



CA(SA) COMPETENCY FRAMEWORK “CA of the Future”

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2023²**

GUIDANCE ON THE CONTENT³, DEVELOPMENT AND ASSESSMENT OF COMPETENCIES IN THE ACADEMIC PROGRAMME

This document must be read together with the following documents:

- Preface to the CA(SA) Competency Framework 2021 (*still to be updated*);
- CA(SA) Competency Framework 2021 (*still to be updated*); and
- Guidance on the Content, Development and Assessment of Competencies in the SAICA Training Programme 2021 (*still to be updated*); and
- Guidance on the Initial Test of Competence (*in process of being finalised*).

¹ Outcome of the CA2025 Project

² Further updates were made reflecting changes to the PVAA's (simplification)

³ In the context of the academic programme content includes Competencies, Learning Outcomes and Minimum Content (knowledge)

Version control

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A. INTRODUCTION

The objective of this document is to equip providers of the academic programme with guidance for the development and implementation of the SAICA Competency Framework (flowing from the CA2025 project) in the SAICA accredited programme.

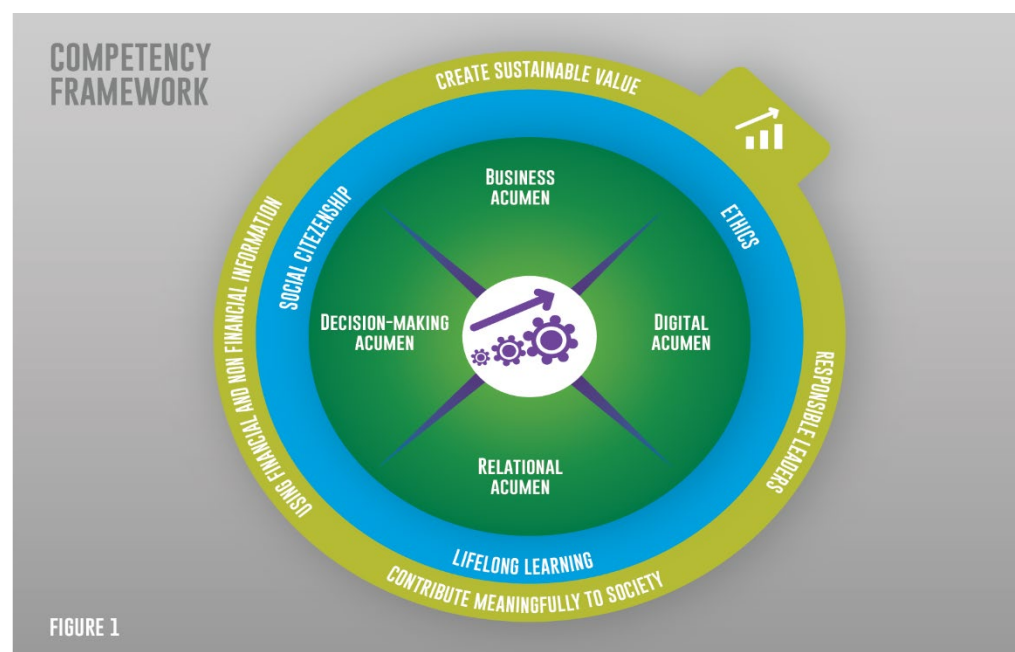
This is a living document and will be subject to regular and ongoing review.

1. COMPONENTS OF THE COMPETENCY FRAMEWORK:

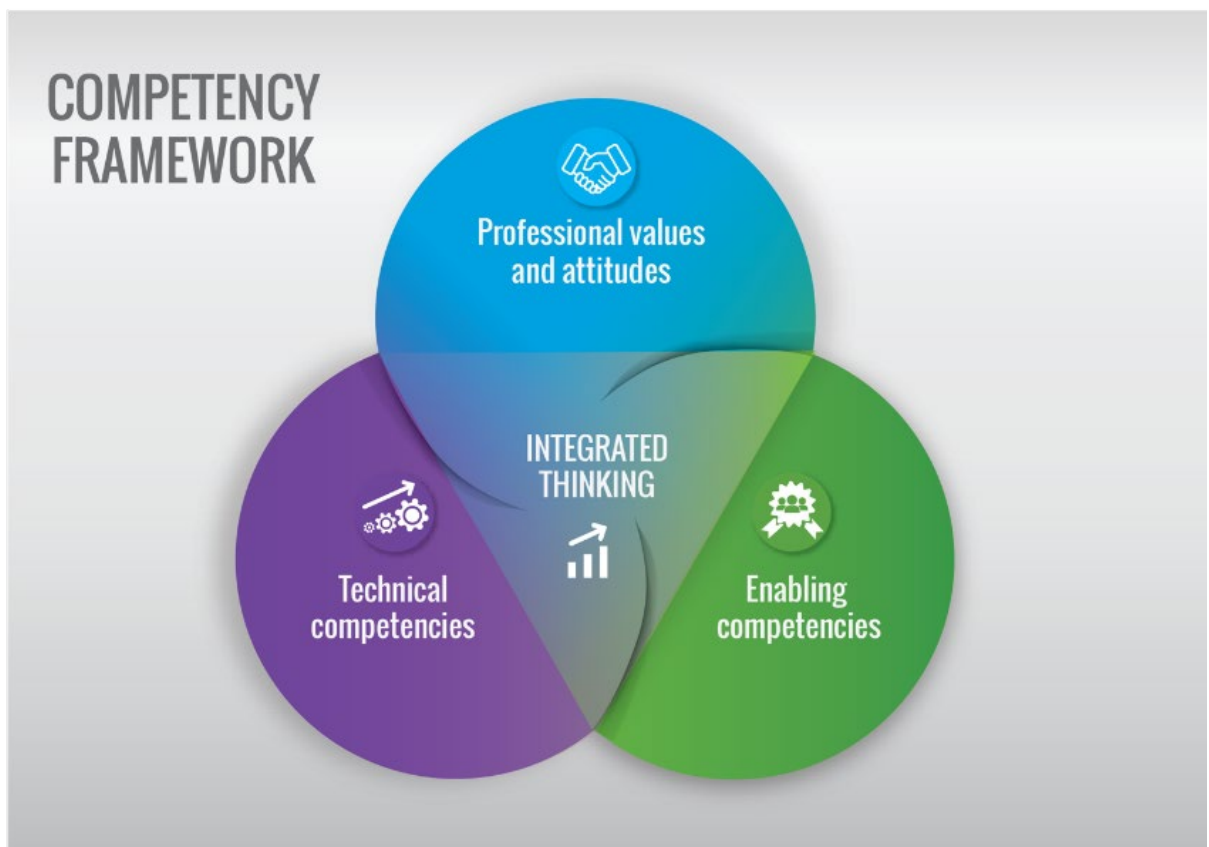
- 1.1. The competency framework is made up of the following components which in implementation are all integrated:

 <p>Ethically responsible leaders fulfilling their social mandate by using integrated thinking to create sustainable value</p>	Icon	Elements of the professional competencies
		Professional values and attitudes
		Enabling competencies (defined as acumens)
		Technical competencies in the value creation process

The aforementioned competencies are depicted in Figure 1 below:



- 1.2. CAs need to integrate all relevant competencies (professional values and attitudes, enabling competencies (acumens) 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 integrated thinking (also presented as an enabling competency below) to achieve viable solutions while considering all alternatives, by obtaining a broader understanding of an issue, creating a design or formulating a plan, etc.
- 1.3. There are three competency types, namely:
- (i) Professional Values and Attitudes;
 - (ii) Enabling competencies (acumens); and
 - (iii) Technical competencies in the value creation process.
- 1.4. The competency types cannot be developed or assessed in isolation and indeed it is where these competency types overlap that thinking in an integrated manner is achieved.



B. SAICA COMPETENCY FRAMEWORK SUITE OF DOCUMENTS

A. PREFACE

- Sets out the
 - components of the qualification process
 - definitions of key concepts used in the CA(SA) Competency Framework 2021 Suite of Document

B. CA(SA) ENTRY LEVEL COMPETENCY FRAMEWORK

- Identifies and describes the professional competencies (professional values and attitudes, enabling competencies and technical competencies) that a CA(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 the SAICA Accredited programme.

D. GUIDANCE ON THE CONTENT, DEVELOPMENT AND ASSESSMENT OF COMPETENCIES IN THE TRAINING PROGRAMME

- Sets out the
 - fundamental principles on which the format of the training programme is based,
 - fundamental principles on which the assessment of trainee accountants is based

E. THE INITIAL ASSESSMENT OF COMPETENCE (IAC)

- Provides providers of the Academic Programme with Guidance on the purpose and nature of the ITC

F. THE PROFESSIONAL PROGRAMME AND THE ASSESSMENT OF PROFESSIONAL COMPETENCE (APC)

- Provides providers of the Professional Programme with guidance for the development and assessment of competencies prescribed for the APC

C. PROFICIENCY LEVELS

1. CAs 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) in the context of the academic programme are explained in this section and cover competency development from foundational to expert levels. The first three levels of proficiency (foundational, intermediate and advanced) are used in the competency framework. The expert level is achieved post-qualification.
2. A proficiency level is specified for each of the professional values and attitudes, enabling competencies and technical competencies (i.e. different measures are used). 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 academic and training programmes. The academic guidance document also specifies proficiency levels for elements of technical competencies which should be achieved during the academic programme, to reach the overall level of proficiency per technical competency as specified in the competency framework.
3. The proficiency levels to be applied to the academic programme 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 Display professional values and attitudes:			
(i) Frequency	Occasionally	Always under specific applicable circumstances	Always under all applicable circumstances
(ii) Context	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) when the competencies are used during task performance, (ii) level of task understanding, and (iii) knowledge and skills needed for task performance, Use enabling competencies during task performance:			
(i) When the competencies are used during task performance	During task involvement	To initiate tasks and perform tasks on a preliminary/ preparatory basis	To complete all steps in tasks
(ii) Level of task understanding	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 conclusions/ recommendations are made)
(iii) Knowledge and skills needed for task performance	Using limited knowledge sources 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 the task

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. Display technical competence by:			
(i) Knowledge dimension	Identify and describe the key ideas / principles / fundamental concepts of the subject matter pertaining to routine and non-routine situations [Technical expertise or detailed knowledge not required]	Demonstrate a detailed and comprehensive understanding ⁴ of the subject matter pertaining to routine situations.	
(ii) Application dimension	Identify and explain the significance and relevance of the subject matter and recognise the linkages with other subject matter(s).	<ul style="list-style-type: none"> • Apply the knowledge to non-complex routine situations. • Identify and utilise the relevant knowledge within and across competency area(s) in a limited manner. 	<ul style="list-style-type: none"> • Apply the knowledge to complex routine situations. • Evaluate and synthesise the knowledge within and across competency areas (Integrative thinking is required).
(iii) Problem solving dimension	Recognise issues when encountered and seek further depth / guidance.	Prepare or analyse solutions for specified problems and applying limited judgement.	Evaluate or formulate solutions for specified and implicit problems – applying a high degree of rigour, and/or exercise sound judgement in making recommendations.

4. The proficiency levels build on each other. Intermediate level of competence means demonstrating proficiency at level 2, in addition to demonstrating proficiency at level 1. Advance level of competence means demonstrating proficiency at level 3, in addition to demonstrating proficiency at levels 1 and 2.

5. **Definitions:**

Routine situations	<p>Situations (situations, events, or transactions) that are:</p> <p>(a) Prevalent, determined with reference to the frequency with which they occur in practice and how relevant they are in practice (occur frequently and are very relevant),</p> <p>(b) Of a size or degree of complexity likely to be encountered by a typical/generalist CA(SA) at the point of qualification, and</p> <p>(c) That require a typical/generalist CA(SA) at the point of qualification to apply knowledge and judgement to make a recommendation.</p>
Non-routine	Situations (situations, events or transactions) that are:

⁴ 'Detailed and comprehensive understanding' covers breadth and depth of the subject matter. The distinction between levels 2 and 3 is reflected in the application and problem-solving dimensions.

situations	(a) Prevalent, determined with reference to how infrequently they occur in practice and how relevant they are in practice (occur infrequently), (b) Of a size or degree of complexity unlikely to be encountered by a typical/generalist CA(SA) at the point of qualification, but (c) Of a size or degree of complexity that requires judgement at a different level of expertise or specialist knowledge. [In these situations, the typical/generalist entry level CA (SA) is expected to demonstrate a 'level 1 foundational level of competence']
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6. Complexity is influenced by the following factors:

1 Foundational level of competence	2 Intermediate level of competence	3 Advanced level of competence
Information		
<ul style="list-style-type: none"> • Structured • Limited amount of information 	<ul style="list-style-type: none"> • Semi-structured • Larger amount of information 	<ul style="list-style-type: none"> • Unstructured • Large amount of information
Technique/ What to do with information		
<ul style="list-style-type: none"> • Define, list, explain or contrast techniques or methods • Recall, translate or interpret information • Make basic predictions based on information • Relevant information provided • Choose the appropriate technique and apply to a problem 	<ul style="list-style-type: none"> • Extract and/or summarise key information • Organise information by deconstruction • Mostly relevant information provided 	<ul style="list-style-type: none"> • Identify various techniques and judge the appropriateness of each to solve a problem • Devise or create a method or technique to solve a problem • Organise information from various sources and evaluate information for accuracy • Distinguish between relevant and irrelevant information
Typical requirements/ verbs		
<ul style="list-style-type: none"> • Define and recall • Translations, interpretation and extrapolation • Applying theories or methods 	<ul style="list-style-type: none"> • Calculations, analysis, classifications and calculations where one or more method is involved • Deconstruct a problem and understand how the parts fit together • Discussions, arguments or reasoning to perform an analysis or make decision 	<ul style="list-style-type: none"> • Applying multiple techniques, adjustments, projections or recalculations to create a plan, solution or structure • Formulate a solution, make recommendations and come to a conclusion • Provide advice
Verbs		
Classify, Comprehend, Convert, Define, Demonstrate, Demonstrate appreciation, Demonstrate awareness, Demonstrate understanding, Describe, Discuss, Distinguish, Estimate, Explain, Express, Extend, Generalise, Give	Analyse, Apply, Arrange, Assess, Assign, Break down, Calculate, Categorise, Change, Choose, Compare, Complete, Construct, Contrast, Compute, Construct, Criticise, Demonstrate, Describe with evaluation, Differentiate,	Advise, Appraise, Argue, Arrange, Assemble, Assess, Choose, Collect, Combine, Compare (complex), Compose, Conclude, Construct, Contrast (complex), Create, Criticise, Defend, Design, Develop, Devise, Discriminate, Estimate,

1 Foundational level of competence	2 Intermediate level of competence	3 Advanced level of competence
examples, Identify, Illustrate, Infer, Interpret, List, Memorise, Name, Order, Outline, Paraphrase, Predict, Recall, Recognise, Restate, Rewrite, Select, State, Summarise, Translate, Understand, Write	Discover, Discuss, Distinguish, Employ, Estimate, Examine, Experiment, Identify, Infer, Interpret, Investigate, Manipulate, Model, Modify, Operate, Order, Perform, Prepare, Prioritise, Produce, Question, Reconcile, Relate, Reorganise, Report, Review, Revise, Schedule, Select, Separate, Set up, Show, Solve, Summarise, Tell, Tabulate, Use, Utilise, Write	Evaluate, Explain, Formulate, Generate, Integrate, Interpret, Invent, Judge, Justify, Manage, Organise, Plan, Predict, Propose, Rate, Rearrange, Recommend, Reconstruct, Relate, Reorganise, Resolve, Revise, Select, Set up, Solve, Summarise, Support, Synthesise, Tell, Value, Write

7. **NOTE:** Where no proficiency level is indicated against a learning outcome, this indicates that the academic programme must address the learning outcome, but that the learning outcome need not be formally assessed in the academic programme.
8. Learning and development as a CA(SA) continues post qualification and it is therefore reasonable to expect that in some roles CAs(SA) would reach a specialist or mastery level on some of the competencies and learning outcomes. This means that a proficiency level beyond a level 3 may be achieved or expected.
9. This further proficiency level can be described as:
 - a) Demonstrating specialist knowledge (depth of knowledge in a specific area),
 - b) Applying this specialist knowledge critically and creatively in complex, integrated and ambiguous situations which may involve multiple interpretations, and
 - c) Generating solutions for defined outputs for unspecified problems and applying a high degree of rigour while exercising sound professional judgement.
10. Once qualified, there is a need for a CA(SA) to apply the principle in the Code of Professional Conduct that requires the professional to evaluate and ensure they have the necessary professional competence and to exercise due care in performing their specific role. The requirement to continue to learn and develop post qualification is also clearly articulated in the SAICA CPD policy which seeks to measure ongoing lifelong learning and development.

D. THE CONTEXT IN WHICH COMPETENCIES ARE TO BE DEVELOPED AND ASSESSED IN THE ACADEMIC PROGRAMME

1. While it is acknowledged that students in the academic programme have a very diverse range of lived experiences, at the point of qualification, entry-level CAs(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 -
 - prevalent, determined with reference to how frequently they occur in practice and how relevant they are in practice, and
 - of a size or degree of complexity likely to be encountered by a CA(SA) at the point of qualification.
2. In constructing this academic guidance document, the Academic Workgroup has specifically considered prevalence and size or degree of complexity in setting the proficiency levels.
3. While the following areas are not specifically excluded for assessment purposes, the situations, events or transactions will not require understanding of area-specific standards, regulations or legislation, but the assessment will instead focus on non-area specific situations, events or transactions:
 - Agriculture, pastoral or other farming activities,
 - Banking and financial institutions,
 - Collective investments (e.g. unit trust funds),
 - Co-operatives,
 - Insurance companies,
 - Medical aid funds,
 - Mineral resources (i.e. mining, oil and gas companies),
 - Retirement funds and
 - Service concessions.
4. It is recognised that the public sector is a context in which many entry-level CAs(SA) work. However, in order to ensure that the syllabus remains manageable for a four-year academic programme, the decision was taken to require only a foundational level of competence in outcomes relating to the public sector in the academic programme. Of course, if the 'life-long learning, values and attitudes' competency area is sufficiently developed to a proficiency level 2 in the academic programme, and a level 3 for 'the self-development' component at the entry-point to the profession (as required), it would be possible for the entry level CA(SA) to upskill him/herself to function effectively in the public sector context.
5. The same is true for the industry-specific situations (outlined in point 3 above) that are unlikely to have been encountered at the entry-point to the profession or are non-routine in nature.



E. OUTCOME OF THE COMPETENCY FRAMEWORK

In achieving professional competence, CAs are expected to display professional values and attitudes, and for each area (inputs, business processes, outputs leading to outcomes) be able to integrate relevant acumens and technical competencies. In addition, such integration should be done within, between and across areas.

The outcome of effective integration of professional competencies manifests as CAs(SA) having the potential to be **responsible leaders** who **behave ethically** and **create sustainable value** for a wide range of stakeholders within an organisational context. With their ability to display **integrated thinking**, CAs are then able to **interpret, analyse and evaluate financial and non-financial information, thus influencing others, and together** making **impactful decisions**, and thereby contributing meaningfully to the economy and to society.



1. PROFESSIONAL VALUES AND ATTITUDES

These define professional behaviour and identify professional accountants as CAs, and as members of the CA profession. CAs draw on their personal and professional values and their 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. By doing more than adhering to the rules of professional conduct, CAs are required at all times to uphold ethical principles and conduct themselves professionally in a manner that exemplifies and enhances the reputation of the CA profession. As lifelong learners, CAs maintain and develop their competence in order to adapt and work in an agile way to deal with complexities.

PROFESSIONAL VALUES AND ATTITUDES Competency area pervasive in all other competencies		Competency short name	
I	Ethics, values and attitudes	I1	Personal ethics
		I2	Business ethics
		I3	Professional ethics
II	Citizenship, values and attitudes	II1	Personal citizenship
		II2	Professional citizenship
		II3	Corporate citizenship
III	Lifelong learning, values and attitudes	II1	Self-development
		II2	Adaptive mind set and agility

Rossouw and Van Vuuren (2003) make a distinction between cognitive competence, behavioural competence, and managerial competence with respect to ethics. In terms of the professional values and attitudes ("PVA"), and specifically ethics and citizenship, the academic programme provides the opportunity for the development of both cognitive competence (i.e. technical competence (refer to the "minimum content" column in the table below, together with the related proficiency levels) and behavioural competence (i.e. professional values and attitudes') (refer to the "learning outcomes" column in the table below). Note that, given the context of the academic and training programmes, it is likely that managerial competence will only be achieved post-qualification.

Detailed information on the competencies and learning outcomes required in relation to the development of professional values and attitudes is presented in the table below.

Note: Proficiency levels for the Professional Values and Attitudes and the Technical Competencies that are blacked out indicate that the learning outcome must be developed in the academic programme, but that there is no requirement for them to be assessed.

I ETHICS VALUES AND ATTITUDES

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.

I1 Personal ethics			
<i>Personal ethics refers to a personal value system applied by an individual to decision-making, conduct and interaction between the self and others.</i>			
Learning Outcomes	Level ⁵	Minimum content ⁶	Level ⁷
a) Act honestly and demonstrate integrity, accountability and trustworthiness including while interacting with others.	3	The other (link to I11 Personal citizenship). (Note: 'The other' is a concept already known in some definitions of ethics (moral philosophy). Refer also to sociology and other social sciences.)	3
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		The theory is included in I3 Professional ethics	
c) Evaluate the impact of different value systems implicit in, among others, religion, culture, social standing, economic status and personal experiences	2	Worldviews, ethics, values, norms. Factors shaping the development of identity and values, including: <ul style="list-style-type: none"> • Family and community • Culture • Social context • Belief systems i.e. religious and secular • Diversity and shared/common values 	2
d) Describe ethics theories (normative and applied) and how they can provide the reasoning behind the decisions, actions and behaviour of a person.		Ethics theories limited to: <ul style="list-style-type: none"> • Virtue Ethics • Utilitarian Ethics • Deontological Ethics • Egalitarianism Ethics • Common good approach to Ethics (including Ubuntu Ethics) • Fairness or justice approach to Ethics 	

⁵ Proficiency levels for Professional Values and Attitudes

⁶ i.e. areas in which cognitive competence should be developed and assessed

⁷ Proficiency levels for Technical Competencies

I1	Personal ethics			
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		Level ⁵	Minimum content ⁶	Level ⁷
e) Apply an ethical decision-making process which incorporates the ethics triangle, which requires critical thinking and ethical reasoning skills, to solve personal ethical dilemmas or make personal ethical decisions.		3	Ethics triangle (good for self and good for others)	3

I2	Business ethics			
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		Level	Minimum content	Level
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			Sustainability; Stakeholder Inclusivity, Relationships and Management; Social Responsibility; Corporate citizenship. Managing organisational ethics including: <ul style="list-style-type: none">• Organisational culture• Leadership and governance• Codes of ethics• Institutionalising ethics Monitoring and reporting on ethics	
b) Analyse the interrelationships between governance, ethics, work values and the law			Corporate governance and Content from I1 above and	
c) Report ethics related issues to higher levels of management, legal or regulatory authorities or others, when appropriate			Monitoring and reporting on ethics is included in the content elsewhere in I2 Business ethics	
d) Describe ethics theories (normative and applied) and how they can provide the reasoning behind the corporate culture, decisions-, actions- and behaviour of management and employees when they act as agents of the corporation.		2	<u>Ethics theories</u> <ul style="list-style-type: none">• Virtue Ethics• Utilitarian Ethics• Deontological Ethics• Egalitarianism Ethics• Common good approach to Ethics• Fairness or justice approach to Ethics <u>Theoretical underpinnings</u> <ul style="list-style-type: none">• Stakeholder Theory	

I2	Business ethics			
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	Level	Minimum content	Level	
		<ul style="list-style-type: none">• Shareholder Theory• Agency Theory• Institutional Theory• Legitimacy Theory• Resource-dependency Theory Resource-based View		
e) Apply an ethical decision-making process which incorporates the ethics triangle, which requires critical thinking and ethical reasoning skills, to solve ethical dilemmas or make business ethical decisions.	3	<ul style="list-style-type: none">• Ethics triangle (good for self and good for others)• Corporate governance as defined by KING IV• Responsible leadership and sustainable development	3	

I3	Professional ethics			
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		Level	Minimum content	Level
a) 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 in different scenarios		3	Serving the public interest SAICA and IRBA Codes of Professional Conduct	3
b) Identify threats to ethical principles and apply appropriate safeguards to facilitate ethical behaviour				
c) Apply an ethics-based reasoning process (based on professional values and attitudes and an organisational code of ethics) to solve ethics dilemmas relating to organisational ethics and corporate culture			Ethical decision-making in business, including ethical dilemmas.	
d) Analyse all courses of potentially unethical action as well as the consequences of each (e.g., disciplinary actions)				
e) Report ethical issues to SAICA, legal or regulatory authorities or others when appropriate			The theory is included in the content of I2 Business ethics.	

I3 Professional ethics			
<i>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</i>			
Learning Outcomes	Level	Minimum content	Level
f) By way of general conduct, demonstrate a commitment to the ethical values upheld by the profession		The theory is included in the content of section I2 Professional ethics.	

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.

II1 Personal citizenship			
<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>			
Learning Outcomes	Level	Minimum content	Level
a) Demonstrate a responsive, valuing and tolerant approach to diversity and individual differences	2	Citizenship and the responsibilities of the individual as a member of multiple communities, including: <ul style="list-style-type: none"> • A local-cultural community (link to content at I1 Personal ethics) • A professional community (link to content at I3 Professional ethics) • A national community (this should include the South-African rights paradigm informed by the Constitution and the social contract between a citizen and the state framing the moral and legal responsibilities of the individual to contribute to the tax revenue of the state) • The African community • The Global community 	2
b) Describe the impact you have made on the community which you live, study or work through example e.g., acts of philanthropy, social responsibility and environmental stewardship	2	To be developed by initiating and/or participating in community engagement projects within the several contexts (the UN SDGs could be incorporated here)	2

II2	Corporate citizenship				
<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). Being a member of a corporation, a CA should assist the corporation to become and be seen as a good corporate citizen.</i>					
Learning Outcomes		Level	Minimum content		Level
a) Identify situations where organisations demonstrate a responsive, valuing and tolerant approach to cultural diversity and individual differences			This is included in II1 Personal citizenship as one of the communities to which a person belongs		
b) For a business decision, weigh up the short-term financial benefits of that decision against its long-term strategic and/or societal impact (sustainability)			Content at I2 Business ethics		
c) Consider the degree to which an organisation's strategy and/or business model aligns with the 17 SDGs (the Sustainable Development Goals as published by the United Nations)			UN Sustainable Development Goals		

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

There is no minimum content prescribed for the academic programme.

Instead, this is a skill which is developed over the course of the academic programme. This is best developed through the use of effective and innovative ways of applying a teaching and learning strategy that requires students to practice self-directed learning. The aim is to develop a lifelong learner as learning continues post qualification.

Students should be able to apply, in a self-critical manner, learning strategies which effectively address his or her personal, technical and other professional learning needs as and when they arise.

III1	Self-development				
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.					
Level	Learning Outcomes				
3	a) Adopt an attitude of life-long learning and staying abreast of current trends and emerging issues				
	b) Take responsibility for your own development needs and opportunities				

2	c) Actively seek appropriate learning opportunities (technical and other professional development) in a variety of different ways
2	d) Set and monitor personal learning and development objectives through a wide range of life-long learning opportunities

III2	Adaptive mind set and agility
<i>Adaptive mind set and agility refers to taking initiative to improve performance and well-being by reviewing and reflecting on work performance.</i>	
Level	Learning Outcomes
2	a) Identify and distinguish between the need to learn, unlearn and relearn, so as to facilitate adaptation to changing practices, roles and work contexts
	b) Demonstrate the mindset and behaviours required to work in an agile way to deal with complexities

III3	Emotional Intelligence (Moved from relational acumen)
<i>Establish and sustain trusting relationships based on self-awareness, sensitivity to the situation, culture and people involved.</i>	
	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.
2	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.
	c) Show persistence and resiliency in pursuing goals despite obstacles and setbacks



2. ENABLING COMPETENCIES

These are essential skills that influence the ways that CAs(SA) work, ways that they think, ways they are living in the world, and the tools that they use in the workplace. Enabling competencies are pervasive to a CA's work and behaviour, are transversal and are to be used effectively across different environments, functions and roles. Enabling competencies allow a CA to effectively demonstrate his/her professional competence, by displaying decision-making, business, digital and relational acumens. The foundation for the further development of enabling competencies is set during the Academic Programme, while these are further developed with real-life and practical experience during the Training Programme, and which form the foundation for a strong life-long learning ethic.

Acumen is defined as "the ability to judge well; keen discernment, insight" (Collins English Dictionary, 2008). These acumens are necessary qualities of a CA(SA), enabling the performance of his/her work in the value creation process. They are skills which should be demonstrated and applied by a CA in conjunction with their specific technical knowledge. These acumens may in some cases not contain any suggested or minimum content as numerous opportunities to develop and demonstrate these acumens exist. The Academic Programme can assist in this development by providing different opportunities to develop or demonstrate these acumens (such as teaching various theories, using videos as educational material and requiring students to do projects). Each prospective CA should take ownership of developing these acumens using both the formal academic programme and other developmental opportunities.

ACUMENS		Competency short name	
Z	Business acumen	Z1	Business internal environment
		Z2	Business external environment
		Z3	Innovation, creativity and curiosity
Y	Decision-making acumen	Y1	Analytical/critical thinking
		Y2	Integrative thinking
		Y3	Problem solving
		Y4	Judgement and decision-making
		Y5	Professional scepticism
		Y6	Ethical reasoning
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

ACUMENS		Competency short name	
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

WHAT DO WE MEAN BY INTEGRATED THINKING?

Integrated thinking is the active consideration by an organisation of the relationships between its various operating and functional units and the capitals that the organisation uses or effects to create value over the short, medium and long term. Organisations that practice integrated thinking make a deliberate and coordinated effort to connect an organisation's strategy, governance, performance and prospects as part of their sustainability journey.

Sustainability is the integration of environmental, health, social, equity and economic vitality in order to create thriving, healthy, diverse and resilient communities for the present generation and generations to come. The practice of sustainability recognises how these issues are interconnected and requires a systems approach and an acknowledgement of complexity.

X, Y and Z are the enabling competencies needed to engage in Integrated Thinking

Z. BUSINESS ACUMEN

The ability to make quick correct and/or focused strategic decisions and good judgements in a business or business division

Z1 Business internal environment

Using your understanding of the entity's internal operations, assist in the process of making strategic decisions and good judgements in a business or business division

Level	Learning Outcomes	Minimum content
2	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)	<ul style="list-style-type: none"> • The types and purposes of entities • Business models • Measures of business success, (including People, Planet, Prosperity and Profit; and ESG) • Integrated reporting <ul style="list-style-type: none"> ○ What is integrated reporting ○ Value Creation and the 6 capitals • Business organisation structure and design (private and public sector) <ul style="list-style-type: none"> ○ Business processes, including: <ul style="list-style-type: none"> ○ Marketing ○ Sales ○ Supply chain management ○ Production ○ Research and development ○ Human resources ○ Finance ○ Use UN SDG's ○ Stakeholder theory (I2 Business ethics) ○ Stakeholder Inclusivity ○ Stakeholder Engagement
	b) Distinguish between different types of entities (profit, non-profit and public sector) and the roles they play in society	
	c) Describe how an organisation creates value through the business model	
	d) Describe an organisation's business model taking cognisance of its various capital resources used to optimise value creation for stakeholders (e.g. customers (provide revenue by buying products), shareholders (provide capital), employees (provide talents and skills) and suppliers (provide products and services internally or externally)	
	e) Align the organisation's context with its governance, strategy and its business model	See UN SDGs
	f) Use a holistic perspective to interpret an organisation's business processes (including how it serves stakeholders such as customers, employees, surrounding community and investors)	Read widely

Z2	Business external environment	
Using your understanding of the entity's' external environment, assist in the process of making strategic decisions and good judgements in a business or business division		
Level	Learning Outcomes	Minimum content
	a) Describe the effect of local and global influences (including stakeholder relationships) on measures of business success and value creation	<ul style="list-style-type: none">• UN Sustainable Development Goals• Stakeholders and stakeholder relationships• Political systems and decision-making• Public Sector vs Private sector (role and importance of the public sector) (refer to paragraph D4 for clarification of expectations relating to the expected level of competence regarding the public sector))• Micro-economic factors<ul style="list-style-type: none">○ Market forces (supply / demand)○ Elasticity○ Consumer demand theory○ Theory of capital markets○ Competition○ The labour market○ Inequality and distribution○ Externalities○ Gains from trade○ The role of government• Macro-economic factors<ul style="list-style-type: none">○ Measuring national income○ Aggregated demand / supply○ The multiplier○ Money, banking and monetary policy○ Unemployment○ Inflation and deflation○ International trade○ Exchange rates○ Open and closed economies○ Market efficiency○ Productivity and growth• Tax Policy (refer to E1.1)• Social and demographic factors<ul style="list-style-type: none">○ Social and demographic trends
	b) Interpret the influence of the external environment (political, economic, tax policy related, 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	
	d) Connect business strategies with global priorities (with reference to the six capitals)	

Z2	Business external environment	
Using your understanding of the entity's' external environment, assist in the process of making strategic decisions and good judgements in a business or business division		
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none">○ Social structure, values, attitudes● Technological factors<ul style="list-style-type: none">○ Refer W 'Digital Acumen'● Legal factors<ul style="list-style-type: none">○ Refer E2 'Compliance with Laws and Regulations'● Sustainability factors<ul style="list-style-type: none">○ Wicked problems (climate change, resource depletion, ecosystem degradation, biodiversity loss, natural resource depletion etc.) Stakeholder attitudes, Shareholder Activism

Z3	Innovation and creativity	
Developing new concepts, innovative ways or new ideas promoting a business success or wide-spread use, using a questioning or inquisitive mind-set.		
Level	Learning Outcomes	Minimum content
1	a) Recognise the need to address problems or situations from a fresh perspective and challenge existing paradigms and ways of doing business	<ul style="list-style-type: none">• Explore techniques to develop innovation and creativity• Case studies on innovative business leaders and innovative business models
	b) Demonstrate appreciation for the need to explore innovative or different approaches to a particular problem or situation / Demonstrate a curious mind-set	
	c) Identify opportunities for innovation and ways to improve business outcomes	

Y	DECISION MAKING ACUMEN
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<p>This competency area refers to cognitive processes to decide on actions or between alternatives and includes analytical / critical thinking, integrative thinking, problem-solving, judgement and decision-making and professional scepticism</p>

The Academic Programme should assist in development of these acumen by providing different opportunities to develop or demonstrate these acumen. Students on the CA programme should, however, seek and be offered examples of opportunities outside the formal academic programme environment to further develop these learning outcomes.

Y1	Critical thinking
<i>Research, investigate, critically analyse, reflect and apply professional judgement to the evaluation of data and information from a variety of sources and perspectives.</i>	
Level	Learning Outcomes
3	a) Demonstrate an intellectually disciplined questioning mind-set to develop a purpose, problem or question. 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 f) Recognise causes, implications and consequences of actions/events to facilitate informed decision-making

Y2	Integrative thinking
<i>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.</i>	
Level	Learning Outcomes
2	a) Synthesise and make sense 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) Apply the above (a) in the interpretation, analysis and evaluation of financial and non-financial information for impactful decision-making

Y3	Problem solving
<i>Collate and compare information from multiple sources to correctly define a problem, assess alternative solutions against decision criteria and make the optimal decision.</i>	
Level	Learning Outcomes
3	a) Use a questioning mind-set during problem identification and analysis
1	b) Weigh the relevance and accuracy of information; challenge assumptions, and probe for detail
3	c) Use reasoning, critical analysis and innovative thinking to identify likely impacts of different issues and the implications of corresponding courses of action
2	d) Demonstrate flexibility, creativity and innovation in generating solutions and identifying new opportunities
3	e) Make decisions and recommendations on a rational and timely basis, supported by facts and research
2	f) Identify when to seek assistance from experts/specialists to expedite problem-solving, decision-making and/ or reaching conclusions (based on theoretical scenarios provided)

Y4	Judgement and decision-making
<i>The ability to make considered and effective decisions, come to sensible conclusions, perceive and distinguish relationships, understand situations, and form objective opinions/</i>	
Level	Learning Outcomes
2	<p>a) Remain aware of the impact of personal biases on decision-making</p> <p>b) Determine for each alternative course of action:</p> <ul style="list-style-type: none"> (i) likely outcome (ii) apparent effectiveness of addressing the root causes of problems (iii) feasibility of effective implementation (iv) stakeholder support for effective implementation (v) ranking in relation to the other identified courses of action <p>c) Use evidence, experience and technical competencies to make insightful decisions through an interrelated process that includes the following steps:</p> <ul style="list-style-type: none"> (i) Determine the scope of the matter/problem (ii) Collect and verify relevant financial and non-financial information (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 (iv) Negotiate and reconcile differing views to find acceptable compromises leading to agreement where possible (v) Recommend, justify and prioritise the decision, solution, conclusion or course of action based on degree of urgency or some other criterion (vi) Recognise the wider potential impact of decisions and the potential internal and external responses

Y5	Professional scepticism
<i>Having a questioning mind. Being alert to anything that may indicate misstatement due to error or fraud. Critically assessing evidence.</i>	
Level	Learning Outcomes
2	Apply a diligent and impartial mind-set when making enquiries or questioning others:
	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
	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)
	f) Demonstrate the ability and willingness to stand one's ground when facing pressure to act in haste or change one's view

X	RELATIONAL ACUMEN
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<p>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</p>
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The Academic Programme should assist in development of these acumens by providing different opportunities to develop or demonstrate these acumens. Each prospective CA should, however, take ownership of developing these acumens using both the formal academic programme and other opportunities “outside the classroom” during their tertiary studies.

The minimum content column contains non-exhaustive examples of the tasks and related proficiency level that should be reached by the end of the Academic Programme.

X1 Communication skills		
<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>		
Level	Learning Outcomes	Learning outcome contextualised for academic programme and minimum content
2	a) Apply effective listening and discussion techniques to obtain and clarify relevant information	<p>Be able to take part in discussions (such as group or class discussions) to obtain and clarify relevant information with the use of prompts/guidance from the facilitator.</p> <p>Obtaining and clarifying information as demonstrated in written assessments.</p> <p><i>Suggested minimum content</i></p> <ul style="list-style-type: none"> • Different models for listening e.g. HUIRIER model • Discriminative, informational, critical and empathetic listening
3	b) Communicate (verbally and non-verbally) using clear and concise messaging, in a professional manner, appropriate to the audience and situation, and consider cultural and language differences (where necessary)	<ul style="list-style-type: none"> • Be able to apply verbal and non-verbal communication skills in day to day and professional communication (such as team or client discussions, meetings or conference calls) as explained below: <ul style="list-style-type: none"> ○ Use messaging that is appropriate to the audience and situation with limited guidance sought from a more experienced CA or other professional. ○ Be able to take responsibility for basic communication, have communication reviewed where necessary and seek guidance when required. ○ Be able to adjust the content and messaging to the appropriate audience and situation. • Agreed upon deliverables which require formal communication (such as a formal client presentation, audit committee document, technical report, or formal memo to a client) is addressed appropriately as set out in (d) “Apply contemporary presentation modes...” and (e) “Prepare written correspondence...” below. <p><i>Suggested minimum content</i></p>

X1	Communication skills	
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.		
Level	Learning Outcomes	Learning outcome contextualised for academic programme and minimum content
		<ul style="list-style-type: none">• Types of non-verbal communication e.g. kinesics, haptics etc.• Functions of non-verbal communication e.g. complementing, substituting, contradicting, accenting, repeating, regulating
3	c) Communicate in writing using clear and concise messaging (incorporating visuals where appropriate) that is professional, appropriate to the audience and situation, considers any legal, ethical, regulatory and business requirements (where appropriate), and consider cultural and language differences (where necessary)	<ul style="list-style-type: none">• Be able to apply written communication skills in day to day and professional communication (such as reports, memos etc) as explained below:<ul style="list-style-type: none">○ Use messaging that is appropriate to the audience and situation with limited guidance sought from a more experienced CA or other professional.○ Be able to take responsibility for basic communication, have communication reviewed where necessary and seek guidance when required.○ Be able to adjust the content and messaging to the appropriate audience and situation.• Agreed upon deliverables which require formal communication (such as a formal client presentation, audit committee document, technical report, or formal memo to a client) is addressed appropriately as set out in (d) “Apply contemporary presentation modes...” and (e) “Prepare written correspondence...” below.

X2	Leadership skills	
<i>Work with others and manage and lead teams.</i>		
Level	Learning Outcomes	Minimum content
2	a) Use visible strategic direction to motivate and facilitate others' efforts to excel, in an accountable, responsible and selfless manner	Content from I2 (Business Ethics) above: Responsible leadership
	b) Proactively/pre-emptively take the lead to foster collaboration and influence others to work towards a common goal, and to challenge them to deliver quality work that meets high standards	Content from I2 (Business Ethics) above: Responsible leadership
	c) Empower and develop others by providing advice, support and mentorship	Content from I2 (Business Ethics) above: Responsible leadership
3	d) Treat others respectfully, courteously and equitably	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities

X3	People skills	
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		
Level	Learning Outcomes	Minimum content
1	a) Apply personal influence and negotiation skills and facilitate discussions and understanding between parties, influencing and negotiating where needed, to reach consensus.	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities
	b) Apply conflict resolution skills to minimise impact of or resolve conflict	Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values, including <ul style="list-style-type: none">• Family and community• Culture• Social context• Belief systems i.e. religious and secular
3	c) Apply consultative skills to obtain information, solve problems and/or maximise benefits from opportunities	Content from Z3 (Innovation and Creativity)
	d) Apply self-management skills to work independently, and to manage work pressure and its impact on others	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities
	e) Adapt to the management and leadership styles and cultures of an organisation	Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values.
3	f) Apply personal influence and negotiation skills to persuade others and build consensus. Voice own opinion and debate in an effective manner	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values.
2	g) Be cognisant of cultural differences	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values.

X4	Relationship-building skills
<i>Build authentic relationships and effective collaboration across a wide range of teams and stakeholders</i>	

X4	Relationship-building skills	
Level	Learning Outcomes	Learning outcome contextualised for academic programme
1	a) Identify when it is appropriate to seek assistance from experts/specialists to solve problems, make decisions and/or reach conclusions	Identify within the context of the A4 world (theoretically), when to seek assistance from experts or specialists
	b) Seek opportunities and build strategic professional relationships (also cross-functional business partnerships) to achieve common goals	Be able to build relationships with some members of a team/small group (this could be group work within the Academic Programme or other team settings outside the formal classroom environment such as sport teams or clubs).
	c) Identify and apply strategies to proactively build relationships, networks and alliances	Understand the importance of networking and relationships with a professional role.

X5	Teamwork	
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.		
Level	Learning Outcomes	Minimum content
3	a) Work effectively with others as a resourceful and trustworthy team member through sharing knowledge, cooperating and / or collaborating to achieve team goals	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values.
2	b) Apply delegation skills to effectively manage teams and projects, thus ensuring timeous and quality outcomes	Be able to allocate responsibilities and manage the progress of others in small group/team settings (these could be group work within the Academic Programme or other team settings such as sport teams or clubs).
	c) Manage conflict between individuals and across teams	Content from I1 (Personal Ethics): Worldviews, ethics, values, norms. Factors shaping the development of identity and values.
3	d) Assume shared responsibility	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities
	e) Value individual contributions by team members	Content from II1 (Personal Citizenship) above: Citizenship and the responsibilities of the individual as a member of multiple communities

X6	Self-management	
Plan and manage personal development and appreciate how personal strengths and weaknesses may impact work, learning and goal attainment.		
Level	Learning Outcomes	Learning outcome contextualised for academic programme
3	a) Manages self by working independently and diligently	Be able to apply these skills to the demands of the Academic Programme with limited

X6	Self-management	
	b) Display self-management skills to work independently and manage time and work pressure, being cognisant of the impact of this on others	assistance.
	c) Individual manages their overall well-being (balanced lifestyle)	
	d) Set appropriate goals, monitor and self-reflect on own performance	

X7	Managing others	
Work with others and manage and lead teams.		
Level	Learning Outcomes	Learning outcome contextualised for academic programme
2	a) Apply skills of planning, resource allocation and delegation to effectively manage teams and projects, thus ensuring timeous and quality outcomes	Be able to apply these skills to the demands of the Academic Programme with limited assistance.
	b) Develop, organise and prioritise tasks (recognising their resource constraints) and manage progress so as to achieve professional commitments/outcomes	Prioritising your studies and managing your progress
	c) Oversee team members' progress and performance in the context of tasks, plans, projects or operational activities	Be able to manage the progress of others in small group/team settings (these could be group work within the Academic Programme or other team settings such as sport teams or clubs).
	d) Provide constructive feedback	Content from I2 (Business Ethics) above: Responsible leadership

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.

Digital acumen is made up of two types of competencies:

- W1: Enabling
 - W2 – W7: Technical (minimum knowledge is therefore defined)
- Proficiency levels for the above must therefore be interpreted in line with each type of competency

W1 Computational thinking		
<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>		
Level	Learning Outcomes	Minimum content
3	a) Decomposition of problem into smaller sub-problems	<ul style="list-style-type: none"> • Be able to communicate a problem to a computer (using the four pillars on the left), who will then solve the problem on behalf of the human. Then be able to interpret the result presented by the computer • Implement and/or interpret a basic computer program by using and understanding: <ul style="list-style-type: none"> ○ Variables ○ Expressions ○ Conditional Statements ○ Loops ○ Functions ○ Objects
	b) Find patterns (similarities, shared characteristics) among the sub-problems	
	c) Determine relevant characteristics and discard irrelevant characteristics	
	d) Write an 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.

W2	Data knowledge and strategy	
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.		
Level	Learning Outcomes	Minimum content
2	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	Data management techniques as it pertains to: <ul style="list-style-type: none">• Various data sources (both financial and non-financial; structured and unstructured)• Accessing data from various sources• Sources and attributes of data• Data structures and models• Data files and databases• The normalisation (clean-up) of data and metadata• Data protection policies and controls• Data quality, accessibility, interoperability• The risks associated with data transfer.• Data protection, privacy, intellectual property rights and ethical issues applicable to the specific jurisdictions in which the data could be stored (e.g. POPI in SA, GDPR internationally)<ul style="list-style-type: none">○ Confidentiality of data○ Integrity of data○ Availability of data• Implications, risks and ethics of communication on social media• Understand policies versus processes
	b) Describe sources and forms of data ⁸ (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	
1	g) Explain data strategies that deal with data privacy, including ethical issues in data management	
	h) Explain data strategies that deal with intellectual property rights in data management	

⁸ Including big data, characterised by its volume, variety, velocity and veracity, and the value of data being created/generated

W2	Data knowledge and strategy	
<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>		
Level	Learning Outcomes	Minimum content
2	i) In relation to the above matters evaluate policies	

W3	Data analytics	
<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>		
Level	Learning Outcomes	Minimum content
2	a) Identify the practical challenges of data analytics (e.g., data volume and quality, and privacy, regulatory and ethical issues)	<ul style="list-style-type: none"> • Data analytics techniques • The data analytics process: <ul style="list-style-type: none"> ○ Plan what data analytics are required ○ Access and prepare data for use ○ Consider the relevance and reliability of data ○ Perform the data analytics procedures ○ Evaluate the results • Principles of continuous auditing • Statistical data modelling techniques
3	b) Use processes of inspection, extraction, transformation, loading (ETL) and modelling data (as discussed below) (see (e) to (h)) 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)	
2	d) Interpret the results to solve a defined business or audit problem and suggest further steps to be taken	
3	e) Data inspection: <ul style="list-style-type: none"> (i) Describe the elements of a specific business process by documenting the workflow (ii) Define the problem to be solved and determine clear measurement priorities (iii) For the data available, distinguish between relevant and irrelevant data for the problem to be solved (iv) Identify additional data that would be relevant to solve the problem. (v) Evaluate the input controls responsible for ensuring that the data captured and used is valid, accurate and complete 	
	f) Data extraction and loading: Examine the data (or evaluate the input controls used) to ensure that the data imported into the data analysis software is valid, accurate	

W3	Data analytics	
<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>		
Level	Learning Outcomes	Minimum content
	and complete	
	g) Data transformation: (i) Perform data normalisation (clean-up) (e.g. standardisation of fields and records, removal of duplicates, verification of anomalies, sorting of data) (ii) Identify anomalies in the data by applying professional scepticism	
	h) Data modelling: (i) Classify the relevant fields based on its data type (e.g., dichotomous, nominal, ordinal, interval, ratio) (ii) Choose appropriate analytical methods and identify alternative approaches, taking the data types and the specific analytical task into account (iii) Perform descriptive statistics to measure central tendencies and the variability of the data (iv) Identify and explain the assumptions of multiple linear regression (v) Perform a multiple linear regression using data analytics software tools to predict the outcome of a variable based on the value of two or more variables (vi) 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 (vii) Use appropriate techniques to identify outliers (viii) Evaluate the validity and accuracy of the results by applying professional scepticism	

W4	Automation	
<i>Automation is the technology by which a process or procedure is performed with minimal human assistance</i>		
Level	Learning Outcomes	Minimum content
3	a) Identify opportunities to automate and / or modernise processes and evaluate the benefits and risks associated with this	<ul style="list-style-type: none"> • Basic principles of automation, including identifying use cases and its underlying benefits and risks • Understand the level of automation required based on the data structures present in the

W4	Automation	
	b) Evaluate the need for cognitive computing systems in the automation process c) Build a command that automates a process	process (e.g. artificial intelligence, robotic process automation, required for unstructured data) • Understand the role of ethics in AI • Practically implementing automation on a routine task

W5	New developments and protocols (e.g. artificial intelligence (AI), blockchain, Internet of Things etc.)	
Level	Learning Outcomes	Minimum content
1	a) Describe new developments and explain how they can be used (e.g., identify opportunities to address accounting and business problems, limitations, risks, etc.)	Broad background on recent digital developments (e.g. annual Gartner Group report and Deloitte Tech Trend report) as it pertains to: • The different applications in a business environment (potential benefits, costs) • The limitations and risks associated with the use (including appropriateness for use in different business functions, interaction and compatibility with other areas of technology and existing processes) • Relevant general, application and data controls applicable to the use of new developments and protocols • Ethics of the use of technology and monetising data

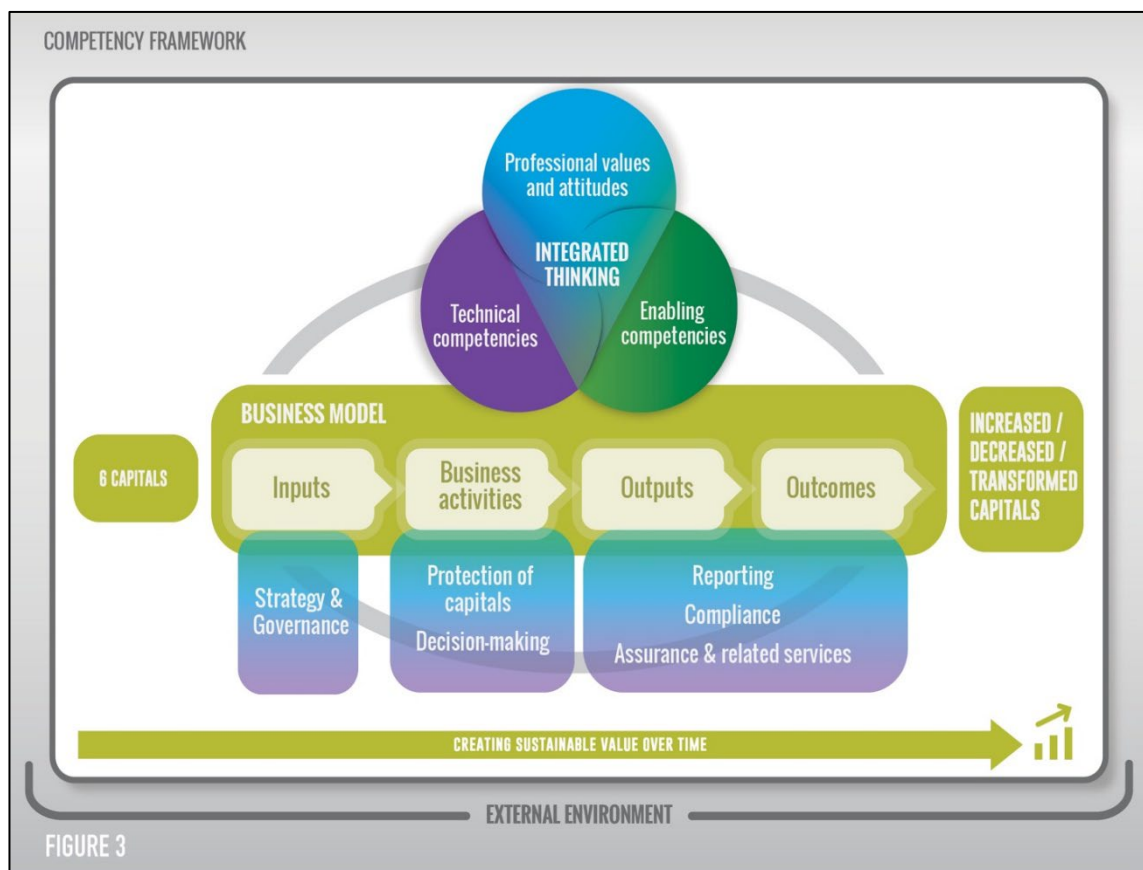
W6	Cyber security	
<i>Cyber security is the practice of defending computers and servers, mobile devices, electronic systems, networks and data from malicious attacks</i>		
Level	Learning Outcomes	Minimum content
2	a) Explain the impact of cyber risks on the organisation b) Identify available techniques to mitigate cyber risks	• Broad background of: ○ Types of cyber threats and the sources and access points of such threats ○ The potential consequences of such threats • Controls to manage cyber threats, including: ○ Protection, detection and response (including best practices to secure and safeguard organisational IT infrastructure, laptops, other portable devices, software, cloud and other storage, data etc.) ○ The potential role of forensic analysis (i.e. detecting and documenting the course, reasons, culprits, and consequences of a security incident) ○ Public key cryptography (encryption and digital signatures)

W7	User competencies	
Use technology ethically as an enabler to optimise decision making and to promote business efficiencies and controls.		
Level	Learning Outcomes	Minimum content
3	<div>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,</div> <div>b) Use presentation software in an accounting/ business context</div> <div>c) Use spreadsheet software in an accounting/ business context utilising advanced excel function such as more complex formula, short cut keys, macro;s or pivot tables for example</div> <div>d) Use accounting software to create and view financial transactions</div> <div>e) Communicate and collaborate with others using a wide range of digital devices, technologies and platforms</div> <div>f) Apply visualisation techniques and tools to develop simple dashboards</div> <div>g) Secure and safeguard information technology resources such as organisational IT infrastructure, laptops (and other portable devices), software, cloud (and other) storage, and data</div>	<div>• Practically using the following software in an accounting/ business context:<ul style="list-style-type: none">○ Word processing software○ Presentation software○ Spreadsheet software○ Accounting software○ Digital collaboration platforms</div> <div>• Principles of copyright and licenses relevant to digital information and content</div> <div>• Controls relevant to securing and safeguarding IT resources and data</div>



3. TECHNICAL COMPETENCIES IN THE VALUE CREATION PROCESS

- 3.1. CAs(SA) have always been renowned for their technical competence and the development of these competencies is a key aspect of the academic programme. Technical competencies reflect the knowledge of CAs as professional accountants which enables them to deliver quality work in public practice, industry, the public sector, academia and more.
- 3.2. 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 CAs) and to perform a role to a defined standard. Technical competencies in the value creation process are categorized into six areas (1 Strategy and Governance, 2 Stewardship of Capitals, 3 Decision-making, 4 Reporting, 5 Compliance and 6 Assurance and Related Services) and these are displayed in Figure 3.



- 3.3. This competency framework uses an organisation's value creation process to articulate the technical competencies. Such a process requires that the organisation adopt a business model for transforming inputs through business activities into outputs that lead to outcomes and aims that fulfil its strategic purpose and create sustainable value over the short, medium and long term (King IV, 2016). The organisation draws on various capitals (financial, manufactured, intellectual, human, social and relationship, and natural) as inputs and, through its business activities, these are converted to outputs which lead to outcomes (IIRC, 2013).
- 3.4. **Inputs:** These relate to the capitals on which the organisation depends or that differentiate it and are seen to be material to understanding the robustness and resilience of the organisation's

business model (IIRC, 2013). The organisation's strategy, providing a sense of identity and general direction, drives its business model. The CA(SA) as a professional accountant provides insights and impactful decisions that influence the organisation's short-, medium- and long-term strategic objectives, and which culminate in the organisation's business model. Those charged with governance have ultimate responsibility for how the organisation's strategy, governance and performance lead to value creation over time (IIRC, 2013). The organisation's strategy is achieved through implementing resource allocation plans (IIRC, 2013). For purpose of this framework, technical competencies on **INPUTS** comprise of STRATEGY AND GOVERNANCE matters to create sustainable value, including the organisation's governance model, its business strategy, its business model and finance strategy, and also by taking into account tax strategy and tax risk management.

- 3.5. **Business activities:** Capitals (stocks of value) on which the organisation depends to be successful are increased, decreased or transformed through its business activities (IIRC, 2013). CAs(SA), as professional accountants with the ability to interpret, analyse and evaluate financial and non-financial information, ideally position themselves to influence decision-making affecting the organisation's business activities, for example having an impact on how the organisation differentiates itself in the marketplace, generates income, approaches the need to innovate and to adapts to change. For purposes of this framework, technical competencies on **BUSINESS ACTIVITIES** comprise of STEWARDSHIP OF CAPITALS (reporting fundamentals, business systems and processes, and risk management and control) and DECISION-MAKING to increase, decrease or transform capitals. The latter includes performance measurement for decision-making by management and other internal users of financial information, financing decisions, investment decisions, the use of derivatives, business valuation, performance management systems, decisions on financially troubled businesses as well as related tax law implications.
- 3.6. **Outputs leading to outcomes:** Stakeholders are informed about the organisation's outputs (e.g., financial position and performance, products and services) leading to outcomes (e.g., tax payments, net increase/decrease in the capitals) (IIRC, 2013). Various communications (for example integrated reports or other extended external reports, financial statements and tax returns) are used for this purpose. With his/her knowledge of financial and non-financial reporting standards, auditing standards, laws and regulations, the CA(SA) as a professional accountant is a key role player in reporting, assurance and compliance processes. For purpose of this framework, technical competencies on **OUTPUTS leading to OUTCOMES** comprises REPORTING on value creation, which includes performance measurement for external users of general-purpose financial statements for non-specialised profit-orientated entities, public sector entities and other not-for-profit entities. Technical competencies on COMPLIANCE address tax governance and laws and regulations. For ASSURANCE AND RELATED SERVICES, the technical competencies comprise concepts and principles of assurance engagements, audits of historical financial statements for non-specialised profit orientated entities, public sector entities, other not-for-profit entities, other assurance services and other related services.

TECHNICAL COMPETENCIES IN THE VALUE CREATION PROCESS

INPUTS

AREA 1		SUB-CATEGORY	
A	Strategy and governance to create sustainable value	A1	Governance model
		A2	Business strategy
		A3	Aligning the business model with the business strategy
		A4	Finance strategy
		A5	Tax strategy

BUSINESS ACTIVITIES

AREA 2		SUB-CATEGORY	
B	Stewardship of capitals: business processes and risk management	B1	Reporting fundamentals
		B2	Business systems and processes
		B3	Risk management and control

AREA 3		SUB-CATEGORY	
C	Decision-making to increase, decrease or transform capitals	C1	Performance measurement for decision-making by management and other internal users of financial information
		C2	Financing decisions
		C3	Investment decisions
		C4	Use of derivatives
		C5	Business valuation
		C6	Performance management systems
		C7	Financially troubled businesses
		C8	Tax law implications

OUTPUTS LEADING TO OUTCOMES

AREA 4		SUB-CATEGORY	
D	Reporting on value creation	D1	Performance measurement for users of <i>extended external reports</i>

OUTPUTS LEADING TO OUTCOMES

AREA 5		SUB-CATEGORY	
E	Compliance	E1	Tax governance
		E2	Laws and regulations

AREA 6		SUB-CATEGORY	
F	Assurance and related services	F1	Concepts and principles of assurance engagements
		F2	Audits of historical financial statements of a <i><u>non-specialised profit orientated entity</u></i>
		F3	Audits of historical financial statements of a <i><u>public sector entities</u></i>
		F4	Other assurance services
		F5	Other related services

Detailed information on technical competencies is presented in the tables below:

AREA 1

INPUTS

STRATEGY AND GOVERNANCE TO CREATE SUSTAINABLE VALUE

A1 GOVERNANCE MODEL

This competency area refers to authority and accountability of role players in a governance process and includes the governance model of a business, including the fundamentals of governance (including governance theories and approaches to achieving effective governance), governance structures and practices as well as internal auditing as a governance mechanism.

A1.1 Governance fundamentals		
Level	Learning Outcome	Minimum content
2	Use different worldviews and theoretical underpinnings to interpret key stakeholder roles and responsibilities (agency theory, shareholder/stakeholder theory, Ubuntu)	<ul style="list-style-type: none"> • Agency theory • Shareholder / stakeholder theory • Legitimacy theory • Social responsibility • Environmental responsibility • Ubuntu • Need for, and limitations of, corporate governance regulations • Difference approaches to achieving effective corporate governance (legislation and codes)
A1.2 The entity's governance structures and practices		
Level	Learning Outcomes	Minimum content
3	a) Evaluate governance structures and practices of a profit company in terms of King IV (and successors) and relevant laws (e.g., Companies Act, 2008) and regulations	<ul style="list-style-type: none"> • King IV Report <ul style="list-style-type: none"> ◦ Sector supplements (awareness only) • Relevant sections of Companies Act – refer to Laws and Regulations (E2.1) • Relevant sections of the Public Finance Management Act – refer to Laws and Regulations (E2.1) • Relevant sections of the Municipal Finance Management Act – refer to Laws and Regulations (E2.1)
1	b) Explain the governance structures and practices of organisations other than profit companies in terms of King IV (and successors) and relevant laws (e.g. PFMA) and regulations	
2	c) Analyse ways to align the governance structures and practices with the overall	

A1.2	The entity's governance structures and practices	
Level	Learning Outcomes	Minimum content
	purpose of a profit company	Regulations (E2.1)
1	d) Explain ways to align the governance structures and practices with the overall purpose of organisations other than profit companies	<ul style="list-style-type: none"> Relevant sections of the Municipal Systems Act – refer to Laws and Regulations (E2.1)

A.1.3	Internal audit	
Level	Learning Outcomes	Minimum content
2	a) Assess the effectiveness of the internal audit function with reference to its status and scope, and whether reported findings are acted upon	<ul style="list-style-type: none"> ISA 610: Evaluating the Internal Audit Function King IV Report: Assurance
	b) Discuss the participation of internal audit in an organisation's combined assurance process	

A1.4	IT Governance	
Level	Learning Outcome	Minimum content
1	Understand the IT governance structures and practices of the organisation	Use an appropriate framework, e.g. COBIT

A2 BUSINESS STRATEGY

This competency area refers to actions and decisions of an organisation to achieve its goals and includes the strategy development process, the external and internal influences on the organisation's business strategy, the IT and data strategy as well as the implementation of the developed business and other strategies

A2.1	Strategy development process	
Level	Learning Outcomes	Minimum content
2	a) Following a multi-capital management approach, analyse and align the overall purpose of an organisation (to provide sustainable value to the organisation and its stakeholders) with its context, vision, mission, values, and mandates	<ul style="list-style-type: none"> Definition of purpose, corporate values, objectives and strategies Application of appropriate analysis tools for considering the internal and external environment. Application of integrated thinking in strategy formulation. Contrasting competitive strategy models.
	b) Facilitate and advise on the strategy development process of the organization	

A2.1	Strategy development process	
Level	Learning Outcomes	Minimum content
	c) Review key stakeholder roles and responsibilities in the organisation's business plan and the execution of its business strategy	<ul style="list-style-type: none"> Identifying and recognising key stakeholders of an entity, and their interests and influence.
	d) Review the organisation's strategic direction and highlight areas of potential value and risk	

A2.2	External and internal influences on the organisation's strategy	
Level	Learning Outcomes	Minimum content
2	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 legal, regulatory, political spheres) by using relevant strategic analysis tools, frameworks and models b) Review 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, the six capitals) on the organisation's strategy c) Review the impact of events and activities related to the organisation's context while creating their business strategy d) Identify and evaluate significant opportunities and risks associated with the entity's external and internal environments	<ul style="list-style-type: none"> The drivers of change in the business ecosystem. External and internal influences on an entity's strategy <ul style="list-style-type: none"> Macro opportunities and threats (economic, political, regulatory / legal, technological and competitive environment) Internal strengths and weaknesses (structures, relationships, resources, systems and processes) Natural environment and sustainability Corporate culture Human resource management Industrial relations Remuneration strategies Motivational aspects Goal congruence and alignment Code of conduct and ethical codes The role of technology and the digital environment, transformation, and ecosystems.

A2.3	Implementing strategy	
Level	Learning Outcomes	Minimum content
3	a) Review context relevant models to appraise the organisation's capabilities to achieve the business strategy and purpose b) Identify and evaluate significant business risks, strengths, weaknesses, opportunities and threats associated with the organisation's external and internal environments	<ul style="list-style-type: none"> Context relevant strategy models SWOT analysis PESTLE analysis Porters five forces

A2.3 Implementing strategy		
Level	Learning Outcomes	Minimum content
2	a) Prepare a strategic response to the organisation's competitive environment by applying strategic analysis tools to identified external and internal factors	<ul style="list-style-type: none"> • Use of the balanced scorecard in managing different aspects of the business, putting effective drivers in place. • Value chain analysis • Four corner's analysis • Risk management models, critical success factors and key performance indicators.
	b) Assess the risk tolerance of the entity's stakeholders' and its balance with opportunity	
	c) Identify priorities and actions either to mitigate critical risks or capitalise on opportunities	
	d) Formulate insights into the impact of future opportunities and risks	

A2.4 IT and data strategy		
Level	Learning Outcomes	Minimum content
2	a) Review the organisation's overall IT and data strategy (e.g., data quality, accessibility, interoperability and compliance with standards)	<ul style="list-style-type: none"> • Considering the efficiency and effectiveness of the entity's IT solutions in meeting its IT needs and in helping to solve common business problems, based on the entity's overall strategy • The feasibility of using the latest IT technologies • The manner in which the entity uses IT to obtain, create and disseminate information that helps to achieve its various strategies • The development of an appropriate IT structure, including committees to address the entity's IT needs • The evaluation of the adequacy of the entity's strategy regarding waste management with regard to IT hardware disposal • Cloud applications and services • Data analytics and interpretation • Accumulation, storage, use, protection and ethicality to big data use • Data use in intelligent systems such as neural networks and artificial intelligence • Interfacing machines and people • Process automation and artificial intelligence • Blockchain • The internet of things
	b) Analyse the impact of the organisation's business strategy and business model and its data strategy and objectives	
	c) Formulate recommendations on the organisation's existing IT and data strategy	

A3 ALIGNING THE BUSINESS MODEL WITH THE BUSINESS STRATEGY

This competency area refers to how an organisation's strategy is embedded in a plan aimed at successful operation and includes the building blocks of the business model, disruptive business models, the change management process and building relations and growth strategies.

A3.1 Building blocks of the business model		
Level	Learning Outcomes	Minimum content
2	a) Assess the business model of the organisation in terms of its key building blocks	<ul style="list-style-type: none">• Key building blocks of the business model of the entity which may include:<ul style="list-style-type: none">○ Customer segments○ Value propositions○ Channels (communication, distribution and sales)○ Customer relationships○ Revenue streams○ Key resources<ul style="list-style-type: none">– Physical– Intellectual– Human– Financial– Digital○ Key activities○ Key partnerships○ Cost structure○ Assesses corporate culture○ Utilises analytical tools for assessing feasibility of strategies formulated
	b) Consider and apply different perspectives to evaluate the organisation's business model (e.g., risk, innovation, investment, etc.)	
	c) Assess the organisation's business model as a vehicle for the implementation of its business strategy	
	d) Assess the organisation's business model as a vehicle for long-term value creation for stakeholders	

A3.2 Disruptive business models		
Level	Learning Outcomes	Minimum content
2	a) Assess the effectiveness or threat of disruptive business models	<ul style="list-style-type: none">• Utilising new technologies to reformulate value propositions• Unlearning and relearning business models• Reflective models to drive re-development• Monitoring the transient nature of digital value• Timing of disruptive models• Building an ecosystem
	b) Assess the organisational pursuit of, and responses to disruptive business models	

A3.3 Change management process		
Level	Learning Outcomes	Minimum content
1	a) Evaluate how management changes impact on business strategy, other strategic plans, business plans and functional plans	<ul style="list-style-type: none"> • Business plans • Complexity theory and organizational behaviour • French and Raven's five bases of power • Hybrid organization theory • Informal organizational theory • Understanding systems with Mintzberg's organography • Context relevant change management theories and approaches
	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) Identify and evaluate information that will help assess and manage the internal and external environment	
	f) Identify and 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) Identify the entity's material impact on environmental, economic and social systems and consequently identifies any risks relating to the entity's continuity	

A3.4 Building relations and growth strategies		
Level	Learning Outcomes	Minimum content
2	a) Evaluate 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	<ul style="list-style-type: none"> • Acquisitions, takeovers, restructurings • Issues that can arise from a change in control • Due diligence, risks • Corporate culture • Stakeholder theory
	b) Analyse stakeholder profiles to identify potential strategic alliances and partnerships	
	c) Evaluate stakeholder potential to achieve and improve joint efficiencies.	

A.4	FINANCE STRATEGY
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This competency area refers to actions and decisions of an organisation to achieve its finance goals and includes the organisation's finance plan (including the finance strategy), factors influencing the finance strategy and the appraisal of the finance strategy

A4.1 Finance plan		
Level	Learning Outcome	Minimum content
2	Evaluate the organisation's finance plan in the context of its business needs, overall finance strategy and business strategy	<ul style="list-style-type: none"> • Purpose of the firm • Inclusive capitalism • Multi stakeholder approach • Sustainable wealth creation • Efficiency of markets • Socio-economic conditions • Agency problem • Employment • Transformation • The six capitals (<IR> Framework) • Triple context – Economy, society, environment • ESG • Forms of business organisations

A4.2 Factors influencing the finance strategy		
Level	Learning Outcome	Minimum content
2	Identify and analyse environmental factors (e.g., financial markets (national and global) and other relevant factors (refer to A2.2)) to determine the influence thereof on the finance strategy of the organisation	Refer Business Strategy (A2.2) and Finance Strategy (A4.1)

A4.3 Appraise the finance strategy		
Level	Learning Outcomes	Minimum content
3	a) Assess models used to appraise the organisation's finance strategy; ensure that it is aligned with the organisation's value creation objective, supports business need and ensures appropriate resources are allocated	<ul style="list-style-type: none"> • Form of ownership (e.g. public vs private company, proprietorship, partnership) • Extent of ownership (e.g. direct investment vs outsourcing or strategic alliances)
	b) Advise on appropriate finance strategy, including value creation for stakeholders	

A.5 TAX STRATEGY

This competency area refers to actions and decisions of an organisation to achieve its tax goals and includes the organisation's tax strategy, tax risk management and tax morality.

A5.1 Tax strategy		
Level	Learning Outcomes	Minimum content
1	a) Identify the tax strategy of the business and explain how the organisation's internal and external environments influence the tax strategy of a business	<ul style="list-style-type: none">• The relevant tax strategy concepts<ul style="list-style-type: none">◦ Tax optimisation as a contribution to society vs tax minimisation as a business expense◦ Tax minimisation vs tax avoidance vs tax evasion◦ Tax incidence• South African developments framing strategy in the context of taxation, for example King reports• Refer to Ethics and Citizenship (I and II)• Refer to Business internal environment (Z1) and Business external environment (Z2)• Refer to Business Strategy (A2) and Aligning the business model with the business strategy (A3)• Refer to Tax Landscape in South Africa (E1.1)
	b) Explain the tax implications of various legal forms and business structures and of self-employment vs employment status	

A5.2 Tax risk management		
Level	Learning Outcomes	Minimum content
1	a) Identify tax risks associated with the entity's external and internal environments	<ul style="list-style-type: none">• Financial risks associated with underpayment, overpayment or late payment of taxes• Non-financial risks (e.g., compliance, operational and reputational)• General and specific tax avoidance legislation• Interest, Refunds, Administrative and understatement penalties, Criminal offences• Emerging trends and forthcoming changes in tax related non-financial reporting. (Refer to Reporting Fundamentals (B1.1(k)))• Refer to Risk management and control (B3)• Refer to Business Acumen (Z)• Refer to Tax Landscape in South Africa (E1.1)
	b) Explain the relevant anti-avoidance legislation provisions including possible consequences of tax avoidance and tax evasion	
	c) Identify when to seek assistance from tax experts to expedite problem-solving, decision-making and/ or reaching conclusions on tax matters	
	d) Explain understatement and administrative non-compliance penalties and interest levied on late or under payment of taxation	
	e) Explain 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	

A5.3	Tax morality	
Level	Learning Outcome	Minimum content
1	Explain the social contract between a citizen and the state framing the moral and legal responsibilities to contribute to the tax revenue of the state. The social contract could be described as an agreement between citizens and the state. The state creates prosperity and as a consequence the country requires a commitment from people through tax payments.	Refer to Ethics and Citizenship (I and II).

AREA 2

BUSINESS ACTIVITIES

B. STEWARDSHIP OF CAPITALS: BUSINESS PROCESSES AND RISK MANAGEMENT

B1 REPORTING FUNDAMENTALS

This competency area forms a base or core for knowledge on reporting knowledge and includes the fundamental reporting concepts and accounting information systems.

B1.1 Fundamental reporting concepts		
Level	Learning Outcomes	Minimum content
2	a) Identify 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>Refer also to the Principles of Examination for the IFRS Accounting Standards Syllabus</i>
	(i) Considering the fundamental theories related to reporting	Agency theory, stakeholder theory, legitimacy theory
	(ii) Considering the objective, usefulness and limitations of the available reporting frameworks	IFRS, IFRS for SMEs, GRAP, <IR> Framework ⁹ , The Global Reporting Initiative, The UN's Sustainable Development Goals
	(iii) Considering the objective, nature and characteristics of regulatory frameworks and requirements	Companies Act, JSE Listings Requirements, King IV Report, Public Finance Management Act, Municipal Finance Management Act
2	b) Apply the qualitative characteristics and principles of useful information	IFRS, <IR> Framework
2	c) Identify, define and evaluate appropriate reporting boundaries	IFRS, <IR> Framework
3	d) Identify, define and evaluate the different elements in reporting frameworks	IFRS, <IR> Framework
	e) Apply the recognition and de-recognition criteria to an element	IFRS

⁹ Subject to developments in this area being monitored as part of the annual review of the Competency Framework. This applies to all reference to the <IR> Framework.

B1.1 Fundamental reporting concepts		
Level	Learning Outcomes	Minimum content
	f) Select and apply a measurement basis to an element	IFRS
	g) Critically analyse and prepare presentation and disclosures for a selected framework and reporting boundary	IFRS, <IR> Framework
1	h) Explain the concepts of capital and capital maintenance	IFRS
2	i) Critically analyse non-GAAP financial disclosures in an ethical manner	IFRS
1	j) Explain and contrast the various formats of reporting	XBRL
	k) Identify and explain emerging trends and forthcoming changes in financial and non-financial reporting	IFRS, <IR> Framework

B1.2 Accounting information systems		
Level	Learning Outcomes	Minimum content
3	a) Maintain an accounting information system that is manual, automated or a combination of both.	Double-entry accounting system Types of accounting records: <ul style="list-style-type: none"> • Source records • Journals • Ledgers (including the chart of accounts) • Trial balances • Financial statements Refer to minimum content under W – Digital Acumen
2	b) Evaluate the effectiveness and efficiency of an organisation'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	Refer to minimum content under W - Digital Acumen and B2.1 Transaction business processes and digital technologies

B2	BUSINESS SYSTEMS AND PROCESSES
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This competency area refers to a collection of workflow processes within a system and includes the transactional business processes and digital technologies used by a business to convert inputs into outputs.

B2.1	Transactional business processes and digital technologies
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This section has to be read carefully in conjunction with the context in which competencies are to be developed and assessed in the academic programme in section A (refer to page 3). The entry level CA(SA) is usually going to be involved in financial systems and controls, but not in compliance and operational systems and controls. However, the CA(SA) has to have a sufficient awareness of compliance and operational systems and controls to be able to identify a potential risk arising from these systems and controls not being properly designed or implemented or not operating effectively.

Level	Learning Outcomes	Minimum content
	a) Assess whether an organisation's transactional business processes accurately report performance relative to stated objectives:	<ul style="list-style-type: none"> • Basic principles of internal control (financial and non-financial) • Components of internal control • Business processes and cycles (e.g. sales and receivables, purchases and payables, production and inventory) • Control and business objectives, including control frameworks • Risk (including fraud risk) assessment processes • Basic principles of data analysis and visualization. Refer to Data Analytics (W3) • Broad background on recent digital developments (e.g. annual Gartner Group report and Deloitte Tech Trend report)
2	(i) Financial objectives (e.g. financial performance / targets)	
1	(ii) Non-financial (e.g. human capital, environmental, operational and compliance) objectives	
2	b) Identify the risks pertaining to the organisation's information system environment (hardware, software and networks)	
	c) Design the 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:	
2	(i) Financial internal controls	
1	(ii) Non-financial (e.g. operational and compliance) internal controls	
	d) 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:	
2	(i) Financial internal controls	
1	(ii) Non-financial (e.g. operational and compliance) internal controls	

B2.1 Transactional business processes and digital technologies		
This section has to be read carefully in conjunction with the context in which competencies are to be developed and assessed in the academic programme in section A (refer to page 3). The entry level CA(SA) is usually going to be involved in financial systems and controls, but not in compliance and operational systems and controls. However, the CA(SA) has to have a sufficient awareness of compliance and operational systems and controls to be able to identify a potential risk arising from these systems and controls not being properly designed or implemented or not operating effectively.		
Level	Learning Outcomes	Minimum content
2	e) Assess the effectiveness of the organisation's chart of accounts	
3	f) Review and analyse information and investigate possible signs of error, fraud and illegal acts (e.g., inconsistency of data, lack of completeness, unexpected trends)	
1	g) 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	

B2.2 Transactional business processes and digital technologies		
Level	Learning Outcomes	Minimum content
2	Advise on the organisation's business processes, including account reconciliations and month-end closing, (such as receivables, accounts payable, inventory and production, human resources and payroll, investing and financing)	<ul style="list-style-type: none"> • Basic principles of internal control • Components of internal control • Business processes and cycles (e.g. sales and receivables, purchases and payables, production and inventory) • Control and business objectives • Business frameworks, including control frameworks • Risk assessment processes • Basic principles of data analysis

B3	RISK MANAGEMENT AND CONTROL
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This competency refers to actions and decisions to ensure effective operations, reliable information and compliance with rules and regulations. This area includes the risk management systems and processes, the control systems and processes, the combined assurance model within the organisation as well as the testing of controls for operational effectiveness.

This section is intended to ensure a comprehensive, enterprise-wide view of an organisation. With regards to internal controls, the section should be read carefully in conjunction with the context in which competencies are to be developed and assessed in the academic programme in section A. The entry level CA(SA) is usually going to be involved in financial controls, but not in compliance and operational controls. However, the CA(SA) has to have a sufficient awareness of compliance and operational controls to be able to identify a potential risk arising from these controls not being properly designed or implemented or not operating effectively.

B3.1 Risk management systems and processes		
Level	Learning Outcomes	Minimum content
1	a) Explain the importance of integrating and standardising risk management processes across the organisation – taking into account the organisation's risk management philosophy, risk management strategy and risk management processes	<ul style="list-style-type: none"> • Value creation <ul style="list-style-type: none"> ○ Definition, strategy, measurement, management, reporting, use of six capitals, business models. • Vision and mission statements. • Integrity of information, data and reporting • Risk management in relation to value creation • Enterprise Risk Management (ERM) <ul style="list-style-type: none"> ○ Principles of risk management ○ Risk management frameworks (e.g. COSO – <i>always the latest version</i>, ISO 31000, etc.) ○ Enterprise-wide risk management (operational, financial, informational as well as strategic and environmental risks) ○ Risk management philosophy, strategy and governance (including consideration of the King Code and legislation where applicable – refer to E2: Laws and Regulations) ○ Risk maturity ○ Risk management policy ○ Risk management plan ○ Risk appetite vs risk tolerance limits ○ Identification of risk events/factors (including emerging and unusual risks) ○ Risk assessment (likelihood and impact)
2	b) Use innovative/best practice approaches to managing significant business risks effectively and efficiently, such as an Enterprise Risk Management (ERM) framework	
2	c) Identify the impact and likelihood of strategic, operational, financial and informational risks to achieving business objectives (e.g., business sustainability and value creation over the short, medium and long term)	
1	d) Explain the process to monitor 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 and emerging risks to which the business is exposed:	
2	(i) Financial risks and controls	
1	(ii) Non-financial (e.g., compliance and operational) risks and controls	

B3.1 Risk management systems and processes		
Level	Learning Outcomes	Minimum content
	f) Explain the possible consequences for the organisation 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:	<ul style="list-style-type: none"> ○ Risk response (including internal control, laws, regulations, policies, procedures, acceptance, transference, sharing of risk and avoidance) ○ Risk documentation – risk register – documenting risk identified, assessment of risk, ○ Risk monitoring through amongst others the use of key risk indicators (KRIs) ○ Risk assurance on the risk management process ○ Internal and external communication of risk, risk management and results. ● Systems of internal controls, including the diagnosis (and recommendations for improvement) of weaknesses in these systems in risk reduction. ● Possible consequences (and improvements) for an organisation having an ineffective risk management programme.
2	(i) Financial risks, controls or other responses.	
1	(ii) Non-financial (e.g., compliance and operational) risks, controls or other responses	
2	g) Use risk reporting systems to communicate to others the risk management process and results, including recommendations for improvement	

B3.2 Control systems and processes		
Level	Learning Outcomes	Minimum content
	a) Review the organisation's control frameworks and control policies across the organisation to determine effectiveness in achieving its business objectives and value creation:	<ul style="list-style-type: none"> Control frameworks (e.g. COBIT) ● general IT controls (change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security) ● Information processing controls (application specific IT internal controls) ● Artificial intelligence (AI - refer to New developments and protocols (e.g. artificial intelligence (AI), blockchain, Internet of Things etc.) (W5) ● Realistic continuous auditing ● Monitoring and improving the effectiveness of controls ● Systems of internal controls, including the diagnosis (and recommendations for improvement) of weaknesses in these systems in risk reduction.
2	(i) general IT controls such as change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security	
2	(ii) Information processing controls and the corollary impact on the organisations' reporting objectives (including risk of misstatements of account balances, class of transactions and disclosures.)	
	b) Using the relationship between general IT controls, information processing controls and data controls, assess the effectiveness of controlling risks. Consider: <ul style="list-style-type: none"> (i) general IT controls such as change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security (ii) Information processing controls and the corollary impact on the organisations' reporting objectives (including risk of misstatements of account balances, class of transactions and disclosures.) 	

B3.2 Control systems and processes		
Level	Learning Outcomes	Minimum content
2	(i) for financial information-related systems	
1	(ii) for non-financial information-related systems	
2	c) Assess the impact of information processing controls on data acquisition, processing (including adaptive processes), reporting and decision making.	
1	d) Have an awareness that AI (refer to W5) can be implemented within an application as a control technique and ultimately should facilitate realistic continuous auditing	
	e) Monitor compliance and effectiveness of controls (financial/operational/compliance), and propose recommendations to improve the effectiveness of existing controls to manage the business risks:	
2	(i) Financial related risks and controls.	
1	(ii) Non-financial (e.g. compliance and operational) risks and controls	

B.3.3 Test internal controls		
Level	Learning Outcomes	Minimum content
2	a) Evaluate the operating effectiveness of internal control, including the use of Automated Tools and Techniques (ATTs) for all processes.	<ul style="list-style-type: none"> Objectives of testing internal controls The need for and appropriateness of testing of controls Formulating tests of controls in order to test the operating effectiveness thereof Use of ATTs in testing internal controls Analyse and report on the results of the tests of controls Systems of internal controls, including the diagnosis (and recommendations for improvement) of weaknesses in these systems in risk reduction
	b) Identify improvements to the internal controls for the processes:	
2	(i) Financial controls	
1	(ii) Non-financial (compliance and operational) controls	

B3.4 Combined assurance as control system		
Level	Learning Outcome	Minimum content
2	Assess the organisation's combined assurance model to evaluate the effectiveness of the control environment in supporting the integrity of information, data and reporting	<ul style="list-style-type: none"> Control frameworks (e.g., COBIT) General IT controls (change management, access, computer operations, business continuity management and disaster recovery planning, systems development life cycle, cyber security) Information processing controls (application specific IT internal controls)

B3.4 Combined assurance as control system		
Level	Learning Outcome	Minimum content
		<ul style="list-style-type: none"> • Artificial intelligence (AI - refer to New developments and protocols (e.g. artificial intelligence (AI), blockchain, Internet of Things etc.) (W5) • Realistic continuous auditing • Monitoring and improving the effectiveness of controls • Systems of internal controls, including the diagnosis (and recommendations for improvement) of weaknesses in these systems in risk reduction.

AREA 3

C. DECISION MAKING TO INCREASE, DECREASE OR TRANSFORM CAPITALS

C1 PERFORMANCE MEASUREMENT FOR MANAGEMENT AND OTHER INTERNAL USERS OF FINANCIAL INFORMATION

This competency refers to a set of activities and outputs for management and other internal users to reach the organization's goals. This area includes decision-making based on price setting and capacity utilization information, decision-making based on budgeting and expenditure forecasting, internal cost allocation and transfer pricing options as well as uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision making

C1.1 Decision-making based on price setting and capacity utilization information		
Level	Learning Outcomes	Minimum content
2	a) Identify financial information that is relevant to decision-making regarding price setting and capacity utilisation	<ul style="list-style-type: none"> • Criteria for relevant information • Nature of costs <ul style="list-style-type: none"> ○ Cost classification ○ Cost behaviour ○ Cost-volume-profit analysis ○ Cost estimation ○ High-low ○ Scatter graphs ○ Cost objects <p>Application to decisions</p> <ul style="list-style-type: none"> • Pricing strategies (long-term and short-term pricing, relevant costing) • Capacity utilization • Identification of the requirement for, and the ability to apply contribution per unit of limiting factors • Scenarios <ul style="list-style-type: none"> ○ Special orders ○ Make or buy ○ Product mix ○ Single or multiple constraints in existence ○ Sell or process further
	b) Apply techniques (e.g., target costing, value analysis and the product life cycle) to create solutions on alternative pricing options and capacity utilisations, by taking into account the implications of existing constraints; contribution per limiting factor (theory of constraints); applicability of basic principles of linear programming, and inter-relationships between constraints, where more than one constraint exists	
	c) Advise on the financial impact of business decisions based on price setting and capacity utilisation	

C1.1	Decision-making based on price setting and capacity utilization information	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> ○ Product line decisions ○ Adding / dropping parts of operation ○ Cost Management ● Theory of constraints ● Activity-based costing ● Activity-based management ● Target costing ● Life cycle costing ● Value engineering

C1.2	Decision-making based on budgeting and expenditure forecasting	
Level	Learning Outcomes	Minimum content
2	<p>a) Understand the budgeting and expenditure forecasting processes which translate the organisation's business strategy into financial targets and tactical plans and that can be executed in a risk-controlled manner</p> <p>b) Use effective and consistent modelling, planning and forecasting processes across business unit(s) to benchmark performance and trends for decision-making</p> <p>c) Analyse the organisation's actual performance (using financial and non-financial information) against the budgeting and expenditure forecasting information to interpret variances for decision-making</p>	<ul style="list-style-type: none"> ● Corporate strategy and long-term planning (as it relates to budgeting) ● Budgeting <ul style="list-style-type: none"> ○ relevant costing ○ operating budgets (sales, production, procurement, and general and administrative) over an appropriate period of time ○ financial budgets (capital expenditures, working capital) over an appropriate period of time ○ special project budgets to be included in business plans ○ forecasts ○ short-term cash flow projections ○ long-term cash flow forecasts, identifying the need for financing ● Variance analysis ● Balance scorecard, including key performance indicators (KPIs)

C1.3	Decision-making based on internal cost allocation and transfer pricing options	
Level	Learning Outcomes	Minimum content
2	a) Evaluate key business processes with regard to costs and income allocation to identify performance issues	<ul style="list-style-type: none"> ● Standard costing ● Variance analysis ● Absorption costing

C1.3	Decision-making based on internal cost allocation and transfer pricing options	
Level	Learning Outcomes	Minimum content
	b) Evaluate costing methods (e.g., standard, marginal and absorption methods) to inform decision-making	<ul style="list-style-type: none"> • Cost allocation • Divisional performance measurement • Designing standard costing systems • ABC and overhead analysis • Transfer pricing
	c) Interpret material, labour, variable/fixed overhead and associated variances to inform decision-making	
	d) Evaluate how costing methods could be adapted to promote sustainability in the organisation's value creation process	
	e) Apply an appropriate basis to allocate indirect costs across business units	
	f) Evaluate an organisation's transfer pricing systems and the effects of transfer prices	

C1.4	Uncertainty, volatility or inaccuracy, and consideration of qualitative factors in decision-making	
Level	Learning Outcomes	Minimum content
2	a) Perform sensitivity and scenario analyses on key variables affecting the financial outcome of the decision, and interpret the result of the calculation	<ul style="list-style-type: none"> • Cost Volume Profit Analysis • Sensitivity and Scenario analyses • Risk and Uncertainty • Probabilities and distributions • Qualitative considerations under CVP, Relevant costing and Capital Budgeting
	b) Incorporate the possibility of various outcomes into the decision-making process, including the use of probabilities and expected values	
	c) Assess 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	

C2 FINANCING DECISIONS

This competency area refers to actions and activities to raise capital and includes financing decisions taken by the organisation relating to its cash management, sources of funds, the distribution of profits and the appraisal of capital structures.

C2.1 Cash management		
Level	Learning Outcomes	Minimum content
3	a) Provide advice on cash management processes (analyse and evaluate cash flow and working capital), to ensure financial risks are managed or mitigated	<ul style="list-style-type: none">• Management of working capital<ul style="list-style-type: none">○Accounts receivable○Inventories (including a basic knowledge of EOQ)○Accounts payable• Working capital cycle• Cash management (excluding Baumol & Miller-Ore)
	b) Develop strategies for managing and monitor the entity's working capital	
2	c) Interpret cash management solutions (including foreign currency cash flows) for the organisation's usual funding needs, also considering complex or unusual business requirements	
	d) Assess alternative cash management solutions in the market and consider these in relation to the organisation's strategic objectives	

C2.2 Sources of funds		
Level	Learning Outcomes	Minimum content
1	a) Demonstrate knowledge of basic corporate funding arrangements, including how measures in capital and money markets function	<ul style="list-style-type: none">• Sources and forms of finance (including ESG-linked funding instruments):• Capital and money markets as potential sources of finance, initial public offering, rights issues• Venture capital (excluding tax) and private equity as potential sources of finance• Identification of possible markets and most appropriate market• Basic understanding of the workings of capital and money markets• Understanding the benefits and risks associated with debt funding• Long-, medium- and short-term finance• Asset securitization (excluding tax)• Discounting and factoring of accounts receivable (excluding tax)• Leases and project specific finance (refer also 3.1)• Foreign finance• Crowd funding
3	b) Evaluate 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) Recommend appropriate funding arrangements after consideration of related consequences, costs, benefits, implications for operational and future financing decisions and tax, and other legal implications	
	d) Develop a financial proposal or financing plan that agrees with outcomes in the organisation's strategic objectives	

C2.2	Sources of funds	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> Consider classification requirements in terms of IAS 32

C2.3	Decisions related to distribution of profits	
Level	Learning Outcomes	Minimum content
2	a) Analyse the manner in which an entity distributes cash or assets to shareholders by means of dividends or share buybacks b) Recommend the most appropriate method to distribute profits	The dividend decision: <ul style="list-style-type: none"> Factors affecting the dividend decision Relevance and irrelevance theories Setting appropriate dividend policies Scrip dividends Share buy-backs Regulation

C2.4	Capital structure appraisal	
Level	Learning Outcomes	Minimum content
3	a) Use appropriate modelling techniques to estimate an organisation's cost of capital using an appropriate methodology	<ul style="list-style-type: none"> The cost of capital <ul style="list-style-type: none"> Cost of debt Cost of preference shares Cost of equity (including shortcomings of models including CAPM) Consider factors affecting cost of equity (such as dividends, and the capital asset pricing model (including asset specific betas)) Weighted average cost of capital (including consideration of the appropriateness of using WACC) Shortcomings of using the WACC Project specific cost of capital Interaction of the investment and financing decisions Cost of capital for foreign investments Capital structure <ul style="list-style-type: none"> Theory of capital structure and the effect thereof on the market value of the company (only understanding of Miller Modigliani's theory is required)
2	b) Assess and consider an optimal capital structure for the organisation (quantitatively and qualitatively) by challenging shareholder models, and linking capital structures to value creation for stakeholders	

C3 INVESTMENT DECISIONS

This competency area refers to the determination of how much, when and where capital needs to be spent or debt needs to be acquired to reach the goals of the organisation. It includes investment decisions taken by the organisation relating to the appraisal of its capital investment and allocation of capital.

3.1 Capital investment appraisal		
Level	Learning Outcomes	Minimum content
3	a) Appraise 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, foreign capital projects)	<ul style="list-style-type: none"> • Capital budgeting decisions <ul style="list-style-type: none"> ◦ Replacement ◦ Acquisition of new capital assets ◦ Strategic management decisions ◦ Decisions under conditions of uncertainty • Capital budgeting techniques <ul style="list-style-type: none"> ◦ Net present value ◦ Payback and discounted payback ◦ Internal rate of return ◦ Modified internal rate of return ◦ Accounting rate of return ◦ Real option analysis • Asset specific finance <ul style="list-style-type: none"> ◦ Lease versus borrowing ◦ ESG-linked financing • Issues in capital investment appraisal <ul style="list-style-type: none"> ◦ Differing project life cycles ◦ Capital rationing ◦ Possibility of abandonment or expansion ◦ Impact of inflation ◦ Analysis of and allowance for risk ◦ Probabilities and decision trees ◦ Sensitivity analysis (including the use of equivalent annual annuities) ◦ Scenario analysis ◦ Qualitative factors ◦ Post-investment audit ◦ International capital budgeting ◦ Sustainability factors
2	b) Review investment appraisals in accordance with the strategic objectives of an organisation, including value creation for stakeholders and other non-financial considerations.	
	c) To evaluate the alternatives for asset-specific finance: Analyse 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) For investment appraisals with capital restriction: Assess ways in which capital rationing is managed (also consider complimentary investments vs mutually exclusive investments) in the context of the organisation's capital investment plan	

3.1	Capital investment appraisal	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> • International capital budgeting

C3.2	Capital allocation process	
Level	Learning Outcomes	Minimum content
2	a) Analyse the organisation's capital allocation process for alignment with its strategic objectives, including value creation b) Interpret 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	Incorporate knowledge from other areas

C4 USE OF DERIVATIVES

This competency area refers contracts between parties based on value of agreed-upon underlying assets and includes aspects to the use of derivatives and the financial risks associated with derivatives

C4.1	Financial risks	
Level	Learning Outcomes	Minimum content
2	a) Review treasury risk management policies, specifically those related to financial risk (e.g., hedging policy, investment policy, and insurance coverage) b) Identify and evaluate the significant financial risks within an organisation, including interest rate risks, foreign exchange risks, funding risk and commodity risks c) Assess changes in the macroeconomic environment and changes within the organisation, and evaluate their impact on the organisation's financial risk d) Assess risk management policies that relate specifically to financial risk, so that policies are consistent with the entity's overall risk management policies e) Assess exposure in order to manage the level of these financial risks f) Design changes to risk management policies in line with the assessment of the impact on the entity's finances	<u>Risk and return</u> <ul style="list-style-type: none"> • Risk assessment <ul style="list-style-type: none"> ○ Business risk and financial risk ○ Unsystematic and systematic risk ○ Return ○ Measurement of return ○ Risk mitigation and hedging ○ Investment policy ○ Insurance coverage ○ Risk weighting and ranking • Macro-economic risks <ul style="list-style-type: none"> ○ Interest rates ○ Foreign exchange

C4.1	Financial risks	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> ○ Commodity prices ○ Fiscal and monetary policy ● Appropriate risk management models

C4.2	Instruments	
Level	Learning Outcomes	Minimum content
2	<p>a) Analyse various derivative instruments to determine the optimal way to mitigate an organisation's financial risks</p> <p>b) Identify the need for, and evaluates on a preliminary basis, the usefulness of forward and future contracts, swaps, put and call options (including warrants) and other derivatives, in meeting the entity's objectives and staying within its risk tolerance level.</p> <p>c) Suggest and assess appropriate derivative instruments to mitigate risks</p> <p>d) Differentiate between the use of derivatives for hedging and speculation purposes.</p>	<p><u>Treasury function</u></p> <ul style="list-style-type: none"> ● Role of treasury ● Cash management (excluding Baumol & Miller-Ore) ● Workings of foreign exchange and interest rates ● Understanding risks related to – <ul style="list-style-type: none"> ○ foreign exchange ○ interest rate ○ duration ○ refinancing and liquidity risks ○ Hedging and risk management <ul style="list-style-type: none"> - Operational hedges (natural hedges) <ul style="list-style-type: none"> ✓ Forwards (e.g. FECs) ✓ Futures (excluding tax) ✓ Options (excluding tax) ✓ The use of caps, floors and collars in relation to interest rates (excluding the pricing thereof, as well as the offsetting of risk from the perspective of the financial institution) (excluding tax) ✓ Swaps (no detailed calculations for interest rate swaps) (excluding tax) ✓ CFDs (excluding tax)

C5	BUSINESS VALUATION
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<p>This competency area refers to the process to estimate the value of a business interest and includes the valuation of a business, the valuation of intangibles as well as mergers, acquisitions and divestitures.</p>

C5.1 Valuation of a business		
Level	Learning Outcomes	Minimum content
3	a) Calculate and contrast 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	<ul style="list-style-type: none"> • Private Equity and Venture Capital Valuation Guidelines or International Valuation Standards • Valuation of: <ul style="list-style-type: none"> ○ equity shares ○ preference shares ○ debentures and bonds ○ convertible securities (excluding tax) ○ options (including the use of the Black-Scholes model – understanding how model works, numbers to be provided, only include Black Scholes/ Binomial models/ Monte Carlo simulation to the extent of understanding how changes in the key drivers impact option value) (excluding tax) • Selection of the appropriate valuation basis: <ul style="list-style-type: none"> ○ Multiplier based approaches (e.g. market to book ratio, EBIT, EBITDA, PE, revenue) ○ Dividend growth model ○ Net assets (incorporating liquidation basis) ○ Free cash flow ○ Adjusted present value ○ Market-based approaches • Valuations for mergers <ul style="list-style-type: none"> ○ Qualitative factors for valuations
	b) Perform financial analysis, evaluates assumptions, interprets the results, benchmarks and draws conclusions as to the entity's present and forecasted financial situation and valuation	
2	c) Assess the influence of the entity's competitive, economic, social, political and internal factors (culture, incentives) on the results	
	d) Adapt valuation methods to value new-age businesses	
	e) Assess the impact of the above on affected stakeholders	
3	f) Evaluate the critical assumptions and facts that underlie the valuation estimate, for review and input by others, including – <ul style="list-style-type: none"> (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 	

C5.2 Valuations of intangibles		
Level	Learning Outcome	Minimum content
1	a) Analyse drivers underpinning the value of intangibles, and interpret the analysis to perform a valuation of intangibles	Valuation models <ul style="list-style-type: none"> • Relief from royalty method

C5.2	Valuations of intangibles	
Level	Learning Outcome	Minimum content
		<ul style="list-style-type: none"> • Multi period excess earnings method • With and without method • Real option pricing • Replacement cost method less obsolescence • Premium profits method (valuing brands)

C5.3	Mergers, acquisitions and divestitures (excluding tax)	
Level	Learning Outcomes	Minimum content
2	a) Analyse and evaluate the impact of mergers, acquisitions and divestitures on business strategy	<ul style="list-style-type: none"> • Buyouts, takeovers, restructurings • Organic growth strategies • Growth strategies through mergers and acquisitions • Joint ventures • Strategic alliances • Divestment decisions • Considering appropriate growth models / matrices • Risks and financial implications of a proposed start-up, expansion, merger, acquisition, strategic alliance or divestiture, including – <ul style="list-style-type: none"> ○ the strategic context ○ corporate culture ○ legal implications ○ pricing considerations ○ impact of synergy ○ financing considerations ○ management buy-outs ○ Black Economic Empowerment (BEE) ○ post-acquisition review ○ industry regulation (e.g. mining, banks and broadcasting) ○ environmental, social and governance implications • Identifies, based on the analysis – <ul style="list-style-type: none"> ○ the structure of the transaction (e.g. percentage ownership, assets v shares, expansion through franchising / alliance / joint venture) ○ financing options and terms
2	b) Analyse and evaluate the risks and financial implications of mergers, acquisitions and divestitures versus organic growth options for the organisation	
	c) Advise on merger, acquisition and divestiture scenarios by considering: <ul style="list-style-type: none"> (i) The structure of the transaction (e.g., percentage ownership, assets v shares, expansion through franchising / alliance / joint venture) (ii) Financing options and terms (iii) Systems, information, confidentiality and disclosure requirements (iv) Key risks and rewards, and potential fit with strategies (v) Due diligence procedures 	
	d) Advise and evaluate differing funding structures and transaction terms for mergers and acquisitions	
	e) Evaluate post-implementation reviews of the selected mergers, acquisitions and divestitures transactions and evaluate the outcomes	

C5.3	Mergers, acquisitions and divestitures (excluding tax)	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> ○ systems, information, confidentiality and disclosure requirements ○ key risks and rewards and potential fit with strategies ○ due diligence procedures ○ conflict of interest issues ● Strategic context ● Qualitative aspects, transaction attractiveness, defences etc. ● Acquisition growth strategies ● Legal implications <ul style="list-style-type: none"> ○ Chapter 5 of the Companies Act and the Takeover regulations ○ Competitions Act ● Impact on pricing considerations <ul style="list-style-type: none"> ○ Impact of synergy ● Financing considerations (Cash, share issue, share swap, rights issues, debt) ● Effects on EPS and NAV ● Management buy-outs ● BBBEE considerations ● Post-acquisition review ● Due diligence

C6 PERFORMANCE MANAGEMENT SYSTEMS

This competency area refers to activities to track and monitor performance and includes organisational performance based on key performance indicators, performance evaluation and reward structures including offering incentives

C6.1	Performance based on key performance indicators (KPI)	
Level	Learning Outcomes	Minimum content
2	a) Analyse the organisation's performance management framework, appraisal methodology and measures used to offer incentives	<ul style="list-style-type: none"> ● The role of decentralised control ● Responsibility accounting ● Divisional Performance incentivisation ● Share based compensation ● Behavioural aspects
2	b) Assess financial and non-financial key performance indicators (KPI) in business appraisal and evaluate the appropriateness thereof in reaching business objectives and creating value for stakeholders	

C6.1	Performance based on key performance indicators (KPI)	
	c) Assess the appropriateness of non-financial KPIs to evaluate the entity's effectiveness and efficiency	<ul style="list-style-type: none"> • Balance Scorecard • King IV
	d) Critique the appropriateness and coherence of KPIs used for the different capitals	

C6.2	Performance evaluation	
Level	Learning Outcomes	Minimum content
3	a) Interpret and analyse management information taking cognisance of the organisation's business objectives and external and internal environment (e.g., competitive, economic, social, political and internal factors (culture, incentives))	<ul style="list-style-type: none"> • Analysis of financial information <ul style="list-style-type: none"> ○ Objective of analysis ○ Calculation and interpretation of ratios ○ Discussion and conclusion • Analysis of non-financial information <ul style="list-style-type: none"> ○ Contents of the integrated report (or other external extended reports) in terms of strategy and risk ○ Ratios and targets and interpretation ○ Non-financial indicators and appropriate monitoring models (Balanced scorecard) • Financial statement analysis • Discounted Cash flow • Balance Scorecard • Key performance indicators • King IV • Ratios and variance analysis • Cost volume profit and sensitivity analysis • Data analytics
	b) Perform financial analysis using appropriate techniques, evaluate assumptions, interpret the results, benchmark and draw conclusions as to the organisation's present and forecast financial situation	
2	c) Use an integrated performance management system based on the six capitals to evaluate their contribution to creating value for stakeholders	
	d) Use data analytics to analyse and interpret management, financial and non-financial information (evaluate risk and opportunities, key causes of business variance, and areas of strength or concern in performance) to advise on potential improvement	
3	e) Evaluate the impact of the above interpretations and analyses on costs, delivery of products/services and KPIs, to inform decision-making on performance management and appraisal	

C6.3	Reward structures and offering incentives	
Level	Learning Outcomes	Minimum content
2	a) Assess 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	Divisional Performance incentivisation
	b) Identify whether the organisation's performance management drives value creation for stakeholders, to inform decision-making	

C7	FINANCIALLY TROUBLED BUSINESSES
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This competency area refers to an organisation that struggles to pay its debts and includes the assessment of under-performance and strategies to overcome under-performance.

C7.1 Assessment of under-performance		
Level	Learning Outcomes	Minimum content
1	a) Identify the underperformance by doing a preliminary analysis of: <ul style="list-style-type: none"> (i) The severity of the situation (ii) The causes of financial difficulty (iii) The potential for the success or failure of proposed recovery plans and suggest an appropriate course of action 	Refer Business Strategy (A2) Financial statement Analysis (Altman)
	b) Identify the possible courses of action to rectify the situation (exclude formal business rescue, insolvency process)	

C7.2 Strategies to overcome under-performance		
Level	Learning Outcomes	Minimum content
1	a) Describe implications of business rescue in terms of relevant laws (e.g., Companies Act, 2008) and regulations	
	b) Identify and explain strategies to overcome underperformance (e.g., consolidation, retrenchments, business rescue, winding up)	
	c) Perform a preliminary analysis of – <ul style="list-style-type: none"> (i) the severity of the situation (ii) the causes of financial difficulty (iii) the potential for the success or failure of proposed recovery plans and suggests an appropriate course of action 	
	d) Identify the possible courses of action to rectify the situation	

C8	TAX LAW IMPLICATIONS
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This competency area refers to the tax implications relating to financing decisions, investment decisions, financially troubled businesses and reward structures.

C8.1	Tax implications for selected aspects of decision-making	
Level	Learning Outcomes	Minimum content
2	a) Identify the tax implications that can arise from a change in control or ownership structure and calculate the tax implications of financing and investment decisions	<p>Normal tax (including CGT) and VAT from the perspective of the seller and the buyer relevant to</p> <ul style="list-style-type: none"> • Lease vs a buy decision for plant and machinery, equipment or buildings • Disposal or acquisition of assets vs shares • Disposal and acquisition of other assets • Corporate rules • Refer to Financing decisions (C2.2), Investing decisions (C3.1) and Use of derivatives (C4.2)
	b) Explain and calculate the taxation implications of returns to investors for the business and the investor	<ul style="list-style-type: none"> • Normal tax and VAT implications on related income flows and on disposal of shares, rental properties and interest-bearing investments • Refer to Financing decisions (C2.3)
	c) Identify and calculate the tax implications of transactions between connected persons	<ul style="list-style-type: none"> • Definition of connected person and consequences of connected person status • Transfer pricing regulations • Limitation of deductions • Limitation or ring fencing of losses • Adjustment of base cost and proceeds of assets • Corporate rules
	d) Explain and calculate the tax implications for possible courses of action for a financially troubled business for both the business and other stakeholders	<ul style="list-style-type: none"> • Set-off, ring-fencing and limitation of trading in companies with assessed losses • Debt relief and compromise with creditors • Liquidation costs and distributions including normal tax (including CGT) and VAT implications on disposal of assets • Severance benefits and retirement benefits arising on retrenchment
3	e) Advise on the tax consequences of different compensation structures and remuneration packages from the perspective of both the employer and the employee	<ul style="list-style-type: none"> • Normal tax and VAT implications associated with Seventh Schedule benefits, salaries and wages, bonuses, share incentive schemes and learnerships • Refer to Financing decisions (C2.3)

C8.1	Tax implications for selected aspects of decision-making	
Level	Learning Outcomes	Minimum content
1	f) Explain the impact of international expansion, both inward and outward, on the SA tax liability and calculate the tax implications of international transactions	Taxation of foreign income of residents and non-residents, including <ul style="list-style-type: none"> • CFCs (only recognition; no calculations) • Thin capitalisation (debt/equity rules) • Prevention and relief from double taxation (DTAs, foreign tax rebates and deductions) • Withholding taxes on dividends and interest
2	g) Explain and calculate the normal tax implications of foreign exchange transactions, gains and losses	<ul style="list-style-type: none"> • Normal tax implications of foreign exchange gains and losses • Foreign currency translation rules in respect of accruals and expenses Capital gains tax implications of an asset acquired and/or disposed of in a foreign currency

AREA 4

OUTPUTS LEADING TO OUTCOMES

D. REPORTING ON VALUE CREATION

D1 PERFORMANCE MEASUREMENT FOR USERS OF EXTENDED EXTERNAL REPORTS

This competency area refers to analysing and reporting information regarding the performance of organisations and includes financial reporting in accordance with IFRS and other reporting frameworks as well as extended external reports.

D1.1 Financial reporting: in accordance with International Financial Reporting Standards (IFRS)		
Level	Learning Outcomes	Minimum content
3	Prepare, analyse and evaluate general purpose financial statements in accordance with IFRS for an entity, which could be a for-profit entity, an SME, a public sector entity or a not-for-profit entity	<ul style="list-style-type: none"> • The IASB Standard setting process • Preface to IFRS Standards • Conceptual Framework for Financial Reporting • Principles of Examination for the IFRS Accounting Standards Syllabus
D1.2 Financial reporting: in accordance with other frameworks		
Level	Learning Outcomes	Minimum content
1	Identify the reporting framework (other than IFRS), which could be relevant to the reporting entity and such entity's users	GRAP Reporting Framework, IFRS for SMEs Reporting Framework
D1.3 External extended reporting		
Level	Learning Outcomes	Minimum content
2	a) Assess the appropriateness of disclosures in in extended external reports	IFRS, <IR> Framework
	b) In relation to extended external reporting: (i) Analyse relevant information to identify relevant analytical comparisons (e.g. sales to emissions)	<ul style="list-style-type: none"> • IFRS, <IR> Framework • Refer to Performance Management Systems (C6)

D1.3	External extended reporting	
Level	Learning Outcomes	Minimum content
	<p>(ii) Display integrated thinking to evaluate value creation in the short, medium and long term by taking cognisance of the organization's governance strategy, risk management, and performance, metrics and targets in the context of its external environment</p> <p>(iii) Integrate information and data to assess the relationships between the different capitals used by the organisation in its extended external reports and how these are used to create sustainable value for stakeholders</p>	
	c) In relation with the SDGs: Understand that the International <IR> framework can be used as a basis for adopting SDG disclosure recommendations	<ul style="list-style-type: none"> • <IR> Framework • UN Sustainable Development Goals • Refer to Business Internal Environment (Z1) and Business External Environment (Z2)

AREA 5

E. TAX GOVERNANCE AND COMPLIANCE

E.1 TAX GOVERNANCE

This competency area refers to tax rules and regulations and includes the tax landscape in South Africa, the interpretation of tax legislation, the application of tax legislation to calculate the tax obligation and the application of tax legislation to comply with administrative provisions.

E1.1 Tax landscape in South Africa		
Level	Learning Outcomes	Minimum content
1	a) Identify and describe the different role-players influencing the tax landscape in South Africa	<ul style="list-style-type: none"> • Role-players and legislation influencing the tax landscape <ul style="list-style-type: none"> ○ Parliament (vote for amendment to Act) President (Approval of amendment to Act) ○ Public participation and consultation ○ Minister of Finance (specifically national budgeting process) ○ National treasury (tax policy and drafting of legislation) ○ South African Tax Review Committees (e.g. Davis Committee) ○ SARS (tax administration) ○ Political parties and unions ○ Tax Ombudsman ○ Professional bodies (SAICA, SAIPA and SAIT including tax practitioners) ○ Taxpayers (individual, companies, financial institution, insurance, farming, mining, bank, SME, government) ○ International Tax policy organisations (OECD, IMF, World Bank, ATAF) • Design features used in tax design <ul style="list-style-type: none"> ○ Tax bases (income, wealth and consumption) ○ Tax deductions, exemptions and credits ○ Tax rate structures (flat tax, flat rates, proportional rates, progressive rates, marginal tax rate, effective tax rate, and regressive tax rates) ○ Tax incidence ○ Tax mix (direct tax, indirect tax, group tax, user charges, levies and licenses) • Different types of taxes in South Africa <ul style="list-style-type: none"> ○ Normal tax (Income tax base) ○ Withholding tax (Income tax base)
	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 underlying principles of a tax system	

E1.1 Tax landscape in South Africa		
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> ○ Turnover tax (Income tax base) ○ Dividends tax (Income tax base) ○ Donations tax (Wealth tax base) ○ Tax related legislations ○ Tax Administration Act 28 of 2011 ○ Income Tax Act 58 of 1962 ○ Transfer Duty Act 40 of 1949 (Wealth tax base) ○ Estate Duty Act 45 of 1955 (Wealth tax base) ○ Securities Transfer Tax Act 25 of 2007 (Wealth tax base) ○ Value-Added Tax Act 89 of 1991 (Consumption tax base) ○ Customs and Excise Act 91 of 1964 (Consumption tax base) ○ Unemployment Insurance Contributions Act 4 of 2002 (Income tax base) ○ Skills Development Levies Act 9 of 1999 (Income tax base) 99 (Income tax base)

E1.2 Interpretation of tax legislation		
Level	Learning Outcomes	Minimum content
1	a) Describe the rules applied and process followed in judicial decisions to interpret tax legislation (including primary and secondary sources) and double tax agreements (DTAs)	<ul style="list-style-type: none"> ● General rules of interpretation of tax legislation ● Judicial decisions <ul style="list-style-type: none"> ○ Legal Precedence principles ○ Tax Board ○ Tax Court ○ Provisional Divisions of the High Court ○ Supreme Court of Appeal ● Sources of tax legislation <ul style="list-style-type: none"> ○ Different tax Acts and amendment Acts and Bills (refer to Tax Landscape in South Africa (E1.1)) ○ Regulations (Government Gazette) ○ Judicial decisions with legal precedence ○ Interpretation Notes ○ Explanatory Memorandums ○ Tax Rulings ● OECD model tax convention to the extent that it is relevant to passive income, employment income and business profits.
2	b) Demonstrate the ability to apply the principles of tax interpretation to any new or unfamiliar tax legislation	

E1.3 Application of tax legislation to calculate tax obligation		
Level	Learning Outcomes	Minimum content
3	a) Evaluate the taxpayer's tax profile	Tax profile <ul style="list-style-type: none"> • Nature of taxpayer • Residency status • Nature and source of income • Organisational structure (connected persons and group companies) • VAT vendor status (including definition of enterprise)
2	b) Analyse the transaction or event, identify the profile of the interacting parties and identify and explain taxes and anti-avoidance provisions of possible application	<ul style="list-style-type: none"> • Transactions or events (nature, source and value), including acquisitions, disposals, change of use, income, expenditure, disability, resignation, retrenchment; retirement, death, , liquidation, emigration and immigration • Profile of parties, including individuals (natural persons), residents and non-residents, , deceased estates, employers, employees, companies, public entities, trusts, connected persons, VAT vendor status • Taxes (refer to Tax Landscape in South Africa (E1.1)) and anti-avoidance provisions of possible application
2	c) Apply the relevant law to the facts, determine the tax position and compute the tax payable (VAT or normal tax) for individuals and companies	<ul style="list-style-type: none"> • The VAT model: <ul style="list-style-type: none"> ○ Output tax ○ Input tax ○ Adjustments ○ Net amount • The Income Tax model: <ul style="list-style-type: none"> ○ Income earned ○ Exemptions available ○ Deductions and allowances and set off available to the individual ○ Capital gains and other inclusions income ○ Roll-over provisions ○ Rates of tax ○ Rebates and credits ○ Prepaid taxes • Taxes of possible application (refer to Tax Landscape in South Africa (E1.1), and interpretation of tax legislation (refer Tax Landscape in South Africa (E1.2))

E1.3	Application of tax legislation to calculate tax obligation	
Level	Learning Outcomes	Minimum content
1	d) 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	Refer to Tax Landscape in South Africa (E1.3(a),(b) and (c))

E1.4	Application of tax legislation to comply with administrative provisions	
Level	Learning Outcomes	Minimum content
1	a) Identify and describe the different administrative obligations and remedies of a taxpayer	<p>The administrative obligations and remedies, including:</p> <ul style="list-style-type: none"> • Registration • Recordkeeping • Provision of information (including third party reporting) • Withholding obligations and payments • Tax returns • Tax assessments • Dispute resolution process • Tax liability and payment • Taxpayer rights
2	b) Prepare VAT and Income Tax returns in compliance with applicable tax filing requirements for individual taxpayers or companies and other incorporated entities undertaking routine tax transactions	Preparation and submission of tax returns (VAT201, ITR12, ITR14 and IRP6)

E.2 LAWS AND REGULATIONS

This competency area refers to regulation created by governmental agency which is often implemented in a law and includes compliance with applicable laws and regulations by an organisation.

E2.1 Compliance with laws and regulations		
Level	Learning Outcomes	Minimum content
1	a) Describe the basic legal concepts and structure of the South African legal system	<ul style="list-style-type: none"> • Overview of the SA legal system • Contract law • Property rights • Consumer Protection Act • National Credit Act • Protection of Personal Information Act • Promotion of Access to Information Act • Labour law • Broad-Based Black Economic Empowerment Act • Money laundering legislation • Tax legislation – refer to E1.1 • Companies Act <ul style="list-style-type: none"> ○ Chapter 1: sections 1 to 4; 8 ○ Chapter 2 <ul style="list-style-type: none"> – Part B: sections 15 to 16; 20 to 22 – Part C: sections 23 to 34 – Part D: sections 35 to 48 – Part F: sections 57 to 78 ○ Chapter 3 <ul style="list-style-type: none"> – Part A: sections 84 to 85 – Part B: sections 86 to 89 – Part C: sections 90 to 93 – Part D: section 94 ○ Chapter 6: Part A: sections 128-137 ○ Chapter 7: Part A: section 159 ○ Chapter 9: Part A: sections 213-214
	b) Identify and describe the implications of applicable laws and regulations on the organisation	
2	c) Apply the law of contract and company law to selected case studies.	
1	d) Identify when to seek assistance from experts/specialists on legal matters to expedite problem-solving, decision-making and/or reaching conclusions	

E2.1	Compliance with laws and regulations	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> • Public Finance Management Act <ul style="list-style-type: none"> ○ Chapter 1 (Object and Application of Act) ○ Chapter 4 (National and Provincial Budgets) ○ Chapter 5 (Departments and Constitutional Institutions) ○ Chapter 6 (Public Entities) ○ Chapter 9 (Audit Committees) • Municipal Finance Management Act <ul style="list-style-type: none"> ○ Chapter 1 (Object and Application of Act) ○ Chapter 4 (Municipal Budgets) ○ Chapter 8 (Responsibilities of Municipal Officials) ○ Chapter 9 (Municipal Budget and Treasury Offices) ○ Chapter 11 (Goods and Services, Part 1 Supply Chain Management) ○ Chapter 12 (Financial Reporting and Auditing) ○ Chapter 14 (Internal Audit, Audit Committee) • Municipal Systems Act <ul style="list-style-type: none"> ○ Chapter 5 (Integrated Development Planning) ○ Chapter 6 (Performance Management) ○ Chapter 7 (Local Public Administration and Resources)

AREA 6

F. ASSURANCE AND RELATED SERVICES

F.1 CONCEPTS AND PRINCIPLES OF ASSURANCE ENGAGEMENTS

This competency area refers to fundamental assumptions and understandings of assurance services and includes the concept of assurance, the expectation gap, the regulatory environment of assurance engagements, ethical principles of assurance providers and the assurance engagement risk considerations.

F1.1	Concept of assurance	
Level	Learning Outcomes	Minimum content
3	a) Advise on an organisation's need for assurance engagements (public interest; distinction between statutory and voluntary audits) b) Identify all stakeholders involved in an assurance engagement and the impact of their functions and responsibilities c) Contrast 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	<ul style="list-style-type: none"> Regulatory principles relating to the need for assurance engagements Principles of assurance and related services engagements for financial and non-financial information
F1.2	Expectation gap	
Level	Learning Outcomes	Minimum content
1	a) Explain the expectation gap with reference to the implications thereof and ways to overcome the gap b) Explain the role of professional auditors in assurance engagements from a public interest perspective	<ul style="list-style-type: none"> Concept of the expectation gap Roles and responsibilities of the auditor Principles of assurance engagements for financial and non-financial information

F1.3 Regulatory environment of assurance engagements		
Level	Learning Outcomes	Minimum content
1	a) Outline standard-setting, the structure and use of the IAASB standards and IFAC standards and explain the implications of pending changes in assurance standards (exposure drafts, discussion papers etc.) to future assurance engagements	<ul style="list-style-type: none"> • Structure of assurance pronouncements issued by the IAASB, IRBA and SAICA • Principles of assurance engagements for financial and non-financial information • The authority of auditing and assurance standards, practice statements and other pronouncements issued nationally and internationally • The standard setting process of the IAASB, SAICA, IRBA, and current projects • Auditor's rights and duties in terms of applicable regulations (e.g. Companies Act, APA, Public Audit Act) • Quality management standards and pronouncements • Inspections by the IRBA
2	b) Apply regulatory requirements (laws, regulations, standards) that define/affect/protect the auditor's rights and duties	
	c) Apply regulatory requirements (laws, regulations, standards) pertinent to an assurance engagement in the performance of the engagement	
	d) Explain the quality management measures applicable to assurance engagements at:	
1	(i) firm level, and for inter-firm inspections and regulatory inspections	
2	(ii) engagement level	

F1.4 Ethical principles		
Level	Learning Outcomes	Minimum content
3	Advise, from an ethical perspective, on the conduct and practices of a firm and its staff involved in the rendering of assurance engagements (codes of ethics and other professional and legal requirements)	<ul style="list-style-type: none"> • SAICA Code of Professional Conduct and Appendix 4 of By-Laws • IRBA Rules Regarding Improper Conduct and Code of Professional Conduct • Relevant sections of the Guide on S90 of the Companies Act

F1.5 Assurance engagement risk considerations		
Level	Learning Outcomes	Minimum content
2	a) Determine whether all the key elements of an assurance engagement are present and understood before accepting an assurance engagement	<ul style="list-style-type: none"> • Principles of assurance engagements for financial and non-financial information • Pronouncements relating to the overall objectives of the auditor • Quality management standards and pronouncements • Pronouncements and regulations relating to acceptance and continuance of assurance engagements • Basic principles of legal liability of the auditor in South Africa
1	b) Describe the sources of liability (including professional negligence) arising from an assurance engagement	
2	c) Consider the following matters before acceptance of an assurance engagement: <ul style="list-style-type: none"> (i) Competency to perform the engagement and the presence of requisite capabilities including time and resources; (ii) Relevant ethical requirements; 	

F1.5	Assurance engagement risk considerations	
Level	Learning Outcomes	Minimum content
	(iii) Integrity of the client	
1	d) Describe the key matters which underlie the agreement of scope and terms of an assurance engagement (new and continuous)	

F.2 AUDITS OF HISTORICAL FINANCIAL STATEMENTS OF NON-SPECIALISED PROFIT ORIENTATED ENTITIES

This competency area refers to audits of profit-orientated companies not operating in specialised industries and includes the concepts and principles of audits of historic financial information, performing an audit of historic financial information, reliance on other parties and communicating audit findings relating to non-specialised profit orientated entities.

F2.1	Concepts and principles of audits of historical financial information	
Level	Learning Outcomes	Minimum content
3	By applying F1 in this context, 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	Overall objectives of the independent auditor and the conduct of an audit in accordance with International Standards on Auditing

F2.2	Perform an audit of historical financial information	
Level	Learning Outcomes	Minimum content
	a) By applying F1, follow the stages involved in performing an audit:	<ul style="list-style-type: none"> • Pronouncements relating to the overall objectives of the auditor • Pronouncements relevant to the various stages of the audit process, excluding pronouncements relating to the following, which are considered to be beyond the scope of the context in which competencies are to be developed and assessed in the academic programme in section A: <ul style="list-style-type: none"> ○ The use of service organisations (currently ISA402 and ISAE3402) ○ Initial audit engagements - opening balances (currently ISA510) ○ Key audit matters (currently ISA701)* ○ Comparative information (currently ISA710) ○ Financial reporting frameworks and the auditor's report (currently SAAPS2) ○ Illustrative auditor's reports (currently SAAPS3)
2	(i) Apply pre-engagement activities and identify relevant issues	
	(ii) Plan the audit engagement, taking into account its objectives and the criteria governing the audit opinion	
2	(iii) Formulate risk assessment procedures to obtain the necessary understanding of the auditee sufficient to plan and perform the audit	
2	(iv) Determine materiality for the audit engagement	

F2.2 Perform an audit of historical financial information		
Level	Learning Outcomes	Minimum content
3	(v) 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	* = In the context of the auditor's report, students must, however, be aware of the purpose of communicating key audit matters (currently ISA701.2 - 3) and their definition (currently ISA701.8).
2	(vi) Formulate a suitable overall audit strategy and audit approach	
3	(vii) Formulate appropriate further audit procedures based on the identified risks of material misstatement	
2	(viii) Assess the evidence and results of the analysis and procedures	
	(ix) Document the work performed and its results	
	(x) Draw draft conclusions	
	b) Based on all of the above, formulate a draft audit opinion	
	c) Apply F2.2 (a) and (b) to the audit of a group of companies where all companies in the group have the same independent auditor.	

F2.3 Reliance on other parties		
Level	Learning Outcomes	Minimum content
2	a) Identify the possibility of, and need to, rely on other parties (internal and external auditors, and internal and external experts)	Pronouncements relating to reliance on other parties, including experts in data analysis (refer to Data knowledge and strategy (W2)), but excluding pronouncements relating to the use of component auditors in the audit of group financial statements and component auditors (currently dealt with in ISA600) (the latter is considered to be beyond the scope of the context in which competencies are to be developed and assessed in the academic programme in section A). in section A
1	b) Describe suitable procedures to ensure audit quality is maintained when relying on the work performed by other parties	

F2.4 Communicate audit findings		
Level	Learning Outcomes	Minimum content
2	a) Communicate matters to be reported to management and those charged with governance	<ul style="list-style-type: none"> • Pronouncements relating to communication to management and those charged with governance • Pronouncements relating to reporting by the auditor, excluding pronouncements relating to the following, which are considered to be beyond the scope of the context in which competencies are to be developed and assessed in the academic programme in section A
	b) Prepare an appropriate auditor's report	

F2.4	Communicate audit findings	
Level	Learning Outcomes	Minimum content
		<ul style="list-style-type: none"> ○ Key audit matters (currently ISA701) ○ Comparative information (currently ISA710) ○ Financial reporting frameworks and the auditor's report (currently SAAPS2) ○ Illustrative auditor's reports (currently SAAPS3)

F.3 AUDITS OF HISTORICAL FINANCIAL STATEMENTS OF PUBLIC SECTOR ENTITIES

This competency area refers to audits of public sector entities and includes the concepts and principles of audits of historic financial information, performing an audit of historic financial information, reliance on other parties and communicating audit findings relating to public sector entities.

Level	Learning Outcomes	Minimum content
1	Explain how the audit of historical financial statements of a public sector entity differs from that of a non-specialised profit orientated entity.	<ul style="list-style-type: none"> • IRBA Guide for registered auditors: Auditing in the public sector • IRBA Guide for registered auditors: Guidance on performing audits on behalf of the AGSA

F.4 OTHER ASSURANCE SERVICES

This competency area refers to assurance services other than an audit and includes assurance engagements on other non-financial information including the combined assurance process.

F4.1	Assurance engagements on other non-financial information	
Level	Learning Outcomes	Minimum content
2	a) Describe the external auditor's role in an organisation's combined assurance process	<ul style="list-style-type: none"> • Pronouncements relevant to assurance engagements other than audits or reviews of historical financial information
1	b) Explain how the assurance engagement on other non-financial information would differ from the audit of non-specialised profit-orientated entities	<ul style="list-style-type: none"> • Refer to Audits of historical financial statements of a non-specialised profit orientated entity (F2)

F4.2	Review engagements	
Level	Learning Outcomes	Minimum content
Same as the various proficiency levels in F2 (to the extent that the learning outcomes are applicable to reviews)	Perform the steps in the review engagement	Pronouncements relating to review engagements

F.5 OTHER RELATED SERVICES

This competency area refers to non-assurance related services and includes the compilation of financial statements, agreed upon procedures engagements, forensic audit, internal audit and due diligence engagements.

F5.1	Related services engagements	
Level	Learning Outcomes	Minimum content
1	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) Describe 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))	<ul style="list-style-type: none"> • Basic principles of related services engagements for financial and non-financial information, including International Framework for Assurance Engagements • Refer to Audits of historical financial statements of a non-specialised profit orientated entity (F2)

F5.2	Compilation of financial statements	
Level	Learning Outcomes	Minimum content
1	Within the context of F5.1, describe the characteristics of a compilation engagement and the related considerations and describe the steps to be followed in performing a compilation engagement.	Pronouncements relevant to compilation engagements

F5.3	Agreed upon procedures engagements	
Level	Learning Outcomes	Minimum content
1	Within the context of F5.1, describe the characteristics of an agreed-upon procedures engagement and the related considerations and describe the steps to be followed in performing an agreed upon procedures engagement.	Pronouncements relevant to agreed-upon procedures engagements

F5.4	Forensic audit	
Level	Learning Outcomes	Minimum content
1	Describe the differences between a forensic audit and an audit of historical financial statements	Differences between a forensic audit and an audit of historical financial statements

F5.5	Internal audit (including value-for-money and performance audits)	
Level	Learning Outcomes	Minimum content
1	Describe the characteristics of an internal audit engagement (including value-for-money and performance audits) and the related considerations	<ul style="list-style-type: none"> • Types of internal audit services • Basic principles of internal audit, including differences from external audit

F5.6	Due diligence engagements	
Level	Learning Outcomes	Minimum content
1	Describe the characteristics of a due diligence engagement and the related considerations	Basic principles of due diligence engagements, including differences from an external audit