plans, business plans and functional plans	<b>Level 2</b>
b) Use organisational behaviour theories to assess the impact of changed strategic decisions on the performance of the organisation, divisions, teams/groups and individuals	
c) Use business objectives to monitor, assess and report on the progress and success of strategic change initiatives	
d) Criticise the implementation processes of change management	
e) Identify and evaluate information that will help assess and manage the internal and external environment	
f) Identify significant environmental trends as well as legitimate needs and expectations of stakeholders and assess their implications for the entity in meeting its overall objectives	
g) Estimate the entity's material impact on environmental, economic and social systems and consequently identifies any risks relating to the entity's continuity	
<b>SRG(F)8. Risk management systems and processes</b>	
<b>Learning Outcomes</b>	
a) Demonstrate an understanding of the integration and standardisation of risk management processes across the organisation – consider the organisation's risk management philosophy, risk management strategy and risk management processes	<b>Level 1</b>
b) Demonstrate an awareness of innovative/best practice approaches to managing significant business risks effectively and efficiently, such as an Enterprise Risk Management (ERM) framework. Understands and explains the critical components of an Enterprise Risk Management (ERM) framework using a suitable framework (such as COSO).	
c) Discuss the impact and likelihood of strategic, operational, financial and informational risks and opportunities to achieving business objectives (e.g., business	

<b>SRG(F)8. Risk management systems and processes</b>	
<b>Learning Outcomes</b>	
sustainability and value creation over the short, medium and long-term)	
d) Review changes in the organisation's risk environment to diagnose significant, unusual and emerging risks to which the business is exposed (use metrics such as key risk indicators)	
e) Identify effective controls or mitigation options for the organisation to manage risks, including unusual risks to which the business is exposed	
(i) Financial risks, controls or other responses.	
(ii) Non-financial (e.g., compliance and operational) risks, controls or other responses	
f) Discuss the possible consequences for the entity of having an ineffective risk management programme and advise on improvements to controls or mitigation options to ensure appropriate risk responses for reasonably foreseeable emergency scenarios and events.	
g) Describe risk reporting systems to communicate to others risk processes and results, including recommendations for improvement	
<b>SRG(F)9. Control systems and processes</b>	
<b>Learning Outcomes</b>	
a) Discuss the organisation's control frameworks (e.g., COBIT 5) and control policies across the organisation to determine effectiveness in achieving its business objectives and value creation	<b>Level 1</b>
(i) IT general controls such as change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security	
(ii) IT application controls and the corollary impact on the organisations' reporting objectives (including risk of misstatements of account balances, class of transactions and disclosures.)	
b) Explain the relationship between IT general controls, IT application controls and data controls	
(i) for financial information-related systems	
(ii) for non-financial information-related systems	
c) Explain the impact of IT application controls on data acquisition, processing (including adaptive processes), reporting and decision making.	
d) Demonstrate an awareness of how AI (refer to W5) can be implemented within an application as a control technique and ultimately should facilitate realistic continuous auditing	
<b>SRG(F)10. Governance fundamentals</b>	
<b>Learning Outcome</b>	
Discuss different worldviews and theoretical underpinnings to corporate governance (agency theory, shareholder/stakeholder theory, Ubuntu)	<b>Level 1</b>

<b>SRG(F)11. The entity's governance structure</b>	
<b>Learning Outcome</b>	
Demonstrate an awareness of governance structures and practices of the organisation in terms of King IV (and successors) and relevant laws (e.g., Companies Act, 2008, PFMA) and regulations	<b>Level 1</b>
<b>SRG(F)12. The role of governing bodies</b>	
<b>Learning Outcome</b>	
Discuss the role of board committees in governance	<b>Level 1</b>
<b>SRG(F)13. Internal audit</b>	
<b>Learning Outcome</b>	
Discuss the role of the internal audit function within a governance structure	<b>Level 1</b>

<b>SRG. STRATEGY, RISK MANAGEMENT AND GOVERNANCE</b>
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<b>ELECTIVE</b>
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If offered over two years of study the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

SRG(E)1.	Strategy development process
SRG(E)2.	External and internal influences on the organisation's strategy
SRG(E)3.	Implementing strategy
SRG(E)4.	IT and data strategy
SRG(E)5.	Building blocks of the business model
SRG(E)6.	Disruptive business models
SRG(E)7.	Change management process
SRG(E)8.	Building relations and growth strategies
SRG(E)9.	Risk management systems and processes
SRG(E)10.	Control systems and processes
SRG(E)11.	Governance fundamentals
SRG(E)12.	The entity's governance structure
SRG(E)13.	The role of governing bodies
SRG(E)14.	Internal audit

<b>SRG(E)1. Strategy development process</b>	
<b>Learning Outcomes</b>	
a) Following a multi-capital management approach, assess and align the overall purpose of an organisation (to provide sustainable value to the organisation and its stakeholders) with its context, values, and mandates	<b>Level 2</b>
b) Analyse the strategy development process of the organization	
c) Criticise key stakeholder roles and responsibilities in the organisation's business plan and the execution of its business strategy	
d) Review the organisation's strategic direction and highlight areas of potential value and risk	
<b>SRG(E)2. External and internal influences on the organisation's strategy</b>	
<b>Learning Outcomes</b>	
a) Assess the contextual influencers on an organisation's external and internal environment (also taking into account, economic, industry, competition, market, social, natural, technology and political spheres) by using relevant strategic analysis tools, frameworks and models	<b>Level 2</b>
b) Analyse the impact of organisational internal factors (e.g., tone of the leadership, human resources policies, personnel selection and development, remuneration strategies, management/trade union relationships) on the organisation's strategy	
c) Analyse the impact of events and activities related to the organisation's context while creating their business strategy	
d) Identifies and evaluates significant opportunities and risks associated with the entity's external and internal environments	
<b>SRG(E)3. Implementing strategy</b>	
<b>Learning Outcomes</b>	
a) Compare context relevant models to appraise the organisation's capabilities to achieve the business strategy and purpose	<b>Level 2</b>
b) Assess significant business risks, strengths, weaknesses, opportunities and threats associated with the organisation's external and internal environments	
c) Formulate priorities and actions either to mitigate critical risks or capitalise on opportunities	
d) Assesses the risk tolerance of the entity's stakeholders' and its balance with opportunity	
e) Construct a strategic response to the entity's competitive environment by applying strategic analysis tools to identified external and internal factors	
f) Propose insights into the impact of future opportunities and risks	
<b>SRG(E)4. IT and data strategy</b>	
<b>Learning Outcomes</b>	
a) Evaluate the organisation's overall IT and data strategy (e.g., data quality, accessibility, interoperability and compliance with standards)	<b>Level 2</b>
b) Synthesise the organisation's business strategy, business model and IT to its data strategy and objectives	
c) Propose recommendations on the organisation's existing IT and data strategy	

<b>SRG(E)5.</b>	<b>Building blocks of the business model</b>	
<b>Learning Outcomes</b>		
a)	Assess the business model of the organisation in terms of its key building blocks	<b>Level 3</b>
b)	Appraise different perspectives to evaluate the organisation's business model (e.g., risk, innovation, investment, etc.)	
c)	Evaluate the organisation's business model as a vehicle for the implementation of its business strategy	
d)	Evaluate the organisation's business model as a vehicle for long-term value creation for stakeholders	
<b>SRG(E)6.</b>	<b>Disruptive business models</b>	
<b>Learning Outcomes</b>		
a)	Evaluate the effectiveness or threat of disruptive business models	<b>Level 3</b>
b)	Assess the organisational pursuit of, and responses to disruptive business models	
<b>SRG(E)7.</b>	<b>Change management process</b>	
<b>Learning Outcomes</b>		
a)	Evaluate how management changes impact on business strategy, other strategic plans, business plans and functional plans	<b>Level 3</b>
b)	Use organisational behaviour theories to evaluate the impact of changed strategic decisions on the performance of the organisation, divisions, teams/groups and individuals	
c)	Use business objectives to monitor, evaluate and report on the progress and success of strategic change initiatives	
d)	Evaluate the implementation processes of change management	
e)	Recommend information that will help assess and manage the internal and external environment	
f)	Evaluate significant environmental trends as well as legitimate needs and expectations of stakeholders and assesses their implications for the entity in meeting its overall objectives	
g)	Assess the entity's material impact on environmental, economic and social systems and consequently identify any risks relating to the entity's continuity	
<b>SRG(E)8.</b>	<b>Building relations and growth strategies</b>	
<b>Learning Outcomes</b>		
a)	Examine different growth strategies (e.g., organic, mergers and acquisitions, joint ventures, strategic alliances, divestment decisions) which the organisation could implement, taking cognisance of its overall objectives and the creation of value	<b>Level 2</b>
b)	Analyse stakeholder profiles to identify potential strategic alliances and partnerships	
c)	Assess stakeholder potential to achieve and improve joint efficiencies.	



<b>SRG(E)9. Risk management systems and processes</b>	
<b>Learning Outcomes</b>	
a) Criticise the integration and standardisation of risk management processes across the organisation – consider the organisation's risk management philosophy, risk management strategy and risk management processes	<b>Level 2</b>
b) Identify innovative/best practice approaches to managing significant business risks effectively and efficiently, such as an Enterprise Risk Management (ERM) framework. Understands and explains the critical components of an Enterprise Risk Management (ERM) framework using a suitable framework (such as COSO).	
c) Identify and assess the impact and likelihood of strategic, operational, financial and informational risks and opportunities to achieving business objectives (e.g., business sustainability and value creation over the short, medium and long-term)	
d) Investigate changes in the organisation's risk environment to diagnose significant, unusual and emerging risks to which the business is exposed (use metrics such as key risk indicators)	
e) Identify effective controls or mitigation options for the organisation to manage risks, including unusual risks to which the business is exposed	
(i) Financial risks and controls	
(ii) Non-financial (e.g., compliance and operational) risks and controls	
f) Analyse the possible consequences for the entity of having an ineffective risk management programme and advise on improvements to controls or mitigation options to ensure appropriate risk responses for reasonably foreseeable emergency scenarios and events.	
(i) Financial risks, controls or other responses. (ii) Non-financial (e.g., compliance and operational) risks, controls or other responses	
g) Use risk reporting systems to communicate to others risk processes and results, including recommendations for improvement	

<b>SRG(E)10. Control systems and processes</b>	
<b>Learning Outcomes</b>	
a) Describe the organisation's control frameworks (e.g., COBIT 5) and control policies across the organisation to determine effectiveness in achieving its business objectives and value creation	<b>Level 2</b>
(i) IT general controls such as change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security	
(ii) IT application controls and the corollary impact on the organisations' reporting objectives (including risk of misstatements of account balances, class of transactions and disclosures.)	
b) Explain the relationship between IT general controls, IT application controls and data controls. Consider	
(i) IT general controls such as change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security (ii) IT application controls and the corollary impact on the organisations' reporting objectives (including risk of misstatements of account balances, class of transactions and disclosures.)	

<b>SRG(E)10. Control systems and processes</b>	
<b>Learning Outcomes</b>	
<ul style="list-style-type: none"> <li>• for financial information-related systems</li> </ul>	
<ul style="list-style-type: none"> <li>• for non-financial information-related systems</li> </ul>	
c) Discuss the impact of IT application controls on data acquisition, processing (including adaptive processes), reporting and decision making.	
d) Demonstrate an awareness of how AI (refer to W3) can be implemented within an application as a control technique and ultimately should facilitate realistic continuous auditing	

<b>SRG(E)11. Governance fundamentals</b>	
<b>Learning Outcome</b>	
Discuss different worldviews and theoretical underpinnings to corporate governance (agency theory, shareholder/stakeholder theory, Ubuntu)	<b>Level 2</b>

<b>SRG(E)12. The entity's governance structure</b>	
<b>Learning Outcome</b>	
Demonstrate an understanding of governance structures and practices of the organisation in terms of King IV (and successors) and relevant laws (e.g., Companies Act, 2008, PFMA) and regulations	<b>Level 2</b>

<b>SRG(E)13. The role of governing bodies</b>	
<b>Learning Outcome</b>	
Explain the role of board committees in governance	<b>Level 2</b>

<b>SRG(E)14. Internal audit</b>	
<b>Learning Outcome</b>	
Explain the role of the internal audit function within a governance structure	<b>Level 2</b>

**TX. TAXATION****FOUNDATION**

If offered only over one year of study, the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

TX(F)1.	Tax landscape in South Africa
TX(F)2.	Tax strategy
TX(F)3.	Tax morality
TX(F)4.	Interpretation of tax legislation
TX(F)5.	Application of tax legislation to calculate tax obligation
TX(F)6.	Application of tax administration legislation
TX(F)7.	Tax records
TX(F)8.	Tax risk management
TX(F)9.	Tax implications of business transactions

<b>TX(F)1.</b>	<b>Tax landscape in South Africa</b>
<b>Learning Outcomes</b>	
a) Identify and describe the different role-players influencing the tax landscape in South Africa	<b>Level 1</b>
b) Describe the role and interaction of the different types of taxes in South Africa with reference to the design features used in tax design	
c) Explain the adherence of the tax system in South Africa, with the underlying principles of a tax system	
d) Identify and explain emerging trends and forthcoming changes in the tax landscape in South Africa	
<b>TX(F)2.</b>	<b>Tax strategy</b>
<b>Learning Outcomes</b>	
a) Demonstrate awareness and understanding of the tax strategy of the business	<b>Level 1</b>
b) Explain the tax implications of various legal forms and business structures and of self-employment vs employment status	
<b>TX(F)3.</b>	<b>Tax morality</b>
<b>Learning Outcome</b>	
Always display a tax morality mind-set; thus, be willing to pay required taxes and comply with tax laws	<b>Level 1</b>
<b>TX(F)4.</b>	<b>Interpretation of tax legislation</b>
<b>Learning Outcomes</b>	
a) Describe the rules applied and process followed in judicial decisions to interpret tax legislation (including primary and secondary sources).	<b>Level 1</b>
b) Demonstrate an understanding of the principles of tax interpretation, mainly the primary sources and be able to apply the principles to any new or unfamiliar tax legislation	
<b>TX(F)5.</b>	<b>Application of tax legislation to calculate tax obligation</b>
<b>Learning Outcomes</b>	
a) Describe the taxpayer's tax profile	<b>Level 1</b>
b) Apply the relevant law to the facts, determine the tax position and compute the tax payable (VAT or normal tax) for individuals and companies	
<b>TX(F)6.</b>	<b>Application of tax administration legislation to comply with administrative provisions</b>
<b>Learning Outcomes</b>	
a) Identify and describe the different administrative obligations and remedies of a taxpayer	<b>Level 2</b>
b) Prepare VAT and Income Tax returns in compliance with applicable tax filing requirements for individual taxpayers or a small business	
c) Describe to organisations (and individuals) matters of taxation control and compliance, considering the obligations, roles and responsibilities of various	

<b>TX(F)6.</b>	<b>Application of tax administration legislation to comply with administrative provisions</b>	
<b>Learning Outcomes</b>		
stakeholders in terms of the Tax Administration Act		
d) Perform and review processes and routines required to ensure deadlines are met for tax registration, submission of returns, assessment and reassessments		
e) Review tax returns to ensure accuracy, completeness and compliance with applicable tax filing requirements		
f) Explain the assessment, notices of objection and appeals processes		
<b>TX(F)7.</b>	<b>Tax records</b>	
<b>Learning Outcomes</b>		
a) Develop and review the organisation's processes for maintenance of records		<b>Level 2</b>
b) Describe the principle of confidentiality of information		
<b>TX(F)8.</b>	<b>Tax risk management</b>	
<b>Learning Outcomes</b>		
a) Demonstrate awareness of the relevant anti-avoidance legislation provisions including possible consequences of tax avoidance and tax evasion		<b>Level 1</b>
b) Demonstrate awareness of the potential consequences of the non-compliance with tax legislation, the evasion of tax or obtaining undue refunds by fraud, or unauthorized filing of a return on behalf of a third party		
<b>TX(F)9.</b>	<b>Tax implications of business transactions</b>	
<b>Learning Outcomes</b>		
a) Determine the tax implications of financing and investment decisions		<b>Level 2</b>
b) Identify and calculate the taxation implications of returns to investors for the business and the investor		

**TX. TAXATION****ELECTIVE**

If offered over two years of study the competencies related to the competency area are to be developed to the proficiency level indicated in this section of the AGA(SA) Competency Framework

TX(E)1.	Tax landscape in South Africa
TX(E)2.	Tax strategy
TX(E)3.	Tax morality
TX(E)4.	Interpretation of tax legislation
TX(E)5.	Application of tax legislation to calculate tax obligation
TX(E)6.	Application of tax administration legislation
TX(E)7.	Tax records
TX(E)8.	Dispute resolution
TX(E)9.	Tax risk management
TX(E)10.	Tax planning advice
TX(E)11.	Tax implications of business transactions
TX(E)12.	Use of Experts

<b>TX(E)1.</b>	<b>Tax landscape in South Africa</b>	
<b>Learning Outcome</b>		
a)	Identify and describe the different role-players influencing the tax landscape in South Africa	<b>Level 1</b>
b)	Describe the role and interaction of the different types of taxes in South Africa with reference to the design features used in tax design	
c)	Explain the adherence of the tax system in South Africa, with the underlying principles of a tax system	
d)	Identify and explain emerging trends and forthcoming changes in the tax landscape in South Africa	
<b>TX(E)2.</b>	<b>Tax strategy</b>	
<b>Learning Outcome</b>		
a)	Demonstrate awareness and understanding of the tax strategy of the business	<b>Level 1</b>
b)	Explain the tax implications of various legal forms and business structures and of self-employment vs employment status	
<b>TX(E)3.</b>	<b>Tax morality</b>	
<b>Learning Outcome</b>		
	Always display a tax morality mind-set; thus, be willing to pay required taxes and comply with tax laws	<b>Level 2</b>
<b>TX(E)4.</b>	<b>Interpretation of tax legislation</b>	
<b>Learning Outcome</b>		
a)	Describe the rules applied and process followed in judicial decisions to interpret tax legislation (including primary and secondary sources).	<b>Level 1</b>
b)	Demonstrate an understanding of the principles of tax interpretation, mainly the primary sources and be able to apply the principles to any new or unfamiliar tax legislation	
<b>TX(E)5.</b>	<b>Application of tax legislation to calculate tax obligation</b>	
<b>Learning Outcome</b>		
a)	Analyse the taxpayer's tax profile	<b>Level 2</b>
b)	Identify transactions or events and the profile of the interacting parties, identifying and explaining the taxes and possible application of anti-avoidance provisions to the transactions or events.	
c)	Interpret the relevant law to the facts, to determine the tax position and to compute the tax payable (VAT or normal tax) for individuals and companies	
<b>TX(E)6.</b>	<b>Application of tax administration legislation to comply with administrative provisions</b>	
<b>Learning Outcome</b>		
a)	Evaluate and explain the different administrative obligations and remedies of a taxpayer	<b>Level 3</b>

<b>TX(E)6.</b>	<b>Application of tax administration legislation to comply with administrative provisions</b>	
<b>Learning Outcome</b>		
b)	Prepare VAT and Income Tax returns in compliance with applicable tax filing requirements for individual taxpayers or a small business	
c)	Advise the organisation (individual) on matters of taxation control and compliance, taking into account the obligations, roles and responsibilities of various stakeholders in terms of the Tax Administration Act	
d)	Recommend processes and routines required to ensure deadlines are met for tax registration, submission of returns, assessment and reassessments	
e)	Review tax returns to ensure accuracy, completeness and compliance with applicable tax filing requirements	
<b>TX(E)7.</b>	<b>Tax records</b>	
<b>Learning Outcome</b>		
a)	Develop and review the organisation's processes for maintenance of records	<b>Level 3</b>
b)	Design and evaluate processes of information gathering for inspection, verification, audit and criminal investigation	
c)	Describe and advise on the principle of confidentiality of information	
<b>TX(E)8.</b>	<b>Dispute resolution</b>	
<b>Learning Outcome</b>		
a)	Discuss processes with respect to assessment, notices of objection and appeals to taxpayers	<b>Level 2</b>
b)	Prepare, on a preliminary basis, responding materials required by regulation to initiate an appeal, file a notice of objection or ultimately to be used in the dispute resolution process	
<b>TX(E)9.</b>	<b>Tax risk management</b>	
<b>Learning Outcome</b>		
a)	Identify possible responses to tax risks and describe a tax risk management process	<b>Level 1</b>
b)	Analyse and explain the relevant anti-avoidance legislation provisions including possible consequences of tax avoidance and tax evasion	
c)	Demonstrate awareness of the potential consequences of the non-compliance with tax legislation, the evasion of tax or obtaining undue refunds by fraud, or unauthorized filing of a return on behalf of a third party	
d)	Discuss matters related to understatement and administrative non-compliance penalties and calculate interest levied on late or under payment of taxation	
<b>TX(E)10.</b>	<b>Tax planning advice</b>	
<b>Learning Outcome</b>		
	Analyse and discuss basic tax planning opportunities for various business transactions	<b>Level 2</b>



TX(E)11. Tax implications of business transactions	
<b>Learning Outcome</b>	
a) Advise taxpayers on the tax implications that can arise from a change in control or ownership structure and calculate the tax implications of financing and investment decisions	Level 3
b) Determine the taxation implications of returns to investors for the business and the investor	
c) Advise on the tax consequences of different compensation structures and remuneration packages from the perspective of both the employer and the employee	
<b>Use of Experts</b>	
<b>Learning Outcome</b>	
a) Identify when to seek assistance from tax experts to expedite problem-solving, decision-making and/ or reaching conclusions on complex tax planning matters	Level 1
b) Identify further information required to complete a tax computation or finalise tax advice or the need to obtain specialist advice to ensure compliance with all possible taxes	

## APPENDIX A: GLOSSARY OF TERMS

<b>Acumen</b>	Acumen is defined as “the ability to judge well; keen discernment, insight” (Collins dictionary)
<b>Agility</b>	The ability to reassess the needs of the situation being dealt with and to respond and adapt quickly and easily
<b>Attitude</b>	Attitude is the pervasive way a CA thinks and feels about being a professional accountant, the profession, business and life
<b>Artificial intelligence</b>	Artificial intelligence is the simulation of human intelligence through expert computer systems to perform tasks/processes previously requiring human intelligence
<b>Big data</b>	Big data refers to extremely large computer-generated data sets, and characterised by the volume, variety, velocity, veracity and value of data being created/generated through new and powerful computational resources to reveal patterns, trends, and associations not previously discernible
<b>Blockchain</b>	Blockchain is a type of distributed ledger, functioning as a decentralised database, for maintaining a permanent and tamper-proof record of transactional data. It is a system in which the records of transactions made, for example, in bitcoin or other cryptocurrencies are maintained across several computers belonging to a peer-to-peer network. Each of the computers in the network maintains a copy of the ledger to prevent a single point of failure, and all copies are updated and validated simultaneously
<b>Business</b>	An integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.
<b>Business model</b>	A business model is the conceptual structure supporting the viability of a business, including its purpose, its goals and its ongoing plans for achieving them. A business model reflects how an organisation fulfils its purpose
<b>Cognitive computing systems</b>	Cognitive computing systems use computerised models to simulate human cognition processes by synthesizing data from various information sources (and includes weighing context and conflicting evidence), to find solutions in complex situations
<b>Compulsory competencies</b>	Financial Reporting must be offered over two years of study and substantially all competencies related to Financial Reporting are to be developed to the level indicated in the AGA(SA) Competency Framework. Professional values and attitudes and Enabling competencies (defined as acumens) are to be integrated throughout the academic and training programmes and are to be developed to the level indicated in the AGA(SA) Competency Framework.
<b>Cyber security</b>	Cyber security protects computers, servers, networks, programs and data from malicious attacks, damage and/or unauthorised access
<b>Data modelling</b>	Data modelling is the analysis of data objects and their relationships to other data objects
<b>Elective competencies</b>	At least one of the other disciplines, in addition to Financial Reporting, must be offered over two years of study and the competencies related to the competency area are to be developed to the proficiency level stipulated for <u>elective competencies</u> in the AGA(SA) Competency Framework.

<b>Foundation competencies</b>	Disciplines that need only be offered only over one year of study and the competencies related to the competency area are to be developed to the proficiency level stipulated for <u>foundation competencies</u> in the AGA(SA) Competency Framework
<b>Integrity</b>	Acting ethically and honestly; carrying out work with an objective frame of mind and maintaining independence from related parties both in fact and appearance
<b>Internet of things</b>	The Internet of Things is a network of interrelated computing devices, mechanical and/or digital machines, appliances, and other equipment and objects equipped with computer chips and sensors that enable them to send and receive data through the Internet
<b>Machine learning</b>	Machine learning is a branch of artificial intelligence that provides systems with the ability to automatically learn and improve from experience, without being explicitly programmed to do so
<b>Non-specialised entities</b>	Entities that are not defined as specialised
<b>Organisation</b>	An organisation refers to a group of people that are organised for a specific purpose such as a company, institution, association or a professional body. It is used interchangeably with the term entity.
<b>Robotic process automation</b>	Robotic process automation refers to the use of software with artificial intelligence and machine learning capabilities to perform high-volume, repeatable tasks that were previously performed by humans
<b>Six capitals</b>	As defined in the International Integrated Reporting Framework (IIRF)
<b>Sustainable development goals (SDGs)</b>	The scheme to achieve a more sustainable future for all, addressing global challenges such as those related to poverty, inequality, climate change, environmental degradation, peace and justice ( <a href="https://www.un.org/sustainabledevelopment/sustainable-development-goals/">https://www.un.org/sustainabledevelopment/sustainable-development-goals/</a> )
<b>Values</b>	Values are the guiding principles used by a CA in formulating his/her judgement of what is important in the profession, business and life
<b>Value creation</b>	“Value created by an organization over time manifests itself in increases, decreases or transformations of the capitals caused by the organization’s business activities and outputs. That value has two interrelated aspects – value created for: <ul style="list-style-type: none"> <li>• The organization itself, which enables financial returns to the providers of financial capital</li> <li>• Others (i.e., stakeholders and society at large)” (The International &lt;IR&gt; Framework 2013:10)</li> </ul>

**Version control:**

<b>Version</b>	<b>Date</b>	<b>Drafted by</b>	<b>Update</b>	<b>Governance structure</b>	
1	20/03/2021	Adri Kleinhans	Amended by the AGA PDC on 19 March 2021	Approved for recommendation by the IPD by the AGA PDC on 19 March 2021, subject to amendments being effected	
	20/03/2021	Adri Kleinhans	Incorporating amendments by the AGA PDC		Considered and approved by the IPD on 5 April 2022
	08/03/2023	Lethu Mkhize	Minor amendments by the Special Meeting of AGA PDC on 25 January 2023	Incorporating minor amendments on the 08 March 2023 by AGA PDC	