



Accountancy
South Africa

AUGUST 2019



TALITA FERREIRA

EVOLVING INTO THE AUTHENTIC SELF

HOW DO SUCCESSFUL CEOs
MANAGE THEIR MIDDLE ACT

GENDER INEQUALITY
IT'S STILL A MAN'S WORLD

MEET THE 2019
TOP 35-UNDER-35 FINALISTS



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EDITORIAL

WOMEN AND THE CHANGE THEY BRING

In August we celebrate women, and that's the reason we feature a selection of diverse and amazing women in our cover profiles this month.

A survey has shown that women hold only about 5% of the Fortune 1000 CEO positions – this despite research that shows that an increase in women leadership is helping businesses to thrive in unprecedented ways. A study published by the University of California also revealed that companies with some women at the top performed considerably better than ones with mostly male boards and executives.

Many studies also found a correlation between the financial performance of companies and gender diversity at the top. Research carried out by McKinsey highlighted the importance of the characteristics that women leaders bring to organisational health. Women possess certain unique qualities that make them strong managers and often even better managers than their male counterparts – this has been proven by a Gallup Report based on over four decades of research, including an analysis of 27 million employees' responses.

But unfortunately, the number of women in management positions doesn't reflect this as yet.

A study by done by EY and titled 'Women: The next emerging market' stated that over the next decade, the impact of women on the global economy – as producers, entrepreneurs, employees and consumers – will be as significant as that of China's and India's one-billion-plus populations, if not more. Tapping into women's economic potential would therefore be the equivalent of having an additional one billion individuals in business and in the workforce, contributing to the global economy and stimulating growth, the study found.

So, while notable progress has been made towards gender equality in many ways, much more remains to be done to open the playing field to women's equal participation in business, society and the economy.

Change cannot only be made at corporate level but must also happen at grassroots level. That is why there is such a great need for social and organisational change. When we educate girls, when we invest in their potential, the good they can do is limitless.

So, here's to seeing the number of educated girls increase and the number of women in management positions growing exponentially over the next few years – the local and global economy can only benefit.

Also in this issue, from page 44 we get to know our Top 35-under-35 finalists. All of them are phenomenal young people that boast exceptional achievements and are changing their communities for the better. Read, learn and be inspired by them: our future is in safe hands!

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WE CAN ALL LEAD CHANGE

SOUTH AFRICA IS FACING A CRISIS OF CONFIDENCE FROM INSIDE THE COUNTRY AND INTERNATIONALLY. SAICA AND THE ACCOUNTANCY PROFESSION ARE NO EXCEPTION

When organisations, communities, or societies face intractable challenges, the cries for leadership can be deafening. Often these cries reflect the longing for individuals who possess special talents and attributes to inspire their organisations to higher performance levels. Even writings about leadership often emphasise this phenomenon. The inclination to defer to higher authority negates our individual responsibilities to exercise leadership and drive progress in our country and organisations.

South Africa has an abundance of talented and capable individuals occupying critical positions, yet it finds itself grappling with a stagnant economy, increasing unemployment, rising debt levels and several social ills. This tells us that occupying an authority position does not necessarily lend itself to the exercise of leadership. We can all contribute to progress if we think about leadership in ways that implicate us in the change project. For the next few months I will be reflecting on what I consider to be helpful ways to view leadership for it to be effective. In my reflections I will borrow extensively from the wisdom of the authors of *Adaptive leadership*, Marty Linsky and Ronald Heifetz. The following five ideas may be helpful:

First, leadership is a behaviour and not a person. It is better to think about what instead of who it looks like. Anybody can exercise leadership. So, resolving the challenges facing the country is the responsibility of all its citizens, not just elected officials.

Second, it is independent of a position. Anybody from any position in an organisation can exercise leadership. A great example is President Nelson Mandela – he was not president when he charted the way to the 1994 elections following the assassination of Chris Hani, then SACP secretary-general. Another example of leadership that comes from the ground up is Wangari Maathai, who from a small village in Kenya brought the world's attention to environmental issues from an African perspective. Positions affect the nature of your activity and the risks you take in the leadership endeavour. The position is neither an asset nor a liability but brings with it advantages and disadvantages which you need to be realistic about.



Third, no one exercises leadership all the time – leadership is episodic. This is because the exercise of leadership is both difficult and dangerous. The exercise of leadership involves challenging the status quo, questioning deeply held beliefs and attitudes as well as challenging organisations, communities, families to face their demons. The people you are leading often see the sacrifices to incur much clearer than comprehending the benefits that may accrue downstream. This often leads to resistance and pushback. The challenge is to maximise those moments when we do exercise leadership in a manner that navigates these difficulties.

Fourth, opportunities to exercise leadership visit us daily. This is when there is a gap between our aspirations and reality – a leadership opportunity. This opportunity abounds in the accountancy profession. There are tough realities that the profession needs to face up to. Among other things, the accountancy profession needs to evaluate whether its past responses to the economic crisis as a result of its members' conduct has been met with adequate and appropriate responses. If not, why? If it believes they have – why are we here? Why are there questions of trust being raised?

Finally, the skills necessary to exercise leadership can be learned if there is desire, passion and commitment to make a difference. Most important, though, is the need for us to understand that fixing the problems of our country, our profession and our organisations is not the work of a few elected officials – it is a collective leadership project that requires us all to participate. As poet June Jordan said in her poem in which she honours the women of South Africa who marched against the cruelty of the dompas system, 'we are the ones we have been waiting for'.

FREEMAN NOMVALO
SAICA CEO

SINDI MABASO-KOYANA CA(SA) APPOINTED TO INTERIM PIC BOARD

Sindi Mabaso-Koyana CA(SA) has been included in the Public Investment Corporation's (PIC's) new interim board, along with 11 other new directors. Sindi has previously served on the boards of MTN, the South African National Roads Agency (Sanral), South African Airways, SAICA and Altron. The PIC is currently the subject of an inquiry by a commission of inquiry appointed by President Cyril Ramaphosa last year to investigate allegations of governance failures at the PIC.



GENDER PAY GAP STILL LARGE

While gender representation has improved slightly from 2017, it remains tiny. Just 3,3% of all CEOs on the JSE are female, up from 2,2% in the previous year. According to a recent report, there is no sector in which, overall, female executive directors are paid more than men. The largest pay gaps are in healthcare (28,1%) followed by consumer discretionary (25,1%), technology (22,9%) and financials (21,8%).

2019 WOMEN IN LEADERSHIP: ETHICAL LEADERSHIP - CONFERENCE

Women who are mentees and mentors are invited for a day of knowledge-sharing and insight discussion with six remarkable leading women in business.

- NIRAKASHA SOOKRAJ-YAGAN CA(SA)** – Finance Director, Bidvest SACD
- MS MARISKA MCKENZIE CA(SA) RA** – Senior Lecturer, Wits
- RABIA NANA** – Audit Manager, BDO
- SILINDILE KUBHEKA (MABOPHELA) CA(SA)** – Acting Accountant-General, National
- THULISA KEYI** – Miss World (SA)
- MOTSIDISI MOHONO** – Sports Broadcaster, SuperSport International and Vision View Sports Radio

Book: Wednesday 28 August @ R1 000 pp

- Gain insight on corporate practices and how they contribute to gender diversity barriers with ethical concerns.
- Understand whether morality and ethical intent plays a role in leadership succession.
- To Investigate the extent of female managers' involvement in career progression and growth in organisational management from an ethical perspective

[Click here to book or find out more](#)

33
FEMALES
CEOs OF
FORTUNE 500

42%
OF AMERICANS
AT RISK OF
RETIRING BROKE

1971
THE YEAR
WOMEN WERE
FIRST ALLOWED TO
VOTE IN FEDERAL
ELECTIONS IN
SWITZERLAND

SEND YOUR NAME TO MARS

NASA is inviting space lovers to submit their names that will be etched on a chip onboard the Mars Rover launching in 2020.

The campaign is part of an effort to raise public awareness about NASA's activities and to inspire and educate children about space and STEM-related study. Over 400 000 names have already been submitted. You have until 30 September to get your name on the passenger list on this link: <https://go.nasa.gov/Mars2020Pass>.



SA, US AND CHINA ECONOMIC UPDATES

The South African Reserve Bank cut interest rates by 25 bps as expected in a unanimous decision and revised down its 2019 GDP growth forecast again from 1% to 0,6%.

South African retail sales remained positive in May, rising by 2,2% year on year. While the Q2 2019 SA economic data is still fairly weak overall, it seems likely that the country will avoid falling back into a technical recession.

The probability of a recession in the US over the next year is now up, at 32,9%, the highest level since April 2008, according to the New York Federal Reserve.

Chinese GDP growth increased by 6,2% year on year in Q1 2019 – the lowest GDP growth in almost 30 years, showing how trade tensions have undermined China's economic activity. Fortunately, the latest monthly data has improved.

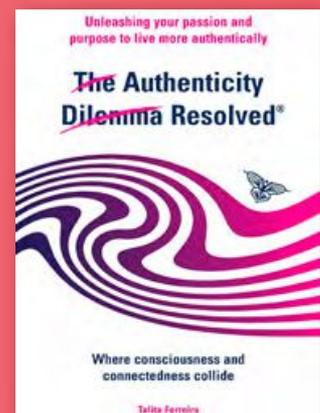
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BOOK REVIEW

THE AUTHENTICITY DILEMMA RESOLVED

Talita Ferreira CA(SA) has written a book, *The authenticity dilemma resolved: unleashing your passion and purpose to live more authentically*, to help you unlock your true purpose and manifest your true destiny in the world as well as inspiring other people to be with you or be led by you. She shows you how to define who you are and find congruence, balance, wellbeing and integration between your work and your life. It launches a new model to live and work by: the Authenticity POWER Model.

Talita Ferreira is a thought leader and change-maker who is passionate about living in true authenticity, purpose-driven collaboration and harnessing diversity of thought. Read more about her on page 10.



SPRING CONFERENCE AND GOLF DAY "THRIVING IN TOUGH TIMES – BACK2BASICS"

This year's conference theme is focuses on the need for delegates to embrace the tough times by adapting to the needs of the Fourth Industrial Revolution and getting back to the essence of successful business recipes.

You will be afforded networking opportunities at the dinner and golf day. For those who would like time to relax and unwind, there will spa packages and game drives to choose from.

VENUE: Zebula Golf Estate & Spa, Limpopo

DATE: 4–6 September 2019

PACKAGES: R 2 500 - R 5 000

ENQUIRIES: guguma@saica.co.za

[Click here to book or find out more](#)

SAICA SUSPENDS MARKUS JOOSTE'S MEMBERSHIP PENDING FINALISATION OF DISCIPLINARY PROCEEDINGS

Mr Markus Jooste tendered his resignation from SAICA in a letter received from his lawyers on 14 June 2019. Citing the reasons for his resignation, Jooste's lawyers allege that the outcome of the proposed disciplinary enquiry against their client has been predetermined by SAICA, following media reports in which SAICA CEO Mr Freeman Nomvalo confirmed that SAICA will be proceeding with a disciplinary enquiry against Jooste.

SAICA's board considered Jooste's resignation at its meeting on 26 June 2019. The board resolved not to accept Jooste's resignation and to suspend his membership pending the finalisation of disciplinary proceedings against him. The board's decision not to accept the resignation of Jooste and to suspend his membership pending the finalisation of disciplinary proceedings against him was made in terms of SAICA's by-laws and was conveyed as such to Jooste's lawyers.

SAICA's by-laws are designed to ensure that its disciplinary enquiries are conducted in an independent, lawful and fair manner. Moreover, SAICA has pointed out to Jooste's lawyers that their client cannot avoid the disciplinary enquiry that SAICA has decided to initiate against Jooste by handing in his resignation.

ANOJ SINGH DISCIPLINARY COMMITTEE HEARING POSTPONED

As was previously communicated, Mr Anoj Singh was scheduled to appear before SAICA's Disciplinary Committee for a hearing from 15 to 19 July 2019.

In the course of preparing for that hearing, SAICA became aware of information that has recently become available in the public domain that implicates Mr Singh. In light of this, SAICA is considering the new information and will possibly be amending the charges against Mr Singh.

This necessitates a postponement of the scheduled Disciplinary Committee hearing in order to avoid a piecemeal hearing and to ensure that all allegations against Mr Singh are fully investigated and dealt with at once.

A new date for the hearing will be announced shortly.

In the interim, SAICA has decided to suspend Mr Singh's membership pending the outcome of the disciplinary hearing. This decision was due to the board not accepting Mr Singh's resignation as a SAICA member.

PRESENTING RESEARCH TO 17 COUNTRIES

Dr Surendran Pillay (SAICA head of department at the University of KwaZulu-Natal) was recently invited to present research on integrated reporting to 17 countries at the 14th European Academic Research conference held in Paris from 5 to 7 July 2019.

Dr Pillay was requested to give the special address and spoke on the topic 'Economic development in the next decade: changes and challenges'. Dr Pillay's research explored the relationship between integrated reporting in unlisted manufacturing firms in South Africa and firm's financial performance. The research sampled 50 South African companies and found a positive relationship based on statistical regression models between integrated reporting disclosures and financial performance in unlisted manufacturing firms.



Dr Pillay (third from the left) pictured with conference director Dr Elango Rengasamy (fifth from the right) and various international participants in the conference from the USA, China, Sweden, Turkey, Colombia, Peru, Qatar, Trinidad, Taiwan and more

ACHIEVING THE RIGHT WORK-LIFE BALANCE AN ACCOUNTING FIRM'S JOURNEY



When done manually, accounting is very time consuming. However, help is at hand in the form of cloud-based accounting.

With the cloud, processes are automated. This means that tax deadlines, audits, reconciling invoices and payroll are streamlined. As a result, accountants get back precious time to focus on the things that matter, such as growing the business or collecting the kids from school.

DoughGetters Accounting is a strategic accounting partner for small businesses in South Africa offering accounting, financial director, bookkeeping and payroll services.

The firm started using Xero's cloud accounting services in 2012 and now entirely lives and breathes in the cloud. Since then, it has managed to achieve an awesome work-life balance, benefiting clients and employees alike.

Let's take a look at that journey.

BREAD AHEAD

When founders Willem Haarhoff and Murray Barnetson started out, they were looking for a unique concept to set their business apart.

After finding out about the intricate process of making artisan bread and the high-quality ingredients involved, they baked an analogy based on the art of sourdough bread. That's where the name 'DoughGetters' comes from.

Willem and Murray didn't want their business to be just another company offering the same thing.

#HUMANTIME

According to Melissa du Plooy, DoughGetters' digital accounting impresario, the company is built on human relationships. By using Xero's cloud accounting services, DoughGetters was able to start doing things differently.

For starters, through using Xero, the company was able to implement remote and flexible working. This meant that everyone got more time to spend with their family and loved ones.

For example, Willem loves spending time with his family and working from home has helped him stay close to his loved ones: 'Xero has given me the ability to be more flexible and spend more time with my family. We can have breakfast together. I can work any time of the day and night. As long as the work gets done, it really gives me time back in my pocket. It's wonderful.'

TIME TO GROW THE BUSINESS

Xero's research confirms that having more time available is really important. Not only does it enable accountants to partake in activities outside work, but it also helps them grow their business.

If accountants had extra time:

- 37% of them would allocate it to their businesses.

- Of that group, 75% said they would focus that time on delivering more value to more clients.
- Leisure activities were scored too, with 30% saying they'd spend the extra time with their families and 22% heading to the beach!

HOW TIME IMPACTS CLIENT SATISFACTION

Saving time on processes also means that the firm's accountants can get out on the road and visit their clients more often. When they do, they can show their clients the Xero platform. This gives them a better understanding of what's happening in their business in a way they couldn't see before.

What's more, this setup means that the team can embrace their beautiful surroundings (they're based in George, on the Garden Route) and they hope their clients can do the same. 'We're trying to encourage our clients to build a sustainable lifestyle and embrace the ocean. When you have the right tools, this is what you're able to do,' Melissa added.

'The future of South Africa is dependent on our entrepreneurs and we are there to cheer them on. We use platforms like Xero to show them where they're going and help them in the right direction as best we can,' said Melissa.

For more info please visit

<https://www.xero.com/za/partner-programs/partners/>

“

BECOMING AUTHENTIC AS AN INDIVIDUAL GIVES YOU THE POWER TO BE A CHANGE AGENT FOR YOUR OWN WORKING ENVIRONMENT TOO, AS A RESULT OF THE PROFOUNDER AND MORE CONNECTED WORKPLACE INTERACTIONS YOU WILL CULTIVATE

EVOLVING INTO THE AUTHENTIC SELF

Authenticity requires consciousness and connectedness. It's a pursuit that Talita Ferreira has devoted much of her life to. When people are driven by intuition and purpose, she says, they become powerful, capable leaders

TALITA FERREIRA

CEO OF AUTHENTIC CHANGE SOLUTIONS LIMITED AND AUTHOR

Words Monique Verduyn – Photos Theana Breugem

In her book *The authenticity dilemma resolved: unleashing your passion and purpose to live more authentically*, Talita Ferreira suggests that success lies in being fully authentic and finding your own true purpose. A CA(SA) and the founder of UK-based consultancy Authentic Change Solutions, she believes that finance professionals who embrace leadership skills and understand the value of people dynamics will stand out from the crowd as we head deeper into the Fourth Industrial Revolution.

'Becoming authentic as an individual gives you the power to be a change agent for your own working environment too, as a result of the profounder and more connected workplace interactions you will cultivate,' she says.

Ferreira maintains that finding our true selves allows us to connect on a far more productive level with colleagues, enabling us to work better, lead more effectively and succeed. 'Our "professional mask" creates a disconnect between who we are at work and who we really are; this affects our abilities, work relationships and happiness, which can lead to burn-out and ineffectiveness,' she explains.

An experienced executive board director and chief financial officer (CFO) with more than two decades of experience in the automotive and financial services industries, she has worked for big brands like KPMG, Investec and BMW – in Germany, South Africa and the UK. Now an entrepreneur, she has stepped out of full-time corporate life to help companies create more authentic, inclusive cultures and to help individuals bring more of their true selves to everything they do. Ferreira works to transform cultures, helping organisations diagnose and improve their leadership and management capabilities, and shift their organisational values and beliefs to a new level of thinking and performance.

THE LEADERSHIP MIND-SET

Organisations of the future, she believes, will be those with individual team members who share purpose and ethics, empowering and co-ordinating themselves through culture.

'I have a deep-seated interest in understanding what drives individuals. My analytical half is focused on strategy, risk and finance, but my other half is people oriented. It began after I was told by an employee that I was an awful leader. I realised I had to learn to inspire a diverse group of people if I wanted to succeed. That was the start of my transformation journey. I read many books and listened to leadership talks. Then I went to work for BMW in Germany, where I had to learn a new language, which taught me a new level of resilience. Years later I returned to Germany to bring together six different companies onto one campus. That was a formidable challenge and the experience taught me much of what I know about leadership, culture and change.'

Much of Ferreira's understanding stems from the work of Stanford psychologist Carol Dweck, extrapolated in

her book *Mindset: the new psychology of success*, in which the author examines the power of our beliefs, both conscious and unconscious, and how changing even the simplest of them can have a profound impact on our lives.

Dweck describes how the 'fixed mind-set' assumes that our character, intelligence, and creative ability are givens which we can't change. A 'growth mind-set', on the other hand, thrives on challenge and sees failure not as evidence of unintelligence but as a catalyst for growth and for stretching our existing abilities.

'Having a growth mind-set, the belief that you are in control of your abilities, and can learn and improve, is the key to success,' says Ferreira. 'Hard work, effort, and persistence are all important, but not as important as having that underlying belief that you are in control of your own destiny and you can change if you choose to be authentic.'

In her own book, Ferreira suggests three ways to become an authentic leader:

- **Overcome fear** The key to overcoming your fears of being true to yourself is to ask deeper questions such as 'can I be myself within this culture?' and by doing so, avoid the stress and exhaustion associated with 'fitting in' and putting on your workplace mask. The resulting authenticity will lead to benefits such as improved interactions with colleagues.
- **Achieve self-awareness** The negative voice in your head is linked to your emotions – primarily fear. If you learn to ignore it, you'll be open to greater opportunities to find your true self. By recognising your own negative triggers, you'll be able to avoid limits to your self-belief. And once you can recognise this in yourself, you'll more easily see this in others. The result? An opportunity to bring out the best in your colleagues.
- **Collaboration is key** Once you've begun the journey to authenticity – by being true to yourself and your values and sharing your strength and weaknesses with colleagues – it is inevitable that you'll have a deeper connection with others and create a more productive workplace.

Authentic leadership emphasises building the leader's legitimacy through honest relationships with followers, valuing their input, and creating an ethical business foundation.

'When people find their own personal authenticity, their organisations can become authentic too,' says Ferreira. 'Forward-thinking organisations understand the need to respect individuality and the individual's contribution in order to develop talent overall. The result is the cultivation of a business that is able to resonate with its customers more deeply, and in an authentic manner.'

As a Gen Xer Ferreira says the authentic self is a goal for millennials more than any other generation. 'They are the generation of the future, and the better you are at being an authentic leader, the more your millennial employees will appreciate you.'

THEY CANNOT WORK IN SILOS AND EXPECT TO SUCCEED IN THIS COMPLEX AND EVER-CHANGING ENVIRONMENT. THE C-SUITE HAS TO ACT AS A SYMPHONY OF EXPERTS PLAYING IN HARMONY AND NOT AS A CACOPHONY OF DISPARATE INSTRUMENTS

Ask her why transformational change is so difficult to achieve and she'll tell you that organisations do not transform – people do.

'We try to change technology, strategy, processes, but we seldom focus on helping people to change. To effectively institutionalise change you have to ensure communication alignment, convey the purpose of the change, and let people know what's in it for them – that is where leaders usually spend the least time. Those at the top need to be the role models for the transformation if they seek to inspire the shift in others.'

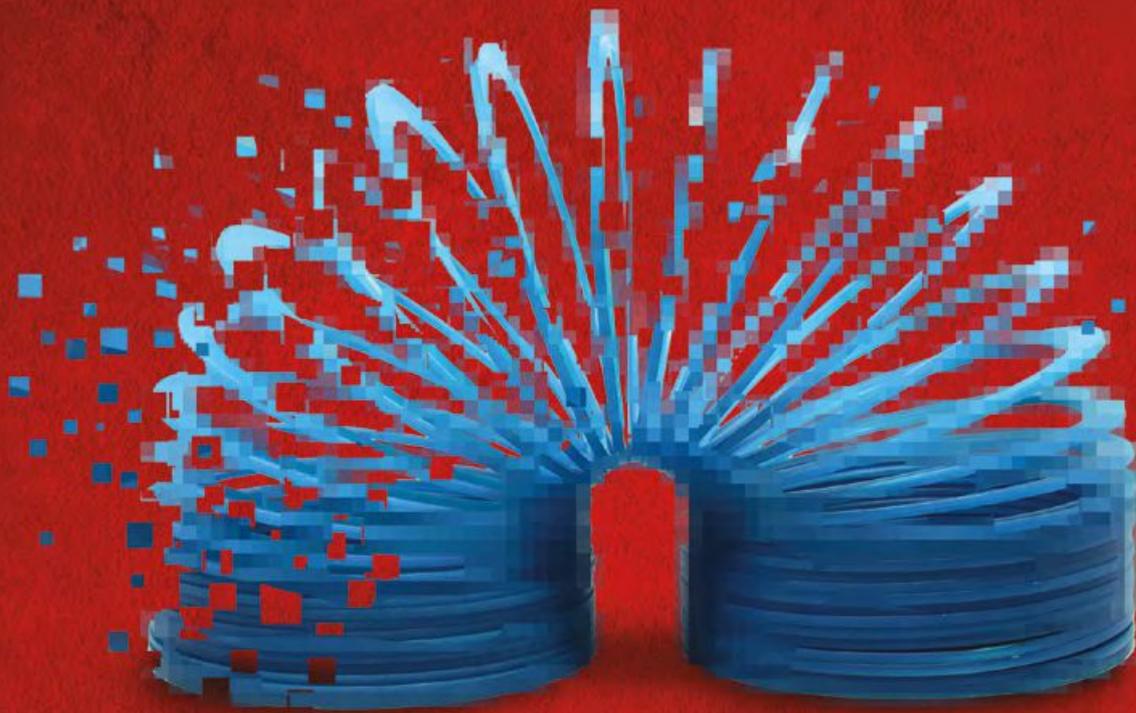
In her experience, she says, it's valuable to gain the trust and support of a few early adopters at middle management level. That helps to ensure the change message filters down through the organisation through peer-to-peer learning, sharing, telling stories and repeated interventions. 'I like to drive change top-down, inspire it bottom-up and then very much push it through the middle,' she explains.

THE SYMPHONIC C-SUITE

Ferreira says senior leaders need to collaborate. 'They cannot work in silos and expect to succeed in this complex and ever-changing environment. The C-suite has to act as a symphony of experts playing in harmony and not as a cacophony of disparate instruments. It's about breaking down functional hierarchies and building a team-based organisation. This requires collective thinking about the enterprise.'

To adapt to a digitised economy, at the speed and agility required for survival and success, she cautions, organisations need to be structured as ecosystems and networks designed around customer centricity, products, and services. This means that a radical new approach is needed.





FLEXIBILITY
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consolidation suite

Real Reporting Software

“

AS AN ACCOUNTANT, YOU HAVE TAKEN A PLEDGE TO BE HONEST IN YOUR DEALINGS, SO IT IS VERY IMPORTANT THAT YOU WORK WITH COMPLETE INTEGRITY

KEEPING THE BALANCE

Chartered accountant Nicky Els, Team Leader – Governance and Reporting in the FirstRand finance area, is passionate about maintaining integrity in the accounting and finance sector. And when she's not shouldering this massive responsibility at her firm, she is raising her four beautiful toddlers at home

NICKY ELS

TEAM LEADER – GOVERNANCE & REPORTING AT **FIRSTRAND**

Words Roberta Coci – Photos Theana Breugem

View a personal interview with Nicky by clicking on the video link icon



For Nicky Els CA(SA) there was never much of a question as to what she wanted to be when she grew up. 'I always knew I wanted to be a CA. I really love the work, and most of my family members are accountants, so it must be in our blood.'

Nicky is a born and bred Joburger. She grew up in Alberton and went on to study at the University of Johannesburg (then RAU). With a teacher for a mother and an accountant father and brother, Nicky grew up in a family for whom education was extremely important, yet she never felt pressure from them on what career to pursue. 'Our parents were really open for us to be whatever we wanted to be,' she says.

After completing her degree, Nicky pursued her articles at KPMG and stayed on as a manager for a further two years. But it was at her next firm that she really found her feet. 'I moved to the FirstRand group as an advisory accountant in 2007 and have never looked back,' she says.

In the 12 years since, Nicky has climbed her way through the ranks, and now boasts the title of Team Leader – Governance and Reporting in the Advisory Services department. 'We are responsible for International Financial Reporting Standards (IFRS) compliance, so we need to make sure that all accounting transactions are recorded in accordance with IFRS and that the company's financial statements are prepared in accordance with all relevant requirements, including the JSE requirements.'

Nicky is passionate about her job and loves the fact that she has found something of a niche in the accounting sector. 'I think the type of work I do now is very different from what a typical reporting accountant would do,' she explains. 'Although I work in a bank and am an accountant, I don't work with numbers.'

Nicky goes on to explain that her team writes reports and compiles financial statement templates and that unlike typical accountants, she is hardly involved in any number crunching. 'I love focusing on the reporting side of accounting. There's always something interesting happening in this space, and you never know exactly what your day is going to look like when you arrive at work.'

Of course, with the turmoil the sector has seen recently, reporting has taken on an incredibly important role, something that Nicky is highly aware of. 'As an accountant, it's imperative that you swear an oath to prove your integrity, almost like doctors do. You have taken a pledge to be honest in your dealings, so it is very important that you work within your compliance framework.'

With this in mind, Nicky has loved implementing IFRS 9 at FirstRand. 'It was a huge project, probably the biggest I will work on in my career, the whole process took about three years from the planning stages,' she says. 'It was so interesting,' she continues. 'I got to fully understand the different businesses in the bank and how IFRS 9 impacts them.'

Being part of a large corporate department is enough to keep most people busy, but life took a very different turn for Nicky three years ago when she gave birth to quadruplets. 'As you can imagine, family life is hectic at the moment, but I love it so much,' says the mom of three boys and one girl. 'No

matter how bad your day is, toddlers just know how to bring a smile to your face, with the funny things they say and do. We really are enjoying them.'

When asked how she copes, Nicky is quick to acknowledge that her husband is very hands-on and that she is fortunate to have an excellent support structure. Many women today benefit from a more flexible working environment,' she adds, explaining that she starts and ends work early, in order to spend more time with her children. 'Most corporates recognise that as well as being a valued employee, you also need to be a mother. That really does help.'

And for Nicky, being surrounded by strong women also helps. 'I work with a whole bunch of incredibly talented women of whom some are also mothers, and that really does make it easier.'

In fact, being a woman has never felt like a hindrance to Nicky when it comes to her career. 'We're not at all in the minority at FirstRand, and I've never felt like there's been a glass ceiling for me.'

Another element of her work that she loves is FirstRand's commitment to CSI. 'We have adopted a couple of schools, and we visit them regularly, to see what their needs are. We then create fundraisers, and the great thing is that the group matches everything we raise.' Nicky's division also recently started an initiative where staff can assist learners by tutoring them one on one. 'Education is a key focus for us,' she adds.

On education, Nicky is highly aware of the different roles that being a CA(SA) allows one to play. 'The training that you get and the way of thinking the qualification encourages make you a very sought-after individual,' she says, adding that it is a career path she would highly recommend to learners. 'I really enjoy the fact that I've been able to create a space where I've become a specialist in reporting. I've modelled a role I truly enjoy and am excited to go to work every day.'

ON BEING A WORKING MOM

With not one but four toddlers to look after, Nicky has had to be incredibly disciplined when it comes to balancing family and work life. 'It took me a while to figure things out, but I now have a system that works,' she says. 'What's really important for me is that when I am at work, I focus on work and allow that to be my first priority. That said, when I am at home my kids take absolute priority,' she says. 'It doesn't help to feel guilty at work for not being at home and vice versa. You have to be present where you are.'



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I WANTED TO GO BACK AND HELP THOSE CHILDREN THAT ARE IN THE POSITION THAT I WAS IN. CHILDREN ARE SO INNOCENT AND DON'T ASK TO COME HERE, AND IT'S QUITE SAD WHEN YOU SEE HOW MANY OF THESE KIDS ARE ORPHANED, ABANDONED AND UNDERPRIVILEGED

A HEART FOR ORPHANS

Despite a difficult childhood, Rabia Nana has proved circumstances don't define your future. Today she is an audit manager at BDO South Africa Inc and has launched The Rabia Foundation, which is currently helping two children's homes. She has a great mission to accomplish in life, and that is to make abandoned children feel loved!

RABIA NANA
FOUNDER OF THE RABIA FOUNDATION

Words Lynn Grala- Photos Theana Breugem

View a personal interview with Rabia by clicking on the video link icon



Rabia Nana was born in Lenasia. At the age of six, she was devastated to find out that her parents were filing for a divorce. Her dad moved on, remarried and started a new family, leaving her mother to take care of Rabia and her little brother. She remembers living with relatives most of the time because her mother was unemployed and could not afford to take care of her and her little brother.

'We had to make do with the bare minimum. The high school that I attended had many kids that found themselves in my shoes. I studied with many bright learners – none of whom even had a warm bed to sleep in or food to eat. Due to financial difficulties, none of the people I studied with in high school was able to go to university. With that in mind, I knew I had to get an education,' she says.

Then, at 15, she was hit with yet another shock when her dad was hijacked and killed. However, she continued to persevere despite the tragedy. Rabia was a bright student, passed matric with exceptional marks, and was accepted to study BCom Accounting. Her mother's brother offered to pay for her university studies.

Rabia was elated to find she was accepted to start her articles at BDO South Africa Inc in January 2014. At the same time, she registered to re-do her honours (CTA) part time. Being in articles and studying CTA at the same time was one of the hardest things for her to accomplish. And then yet another tragedy struck.

'While I thought finally my luck has turned, my mother became very ill in the same year as the academic brilliance was taking place. Being the eldest child, I had to take of all the medical arrangements, bills, etc. She passed away in October 2015 and I had to write the APC final in 25 days. By God's grace, I passed the APC and achieved all my competencies and hours making me eligible to register as a CA(SA) at the end of December 2016. After I completed my articles in 2016, I was offered a permanent position as an audit senior at BDO SA Inc.'

Despite all the trauma and circumstances that set some people back for life, today Rabia is a beautiful, dynamic and confident young woman who has decided to let her past rather mould her heart to be extremely empathetic and passionate about making a difference in the world.

'Given my road in life and my constant failures and successes, I would have to say I am very hard working and persistent. I never give up on my dreams. I am soft and caring, but very assertive when need be. I always display a spirit of competitiveness, complemented by discipline and courtesy.

'I wanted to go back and help those children that are in the position that I was in. Children are so innocent and don't ask to come here, and it's quite sad when you see how many of these kids are orphaned, abandoned and underprivileged. So many of these children have the potential to make it in life but just don't get the chance to. I wanted to help out in whatever way possible.'

To achieve her dream of helping underprivileged children, Rabia launched The Rabia Foundation, which has grown

from strength to strength. The foundation is now affiliated to two children's homes. One houses on average 50 children between 1 and 25 years old. This home provides care to children who have been orphaned or require alternative care due to abuse, neglect, or abandonment, as well as children that are affected by HIV/Aids or other health problems. The second home is a children's mission that saves abandoned babies. Many of these children are left to die, or simply abandoned, in dustbins, open fields, public toilets, or on train tracks. This children's mission houses on average 25 babies aged between 0 and 24 months.

'We raise funds to supply these homes with day-to-day necessities as well as clothes for the children. In addition to trying to provide for their needs financially, we regularly go visit the children that call these places home. The one thing I have found with working with children is that they long for love and that's what I look to give them.'

The people who assist in the foundation are all volunteers whom Rabia has met along the way and who are passionate about helping others.

'I have an incredible husband who has made my dream his dream and he is incredibly supportive with all my initiatives.'

If you would like to get involved in The Rabia Foundation please visit www.rfoundation.org.za or contact **079 522 2849**

RABIA'S GOALS FOR THE FUTURE

'I see us helping more homes to provide for their daily needs. I hope that we can exceed 10 homes. In addition to this, I would like to partner with an underprivileged school and work with a particular group of learners and see them through high school and eventually university. We do not have the funds to do this at present, but as the cliché states: 'Where there's a will, there's a way.'

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YOU WORK SILLY HOURS AS A SENIOR MANAGER, AND I KNEW I WANTED TO SPEND MORE TIME BEING A MOM, SO I MADE THE DIFFICULT DECISION TO LEAVE THE FIRM,' SHE SAYS. 'I HAD EMBRACED THE IDEA OF STAYING ON UNTIL PARTNERSHIP, AND I REALLY WANTED TO BE SEEN AS A WOMAN WHO COULD DO IT ALL, BUT AT SOME POINT, IT BECAME TOO MUCH

A CREATIVE SOUL BORN TO SHINE

She's a film producer, an actress, a mom, a chartered accountant, and a non-executive member of several boards. This is how Shadi Chauke is using her finance and business experience to create employment in the creative industry

SHADI CHAUKE

BUSINESSWOMAN,
ACTRESS AND PRODUCER

Words Roberta Coci – Photos Theana Breugem

View a personal interview
with Shadi by clicking on the
video link icon



They say pursuing a career as a chartered accountant can open many doors for you. Johannesburg-based Shadi Chauke CA(SA) can most certainly attest to this.

Growing up, Shadi always leaned towards the more creative elements in life, and when she was introduced to Speech and Drama in primary school, the love was instant. 'I took it right through to matric, and when I won the best actress award in Standard 8, I knew I wanted to be a professional actress.'

While Shadi had her heart set on pursuing a university degree in drama, her parents had been suffering dire financial straits and had pulled every string possible to give her the quality education she received. 'When I told my father I wanted to be an artist, he said, "over my dead body," she says, laughing.

THE SAFE ROUTE

Shadi's father gave her two options – sign up for actuarial science or accounting. 'He had studied which degrees offered the highest-paying career options, and those were my only choices.'

Given her excellent academic record, Shadi was offered a bursary by Eskom to pursue a BCom Accounting at the University of Witwatersrand. She pursued her accounting studies with vigour, but could never quite quench her thirst for the stage. 'I was constantly watching plays, visiting the Wits School of Arts and the Market Theatre Lab and taking part-time acting classes.' But when she got to her CTA, or, as Shadi calls it, 'the year of proper buckets of tears and gruelling work', she had to stop all extramural activities and focus fully on her studies.

'As I was on a bursary [now with Deloitte] I couldn't afford to fail, so I studied really hard. I passed by the skin of my teeth, but I got both my undergraduate degree and my CTA in record time, and that was such an achievement for me.'

CORPORATE LIFE

Shadi completed her articles at Deloitte, where she stayed on for a further four-and-a-half years, working first in the training division and later in the financial services audit division. She thrived on the heavy workload and was soon promoted to senior manager. 'I have always seen myself as a professional first, not a woman, and I think that's my secret to success,' she says. 'I was well aware of a boys' club mentality, but I didn't let it faze me. I just decided to excel and let my work speak for itself.'

That said, when her first child was born, she knew she had to take a step back. 'You work silly hours as a senior manager, and I knew I wanted to spend more time being a mom, so I made the difficult decision to leave the firm,' she says. 'I had embraced the idea of staying on until partnership, and I really wanted to be seen as a woman who could do it all, but at some point, it became too much.'

SEARCHING FOR BALANCE

Over the next few years, Shadi tried to find the perfect 9–5 job that would help her balance career and motherhood, first at

Standard Bank, and then as CFO for Urban Brew Studios. It was at this time that she began seriously dipping her toes in acting. 'While I was at Standard Bank, I got my first international credit, as a narrator for a documentary called *Have you heard from Johannesburg*,' says Shadi. 'The movie documented the history of the anti-apartheid movement in the international space, and it was an incredible experience, learning how the struggle panned out across the globe.'

In 2013, while her acting career was really starting to take shape, Shadi received a call from Deloitte offering her a partnership. 'It was an opportunity I knew I couldn't turn down, and I went back and served as an audit partner for five years,' says Shadi. 'I loved my time there, but during that period, my burden to be an actress only grew,' she admits. 'It got to the point where I had to acknowledge my passion. Once and for all, I had to give acting a proper chance.'

TAKING THE PLUNGE

With roles in local classics such as *Ring of Lies*, *Isidingo* and *The Throne* to her name, Shadi decided to leave Deloitte in 2018. Her parents had been supportive of her brother going into the arts, and after building his career, he started two film and TV production companies: Viva Pictures and Pop Up Media. 'He was basically living the life I wished I had,' says Shadi, 'and knowing that I couldn't rely on acting alone, I decided to join him.'

In a mutually beneficial move, Shadi invested in the two production companies and joined her brother in running the businesses. This way she brought her valued financial and managerial experience to the businesses and got to learn the film and production ropes rather than simply 'waiting at home to be called for acting jobs'.

A VALUED QUALIFICATION

She may have left the auditing sector behind, but Shadi is adamant on using her CA(SA) designation to its full potential. To this end, as well as working at Viva Pictures and Pop Up Media, she serves as a non-executive director on the boards of several companies such as Mr Price, where she feels her accounting skills, coupled with her creative outlook, give her a unique perspective.

Despite her initial scepticism, Shadi is quick to acknowledge the avenues being a CA has allowed her to explore. 'Every day in our business, I lean on my training as an auditor. Being a CA sets you up in a very powerful way and allows you to branch off into so many directions,' she says.

She is equally aware that the creative sector is filled with untapped potential when it comes to job creation. 'Watch the credits at the end of any movie and you'll see just how many job opportunities the industry can create,' she says. 'That's where my heart is right now. I want to produce as much content as possible so I can create employment, especially among the youth. At Viva Pictures and Pop Up Media, our vision is to be the foremost employer in the creative industry.'



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SOMETIMES WHEN I GO BACK TO LIMPOPO I SEE KIDS I GREW UP WITH LIVING IN TERRIBLE POVERTY. SOME WERE REALLY BRIGHT BUT HAD NOBODY THAT BELIEVED IN THEM. THAT CYCLE NEEDS TO END

PAYING IT FORWARD

Having lived through poverty as a child Makoena Mabusela CA(SA) is passionate about helping others break out of the cycle

**MAKOENA
MABUSELA**
SENIOR AVIATION
CONSULTANT AT INVESTEC

Words Roberta Coci – Photos Theana Breugem

'When I was a child, I had a dream.' So says chartered accountant Makoena Mabusela, a senior aviation consultant at Investec. 'I grew up in conditions nobody deserves to live in, but for me, poverty acted as a driver. I knew I would do whatever it took to change my situation.'

Makoena grew up in the rural area of Matlala in Limpopo, and despite living in one of the poorest areas of South Africa, she feels privileged. 'My father was a carpenter who worked informally and my mother a school principal. They believed strongly in education, so I got lucky.'

As there were no good schools in their village, Makoena and her siblings had to walk 6 km daily to school. 'We would wake up at 4 am so we had time to clean and cook before leaving, and often we walked in the pouring rain, usually with no shoes. You don't want to know what that feels like.'

Far from feeling sorry for herself, Makoena has morphed empathy into action and is passionate about using her now-privileged position to help others.

'There are three things I feel very strongly about, given my past: education, poverty and gender equality. I want to make a difference.'

Thanks to her mother's position as a principal, Makoena was blessed with the opportunity to attend boarding school from Grade 10 at Makgoka Secondary School in Limpopo. 'When I got there it was very tough, I didn't understand a thing,' she says. 'I was driven, though, and determined to succeed. At home we had no electricity or running water, and at boarding school I got to watch TV for the first time. This was a life I wanted to live.'

In her first year at boarding school, Makoena was on the brink of failing. By Grade 12 she placed firmly in the top five, allowing her to pursue a BComm (Accounting) at the University of the North (now University of Limpopo).

Soon after that, Makoena moved to the big city, where she bagged herself an internship at Metrorail in Johannesburg. There her signature diligence and determination saw her advance to a managerial position by the age of 23.

That same year, SAICA launched a TOPP (Training Outside the Public Practice) programme and Makoena left her job to join the three-year programme with Transnet. 'TOPP allowed me to work my way through the whole of the company while training to become a CA,' she explains. 'Back then SAA was still a division of Transnet, and after I worked my last hours there, they asked me to stay on.'

At SAA, Makoena worked in financing aircraft, and it's there that the aviation bug bit. 'I had the privilege to travel the world, working with financial institutions and meeting the most fascinating people,' she explains. Armed with a unique skillset, Makoena was able to move into banking and is now in her fourth year at Investec, where her role includes marketing aviation financing products and services to the broader aviation sector in Africa and the rest of the world.

For Makoena, it is upsetting to see how few women are involved in the industry. 'This is something I am very vocal about,' she says. 'People think of pilots when they talk about aviation, but there are countless jobs in this sector, from engineering to finance and so much more. It's an industry filled with untapped opportunities and women are simply not exposed to it. I would love to create a local aviation expo for women.'

Makoena recognises that women are marginalised across all sectors, not just the aviation industry. For this reason she mentors women both formally and informally in Investec and also feels strongly about mentoring high school girls and speaking at schools in Limpopo. 'Sometimes when I go back to Limpopo I see kids I grew up with living in terrible poverty. Some were really bright but had nobody that believed in them. That cycle needs to end.'

That's why, despite a demanding job and raising a large family, Makoena insists on giving of her time. 'My time is scarce, but fighting for women is so rewarding, it's always worth it.'

Giving of her time is only one element of Makoena's charitable work. For over seven years she has donated to Children of the Dawn, a programme which allows her to support a child financially throughout their schooling. Remembering her own days of walking for hours to school in the rain, Makoena also donates school shoes and school bags whenever she returns home to Limpopo. 'We never had school bags and our books would literally dissolve in the rain,' she recounts.

Makoena is thrilled that, through her job at Investec, she has been given an opportunity to formalise her charitable work. In 2018 she was invited to join the Archbishop Desmond Tutu Leadership Fellowship Programme, a prestigious initiative that brings together leaders across the continent.

'A requirement of the programme is to set up a community project, and I have decided to build a library in Limpopo,' she says, her eyes lighting up. 'Young kids in the rural areas have no stimulation, and I really want to change that.' She is currently in the process of securing a piece of land for the library, which will aptly be named A-re-Baleng (Let's read). 'It may seem like a small thing, but a library will create a stimulating learning environment for 3–12-year-olds as well as employment for adults in the area,' she explains. What's more, Makoena plans to expand A-re-Baleng into a foundation, through which she will formalise her donation of school bags and shoes to children in the area.

Makoena lives by Archbishop Desmond Tutu's words, 'Do your little bit of good where you are; it's those little bits of good put together that overwhelm the world.' For her, giving, whether it is of your time, expertise or money, is everything. 'I have lived the effects of poverty and I know first-hand that no child deserves to live through that.'

HOW SUCCESSFUL CEOs MANAGE THEIR MIDDLE ACT

A CEO'S MIDDLE PHASE ISN'T JUST ABOUT REAPING WHAT WAS SOWN IN THE EARLY YEARS – NOR IS IT ABOUT CONTINUING TO DO WHAT BROUGHT SUCCESS THEN. WE DISCUSS THE FIVE THEMES THAT ARE ESSENTIAL TO SUCCESS IN LEADERS' MIDDLE YEARS

Words Rodney Zimmel, Matt Cuddihy and Dennis Carey

Every leader understands the importance of his first hundred days in office and his final months on the job. Very little attention has been focused on the time between those stages – on how chief

executives can make the most of the middle years of their tenure. How can CEOs build on early successes? How can they continue to have an impact?

To find answers, we identified 146 CEOs of large-cap companies who left their jobs during the period from 2011 to 2016 after serving at least six years. Next we pinpointed a subset whose companies outperformed their industries during their time at the helm or who had high overall total shareholder return performance. We conducted detailed structured interviews with 22 of them.

Five themes emerged as essential to success in leaders' middle years: the importance of resetting ambitions to avoid losing momentum; the need to attack silos and fix broken processes; the imperative of rejuvenating leadership talent; the value of building internal and external mechanisms for dissent and disruptive ideas; and the need to deploy leadership capital on bold moves that could help the company succeed over a long horizon.

1 KEEP RAISING THE LEVEL OF AMBITION

At the start of their tenure, CEOs tend to address the most urgent issues and make their mark on the company. By midterm, as stability sets in, the organisation risks sliding back into what former DuPont CEO Ellen Kullman calls 'the old normal'. Having assumed leadership during the global financial crisis, Kullman instituted wide-ranging portfolio and operating changes, but once the crisis had passed, the pace of organisational change began to flag. So she travelled to plants and offices around the world to reinforce the new vision and formed a corporate planning group to conduct inside-outside assessments of each business. In the middle years as CEO, Kullman told us, 'you've got to infuse people with the will to continue to focus on the changing environment and say that if you aren't moving, somebody is going to run you over'.

As they stretch their aspirations and those of their people, CEOs should guard against organisational exhaustion. 'There's an old principle that if the big gear at the top of the organisation makes a half turn, the small gears low in the

organisation have to spin four times,' said Sandy Cutler, a former CEO of the power management company Eaton. 'Organisations have to be careful at the top not to constantly change the game plan.'

2 ATTACK SILOS AND BROKEN PROCESSES

Tom Watjen recalled arriving for high-level meetings at Unum, the insurance company he led, to find his top 30 executives in cliquish groups with their regional and functional colleagues. It was essential to get the groups to trust one another, share ideas and focus on external rather than intramural competition. 'You have to find people for whom it's second nature to work across different businesses,' Watjen told us. To shatter the silos delineating Unum's three core businesses, Watjen used his middle years to 'cross-pollinate' ideas and experiences. He moved executives across units and worked to connect corporate functions to the needs of the operating businesses.

It's easy for new leaders who are focused on the big picture to overlook key internal processes. Hence, as CEOs enter the middle years, fixing glitches in the 'operating system' – which can mean anything from establishing consistent procedures for assessing talent to systematising the approach to budgeting – needs to become a priority. Former Stanley Black & Decker CEO John Lundgren worked with his team to refine and formalise the company's operating system, with an emphasis on measuring individual performance and linking compensation to key metrics such as margin accretion and cash conversion. 'We gave management the tools,' he said. 'It was about operational efficiency and eliminating complexity.'

3 REJUVENATE TALENT

Most new CEOs shake up or recast the top leadership team. Successful long-term leaders recognise that adjustments must continue in the midterm. 'A mistake a lot of people make is to get complacent about assessing talent,' observed Edward Breen, a former CEO of the security systems firm Tyco International. Breen saw to it that Tyco assessed top leaders annually, asking, 'Do I have a team that

can win the Super Bowl?' The process was formalised and cascaded down through the company, and every year the leaders at each level acted on the evaluations. Tyco also conducted monthly operating reviews, which Breen found to be an excellent way of appraising his team's ambition and energy levels.

4 BUILD MECHANISMS FOR DISSENT AND DISRUPTIVE IDEAS

CEOs in mid-tenure worry about becoming predictable or shut off from new ideas. 'After three or four years people have an understanding of how you respond in different scenarios,' said former Home Depot CEO Frank Blake. 'Everybody knows what you want to hear, so that's what they tell you.' He – like many others we spoke with – worked to avoid that pitfall.

For instance, early in his tenure Blake had closed a number of store formats that were underperforming. People continued to come up with new format ideas, but he tended to reject them. By his mid-term, employees had stopped making such recommendations. Blake recognised that this was a problem and took steps to emphasise his openness to all kinds of ideas. He began devoting more time to internal outreach, holding skip-level meetings and dinners with store associates.

5 SPEND LEADERSHIP CAPITAL ON BOLD, LONG-TERM MOVES

Having used their early years to build credibility with the board, investors and employees – and gain confidence in their own leadership – successful mid-tenure CEOs can make bold strategic moves. Several CEOs placed large strategic bets or completed transformational deals in their middle years. Joe Papa, a former CEO of the pharmaceuticals manufacturer Perrigo, recalled having an epiphany while driving to work and seeing a Perrigo delivery truck headed to a customer site. 'I realised it was all about getting more products on the truck, and it forced me to think about how to do that,' he said. This insight led to the acquisition of PBM Holdings,

an infant formula manufacturer, which Papa considers one of Perrigo's most successful deals.

CONCLUSION

A CEO's middle phase isn't just about reaping what was sown in the early years – nor is it about continuing to do what brought success then. Leaders need to look at the organisation and the markets in which it plays with fresh eyes and keep evolving their strategy and approach to their team. They can't take their foot off the gas – if anything, they need to push down harder.

AUTHORS | Rodney Zimmel is the managing partner of McKinsey's New York and Northeast offices; Matt Cuddihy is an associate partner at McKinsey in Boston; and Dennis Carey is the vice-chairman of Korn Ferry

IN BRIEF

- **The issue** New CEOs typically focus on implementing an agenda and achieving some early wins. But these opening moves are often followed by an Act 2 – one that features a different operating style and a new set of goals.
- **The research** The authors identified 146 CEOs of large-cap companies who exited during the period from 2011 to 2016 and had longer-than-average tenures. They pinpointed a subset of high performers and conducted structured interviews with 22 of them.
- **The findings** During their second act, successful CEOs work to raise the company's level of ambition, attack silos and broken processes, rejuvenate talent, create mechanisms for dissent, and invest political capital in long-term bets. Beyond those specifics, leaders often benefit from viewing their tenure as a series of chapters rather than an undivided span.

2018 HARVARD BUSINESS SCHOOL PUBLISHING CORP

WHY SOCIAL WORKING CULTURES ARE HAPPIER AND MORE PRODUCTIVE

TODAY, WORK IS ABOUT THE ACTUAL WORK YOU DO AND WHO YOU DO IT WITH, SO IT'S CRITICAL THAT TEAM RELATIONSHIPS GET PRIORITISED, NOT JUST THE WORK ITSELF

Words Dan Schawbel

Today's workers are more engaged and stay with their companies longer if they have stronger team relationships. Work has become highly decentralised, with more employees telecommuting and collaborative tools surpassing face-to-face communication.

As a result, Gallup's State of the Global Workplace found that 85% of the global workforce is either not engaged or actively disengaged at work, costing companies approximately \$7 trillion in lost productivity. By contrast, leaders that prioritise the socialisation of their workforces see stronger team commitment and an increase in productivity and organisational health.

Millennials have for years been stereotyped as the generation of job hoppers, even though there is evidence to debunk this myth. The younger you are, the more likely you are to change jobs more frequently as you try to discover yourself.

But, like baby boomers and Gen X, many millennials have stayed with a company for more than a decade not because of the job security but rather as a result of the relationships they have with their teammates.



A FEELING OF BELONGING

'I've now been at General Mills 11 years and those friendships are definitely a massive part of what keeps me here – it creates a strong feeling of belonging and affiliation,' says Michelle Odland, director of marketing for Totino's and Old El Paso at General Mills.

'My close friends here are one of the key reasons I have stayed for 11 years so far, and why I'm inclined to continue to stay,' said Jennifer Schopfer, general

manager of transport logistics at GE Transportation.

Millennials view their co-workers as their work family and their manager as their work parent. It's much harder to leave a family than a bunch of acquaintances you hardly see, don't get along with or with whom you don't have an emotional connection.

Every leader can, and should, focus on creating a more socially engaging work culture because it's good for their own health and for their teams. In a global study by Future Workplace and Virgin Pulse, we asked workers how leaders could help facilitate stronger relationships at work.

Nearly half of respondents said team-building activities and social events and nearly one-third said 'workations'. Only 20% said using more collaborative technologies. A proper balance of face-time with collaborative tools can keep employees connected while making them feel like they belong.

Smart companies and their leaders realise the importance of team-building activities. Workday, for example, used these to allow employees to participate in defining their own experience.

'We were able to customise the floor to be optimal for the way product management and development teams worked,' says Erin Yang, Workday's vice-president of the technology product management, who was on a steering committee that helped design a new floor of the firm's San Francisco office. She asked her team to contribute office ideas and share them on a Pinterest board. Through this team-building activity, the space was more engaging and their relationships became stronger because they had worked on something together as a team.

Aside from team-building activities, social events can be extremely effective, fun and engaging. At HubSpot and other companies, it can be challenging to meet people in other departments. 'We host quarterly dinners where execs foot the bill and lead the conversation and you dine with a mystery group of HubSpotters,' says Alison Elworthy, the vice-president of customer success at Hubspot. Laura Petti, a line producer at

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MILLENNIALS VIEW THEIR CO-WORKERS AS THEIR WORK FAMILY AND THEIR MANAGER AS THEIR WORK PARENT.

IT'S MUCH HARDER TO LEAVE A FAMILY THAN A BUNCH OF ACQUAINTANCES YOU HARDLY SEE, DON'T GET ALONG WITH OR WITH WHOM YOU DON'T HAVE AN EMOTIONAL CONNECTION

CNBC, says they plan a quarterly team potluck around a theme like Halloween or the Super Bowl.

With 70% of people globally working remote at least once a week, companies are looking to find ways to engage them and make them feel like they are part of the culture. At Akamai, teams fly in to be together in person for an off-site. 'This is expensive and the output needs to justify the cost, but in my experience, the value for remote workers to engage with people in person energises their commitment to the team and the larger organisation,' says Ross Feinberg, vice-president of strategy and operations at Akamai.

Leaders that create a more socially engaged workforce will be able to hold on to their teammates for longer and have a healthy culture that makes everyone excited to work, every day.

AUTHOR | Dan Schawbel is the author of *Back to human: how great leaders create connection in the age of isolation*

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WORKING TOGETHER TO CREATE A HIGH-FUNCTIONING WORKPLACE

The newly appointed CEO of Fasset, Ayanda Mafuleka, is passionate about using her position to better the lives of South Africans by steering the organisation's strategy towards the UN's sustainable development goals (SDGs) of quality education (SDG 4), decent work (SDG 8) and strong institutions (SDG 16)

AUTHOR Roberta Coci





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FOR AYANDA, SPEARHEADING A TRANSFORMATIVE PROGRAMME THAT WILL CREATE A LEADERSHIP POOL OF BLACK FEMALE PROFESSIONALS IN THE SECTOR IS CRUCIAL. 'IF I WERE TO LEAVE FASSET TOMORROW, THEY SHOULDN'T STRUGGLE TO FIND ANOTHER CAPABLE BLACK FEMALE CEO, AND THIS GOES FOR ALL THE TOP 40 JSE-LISTED COMPANIES. BLACK PEOPLE, AND WOMEN IN PARTICULAR, NEED TO BE INVOLVED IN DECISION-MAKING. WE ARE THE MAJORITY, AFTER ALL

4 QUALITY EDUCATION



For Ayanda Mafuleka CA(SA), recently appointed CEO of Fasset, the Finance and Accounting Services' Sector Education and Training Authority (Seta), working in the public sector has allowed her to pursue her dream of impacting the lives of ordinary South Africans. 'When I studied accounting, we were always taught about profit and loss, but when I went on to complete my CA articles at National Treasury, I began to see that government is a unique machine,' she explains. 'It's not about profit, but about service delivery – about how we can better the lives of citizens.'

Ayanda was bitten by the public sector bug and in the sixteen years since, her career has seen her move through high-

profile and diverse public institutions such as Transnet, the Department of Home Affairs, Johannesburg City Parks and Zoo, the National Credit Regulator (NCR), the South African Post Office, and African Exploration, Mining and Finance Corporation SOC Ltd. At the beginning of this year, she was appointed as the new CEO of Fasset.

Ayanda, who grew up in a township, Umlazi near Durban, is highly aware that qualifying as a CA(SA) has given her an advantage she may otherwise not have had as a black woman in South Africa. She is therefore delighted to be working in an institution that directly promotes and improves the sector, through career awareness, training and funding. 'Being a CA(SA) has really opened doors in my career, and I feel strongly about encouraging others to consider it as a career option,' she explains.

At Fasset, Ayanda spearheads several SDG 4- and 8-focused programmes to increase the flow of unemployed graduates into the finance and accounting sector. Fasset approaches high schools and encourages Grade 11 and 12 learners to pursue various professions in finance and accountancy like CA(SA) by educating them about these professions and offering bursaries.

'We started the Fasset bursary scheme in 2017 and since then, over 2 000 students have been funded while thousands more have received

8 DECENT WORK AND ECONOMIC GROWTH



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



academic support,' says Ayanda. 'We always overachieve our targets; the programme is actually oversubscribed,' she adds proudly.

But for Ayanda, addressing Grade 11 and 12 learners is leaving it too late, as by then many learners have already given up maths. That's why this year, for the first time, Fasset has started to communicate with learners from Grade 9 through initiatives such as career awareness programmes. 'Being a CA(SA) has helped me to climb ladders,' says Ayanda. 'It is more than just a piece of paper, and I want to share that message with young learners.'

While encouraging learners to pursue a CA(SA) is going a long way towards increasing flow into the sector, Ayanda is highly aware of the shocking global unemployment statistics, to which the finance and accounting sector is not immune.

Fasset is addressing this issue by running several programmes that directly and indirectly create employment within the sector. 'If the workforce is upskilled, productivity increases and this translates to sustainable economic growth,' explains Ayanda. 'We are passionate about training our graduates to become active participants in growing the economy. This spills over and helps to address other social and economic issues, such as crime.'

A new programme that Ayanda is particularly excited about is the one spearheaded by President Cyril Ramaphosa. The YES – Youth Employment Services – programme is a ground-breaking initiative pulling together government and business to build economic pathways for unemployed black youth.

Fasset taps into the YES programme by incentivising its extensive network of potential employers to host an unemployed graduate for a minimum of 12 months, on a paid internship. Not only does Fasset fund the graduate's stipend, but they also ensure work readiness by providing extensive additional training. This year, a target of 480 learners will be linked with an employer in the accounting and

finance sector, and the hope is that these graduates will be absorbed into the industry once their internship is up. 'Initiatives such as these translate to economic growth and productive employment,' says Ayanda. 'We're all working together to create a skilled and high-functioning workplace.'

This leads to Ayanda's other passion, of creating strong institutions and tackling the scourge of corruption in South Africa – one of the key targets of the UN's 16th SDG. Fasset has a strong drive towards creating awareness around ethics, risk management and governance, through their Lifelong Learning programme. 'We partner with professional bodies and employers in our sector, and encourage their members and employees to attend our Lifelong Learning events,' she explains. 'It all comes down to skills and education. Accountants need to be the gatekeepers of their institutions in fighting corruption.'

For Ayanda, while corruption is clearly an issue in both the private and public sectors, it is in the public sector that its impact is truly felt. Bribery, corruption and tax evasion are costing developing countries like South Africa \$1,2 trillion a year,' she says. 'That is money that could have been used to improve the quality of education and the living conditions of ordinary citizens. If we can tackle corruption, we will have a functioning public sector that will allow each citizen to enjoy their hard-earned democracy.'

While she may have just started her new role as CEO of Fasset, Ayanda is already highly aware of the legacy she would like to leave. As the first (and so far only) chartered accountant in her family and one of a vast minority of black female CAs(SA) in the country,

Ayanda is determined to transform the sector, by increasing the number of black accounting professionals, and especially black females. She acknowledges the important work professional institutions such as SAICA, African Women Chartered Accountants (AWCA) and the Association for the Advancement of Black Accountants of Southern Africa (ABASA) are doing to support black female CAs(SA), and she is passionate about driving this mission even further in her new role. 'There are roughly 3 000 black female CAs(SA), out of a total of 44 000 CAs(SA) in South Africa today. While this number may seem low, consider that just over 10 years ago, there were only 29 of us,' she explains.

'While the sector is changing, it is not happening fast enough, and as for executive positions, we are still sitting with less than 10% female representation,' says Ayanda. She adds boldly and unapologetically that she wants to see all employers in the sector recruiting black females into leadership and strategic positions, and taking a cue from President Ramaphosa, who has appointed more than 50% women to his cabinet.

For Ayanda, spearheading a transformative programme that will create a leadership pool of black female professionals in the sector is crucial. 'If I were to leave Fasset tomorrow, they shouldn't struggle to find another capable black female CEO, and this goes for all the top 40 JSE-listed companies. Black people, and women in particular, need to be involved in decision-making. We are the majority, after all.'

FROM FITNESS TO FINANCE

BUILDING A SMARTER, STRONGER SOUTH AFRICA

As a recently qualified chartered accountant, Fulufhelo Siphuma's career has moved swiftly. But it's not a case of 'all work, no play' – this fitness coach also finds the time to put her sustainable development goal passions to play in a serious way. Here's why Fulufhelo is a physical financial force to be reckoned with, and how you can follow in her fit footsteps ...

AUTHOR Leigh Andrews





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GROWING UP IN LIMPOPO, I USED TO FETCH WATER FROM THE COMMUNAL STREET TAPS – THOSE WERE RARE, BLESSED DAYS. OTHERWISE, YOU WOULD FIRST HAVE A FIERCE FIGHT WITH A BULL TO GET YOUR TURN TO DRAW WATER FROM A SPRING

The first thing I noticed on talking to Fulufhelo Siphuma is that her passion runs deep. The importance of the sustainable development goals (SDGs) shines through in everything she does and inspires others to action.

The reason is simple: while she seems to have it all now, life hasn't always been easy for Fulufhelo. Having overcome challenges such as attending under-resourced schools, she says, 'Given my background, I could have easily fallen off the rails as I didn't have the blueprint.' Now she offers that blueprint to others, as she has what she calls the

'compassion and privilege to help those who are less fortunate, so they can be guided by someone who has been in their shoes'.

NEVER FOR A BLACK CHILD, LET ALONE A GIRL CHILD

She explains: 'Growing up in Limpopo, I used to fetch water from the communal street taps – those were rare, blessed days. Otherwise, you would first have a fierce fight with a bull to get your turn to draw water from a spring.'

'It's a far cry from where I'm based now, in Pretoria. Paved streets remain a luxury we'd never have dreamt of. In high school, I also took care of my sisters while my mom was away at nursing school.'

It's enough to set anyone on a tough life path. And yet, despite the social, financial and quality education challenges she faced, Fulufhelo passed Grade 12 as the best economics learner in the province. She confirms that little spark of success has been driving her ever since to make a difference in her community. Not only did it clarify her passions, but it has also served as the guiding star to help her reach her destiny.

That is how Fulufhelo stood strong and moved beyond what she calls 'the worst myth of that time, which is likely still a reality today – that becoming a CA(SA) was never for a black child, let alone a girl child.'

MAKING THE SDG OF QUALITY EDUCATION A REALITY

In helping others on that often rocky path, she talks at various schools to address issues of poverty, unemployment and inequality and offers

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



mentorship. She has even taken that further by adopting the New Jerusalem Children's Home in Midrand as a mentor and a big sister.

This involves more than just spending time with the children at the home but also mobilising funds to assist – often from her own pocket because it's only when people access quality education that they can break from the cycle of poverty. This is why education is seen as the key to achieving many of the other SDGs to further reduce inequalities and help reach gender equality.

Fulufhelo further fights the struggle for economic emancipation by contributing towards the increase of black chartered accountants in the country by talking at university where she engages with future business leaders about responsible leadership and the value of the CA(SA) designation.

AFTER 9–5: FROM AWARENESS TO ACTION ON PREVENTING LIFESTYLE DISEASES

The same sentiment that it is on each of us to make a difference is woven into Fulufhelo's commitment to the UN's third SDG of ensuring healthy lives and promoting well-being at all ages, as well as South Africa's own National Development Plan.

At the time of writing, 200 attendees had taken part in her most recent Fulufhelo Siphuma-Fitness free masterclasses and she regularly shares healthier lifestyle tips on social media and Phalaphala FM's fitness talk segment.

Fulufhelo believes a healthy mind is housed in a healthy body, and a healthy body brings about better productivity, which in turn benefits the profession overall, as it makes us more physically and mentally active participants of the economy.

This is because 'exercise boosts our problem-solving ability and helps with generating ideas and concentration, while also relieving stress, improving memory, helping us sleep better and boosting overall mood. This is especially important in the industry, as the

workload of a chartered accountant involves lots of complexity and stress.'

Add in the modern-day work environment, complete with long hours of sitting, computer screens straining our eyes, and the unhealthy practice of daily takeaways, and it is all the easier to fall prey to non-communicable diseases (NCDs) or 'lifestyle' diseases such as heart disease, stroke and diabetes, as well as breast and colon cancer, and other NCD risk factors, such as hypertension and obesity.

PREVENTION IS BETTER THAN CURE ...

The good news is that these NCDs are linked to lifestyle so can be prevented if you take action. For Fulufhelo, just seeing so many people suffering needlessly from preventable diseases was the spark behind starting Fulufhelo Siphuma-Fitness to encourage people to live a healthy, fitness-first lifestyle.

She is big on promoting a positive body image and self-love yet drilling into the difference between the concept of being body confident and in allowing unhealthy behaviours. 'I'm confident in my skin' is no excuse for a lifestyle that is detrimental to your health.

It is about transitioning the concept of fitness from a subculture into a mainstream lifestyle. Work-life balance, wellness and fitness, healthy eating and having enough sleep are health goals we would all like to achieve, but we need to overcome the biggest limitation of all to do so – time. Over and above this, we need discipline, determination and self-drive as qualities to commit and keep at it. Fulufhelo says these are all qualities CAs(SA) have in abundance.

Drilling down specifically into her unblinking focus on preventing non-communicable diseases, while also instilling a love of fitness in others, Fulufhelo encourages physical activity through initiatives such as the tangible solutions of her free Fulufhelo Siphuma-Fitness masterclasses, usually held at the Union Buildings. She also raises awareness through traditional media, such as radio talk shows and newspaper articles, while providing further tips on social media platforms.

Impressive as this is, Fulufhelo's not done yet. Her goal is to grow and offer additional wellness services houses in Fulufhelo Siphuma-Fitness, such as fitness challenges, health fairs, lunches and learning sessions on fitness topics to corporates, thereby making meaningful brand partnerships and collaborations.

Explaining why it is so important to her to measure her own success in how she helps others, Fulufhelo says: 'To me, changing and impacting the life of a "stranger", who will in turn impact someone else's life, is the ultimate in humanity and leaving a legacy for generations to come.'

She concludes: 'The greatest form of gratification comes from within, not from without. It's not about the accolades, but internal fulfilment after "doing good", even without accolades. This is why it's never so much about what you've given, but rather how much of yourself you have given in the giving.'

Fulufhelo is living proof of the community-boosting power of the giving-back nature that exists in members of the accountancy profession.

Connect with Fulufhelo Siphuma-Fitness on Facebook and Instagram for further inspiration

GENDER EQUALITY



Globally, women continue to be excluded from achieving the highest leadership positions. According to UN Women, the United Nations entity dedicated to gender equality and the empowerment of women, only 5% of Fortune 500 CEOs are women. Yet gender parity is fundamental to whether and how economies and societies thrive

IT'S STILL A MAN'S WORLD

It's no secret that men still dominate in the C-suite. Change is coming but gender inequality remains a critical moral, social and economic issue. It's up to all of us to make it happen sooner rather than later

Words Monique Verduyn

Globally, women continue to be excluded from achieving the highest leadership positions. According to UN Women, the United Nations entity dedicated to gender equality and the empowerment of women, only 5% of Fortune 500 CEOs are women. Yet gender parity is fundamental to whether and how economies and societies thrive.

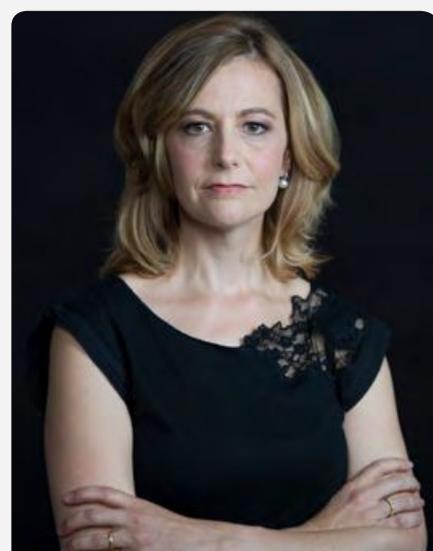
Research conducted by the World Economic Forum (WEF) shows that 'ensuring the full development and appropriate deployment of half of the world's total talent pool has a vast bearing on the growth, competitiveness and future-readiness of economies and businesses worldwide'.

WEF's Global Gender Gap Report benchmarks 149 countries on their progress towards gender parity across four dimensions: economic

participation, education, health and political empowerment. In the latest edition of the report, South Africa was in the 19th position. Other African countries which fared better were Rwanda (6) and Namibia (10). On the element of wage equality for similar work, South Africa's ranking dropped to a dismal 117th.

Anita Bosch, USB Research Chair for Women at Work and Associate Professor in Leadership and Organisational Behaviour at the University of Stellenbosch Business School, says that women are graduating at the same rate, or higher than men in higher-paid fields such as commerce, science, engineering and technology, so the argument that women do not have the right types of qualifications is simply untrue.

'The cultural and social norms that prevail in the South African workplace



Anita Bosch

Professor in Leadership and Organisational Behaviour

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RATHER THAN COMPETING, WOMEN NEED TO JOIN FORCES AND CREATE A UNITED FRONT. INDIVIDUALS WORKING TOGETHER WILL ALWAYS BE STRONGER THAN THOSE WORKING IN ISOLATION. WOMEN, LIKE MEN, ALSO NEED SPONSORS, AND SOMEONE THAT WILL LOOK OUT FOR THEM AND SUPPORT THEM THROUGHOUT THEIR CAREERS

have not shifted much,' says Professor Bosch. 'C-suites, where accountants often prevail, are still predominantly masculine, with workplaces therefore built on hyper-competitiveness and aggression that do not allow for any form of flexibility and care in people's lives. That, coupled with the reality that parenting responsibilities continue to fall primarily on women, means that nothing much will change until we address these realities.'

THE PROBLEM WITH APPOINTMENTS TO SENIOR POSITIONS

Debbie Ransby, a CA(SA) and business coaching specialist at Connected Coaching, says senior positions are often filled by referrals, or the appointing manager recruiting someone that he knows and trusts.

'It is common for men in the corporate environment to have sponsors or supporters that help them build their careers and climb the corporate ladder. Unfortunately, this is not the case for most women. Also, women do not have the same levels of self-confidence as their male colleagues and will often hesitate to apply for a more senior role.'

Ransby says it's an issue that needs to be tackled head-on. 'Corporates should not be afraid to talk about this; where incidents of inequity are identified, they should be handled firmly and quickly. General awareness would also help. I spoke on gender issues in the workplace at a recent SAICA event, and one male executive approached me afterwards and said he had witnessed certain things happening in his office but had not seen inequality for what it is.'



Debbie Ransby CA(SA)

Business Coaching
Specialist: Connected Coaching



Bashier Adam CA(SA)

CEO:
Nexia SAB&T



Aarti Takoordeen CA(SA)

CFO:
Johannesburg Stock Exchange



Soria Hay

Head of Corporate Finance:
Bravura

She stresses that women should support each other more in the workplace. ‘Rather than competing, women need to join forces and create a united front. Individuals working together will always be stronger than those working in isolation. Women, like men, also need sponsors, and someone that will look out for them and support them throughout their careers.’

DIVERSITY AS AN INDICATOR OF GOOD MANAGEMENT

Business leaders need to understand that crafting an organisation that is gender empowered is best for the productivity of all their employees, as the best people want to work for organisations that are demonstratively fair. That’s according to Bashier Adam CA(SA), CEO of Nexia SAB&T and winner of the Standard Bank Top Women Award for the Top Male Driving Gender Empowerment.

‘Business leaders need to create environments that are conducive to the development and empowerment of women,’ he says. ‘Gender equality in the C-suite is for the benefit of

the organisation as there will be inclusivity in decision-making, greater motivation of the entire workforce and enhancement in the development and implementation of business strategies. We benefit from the blend of vision and strategic imperatives that are the hallmark of inclusive direction and management of our organisation.’

Ransby concurs, noting that the more diverse a team, the broader the thinking. ‘Diversity brings different backgrounds and experience, which should strengthen the performance of the team. Weak leaders are afraid of diversity and will appoint individuals similar to themselves. These like-minded individuals are unlikely to bring different perspectives and will not challenge the status quo.’

Aarti Takoordeen, CA(SA) and CFO of the Johannesburg Stock Exchange (JSE), says the organisation is proud of having a workforce that is 54% female and an executive team of which five out of nine are women, including herself and CEO Nicky Newton-King.

‘Women remain under-represented on JSE-listed boards, but strong structural changes are being made,’ she says. ‘We need policies and clear guidelines from the government. As an organisation, we have made amendments to JSE listing



DIVERSITY BRINGS DIFFERENT BACKGROUNDS AND EXPERIENCE, WHICH SHOULD STRENGTHEN THE PERFORMANCE OF THE TEAM. WEAK LEADERS ARE AFRAID OF DIVERSITY AND WILL APPOINT INDIVIDUALS SIMILAR TO THEMSELVES. THESE LIKE-MINDED INDIVIDUALS ARE UNLIKELY TO BRING DIFFERENT PERSPECTIVES AND WILL NOT CHALLENGE THE STATUS QUO

requirements to include the promotion of gender diversity at board level. Listed companies must have a gender promotion policy at board level, and they must disclose their performance against it. We can’t force companies to employ more women, but we have made it a requirement to make their diversity public knowledge to shareholders and other stakeholders.’

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GLOBAL RESEARCH SHOWS THAT 90% OF FINANCIAL SERVICES COMPANY EXECUTIVES ARE COMMITTED TO GENDER DIVERSITY. BUT IN PRACTICE ONLY 19% OF TOP EXECUTIVES ARE FEMALE

COMMITMENT VERSUS REALITY

Head of corporate finance at Bravura, attorney Soria Hay, was just 29 when she started the company, an independent investment bank and corporate finance advisory firm, in 1999. She says there is recognition of a need for change to bring about gender parity, especially in sectors such as financial services and banking, where female representation at the more senior levels is lacking.

‘What is proving difficult is moving beyond acknowledgement to successfully implementing strategies that can remedy this,’ Hay says. ‘Global research shows that 90% of financial services company executives are committed to gender diversity. But in practice only 19% of top executives are female. In the US, a total of 42% of US women surveyed in the financial services sector believed that gender would hinder their future advancement.’

She makes the point that gender targets have to be supported by formalised programmes that include comprehensive training and mentorship opportunities with organisation-wide support. These must be developed with a long-term view that seeks to support women from entry level and beyond as they progress in the organisation.

‘Practically, there should also be an awareness of how we conduct ourselves in the workplace,’ she adds. ‘For example, in the investment banking environment where there are not many women, there is a “boys’

7 RULES FOR MAKING IT TO THE TOP

ATTORNEY AND INVESTMENT BANKER SORIA HAY LAUNCHED BRAVURA 20 YEARS AGO AND LEARNT MANY IMPORTANT LESSONS ALONG THE WAY. SHE SHARES HER SEVEN RULES FOR MAKING IT IN WHAT IS STILL A MAN’S WORLD:

Rule 1: Will I enjoy it at the top?

Imagine yourself at the pinnacle of the job you’re currently in and ask yourself whether you will be enjoying it when you’ve reached the most senior position possible. When I moved into corporate finance, I visualised myself as a corporate finance principal and I knew without a doubt that I would enjoy the environment.

Rule 2: Will it be worth it?

There will be times of hardship, stress and self-doubt. If you’re in the right career, these experiences will be worth it, and you’ll be the richer for them. If not, then you’re not in the right career.

Rule 3: Find a sponsor or enabler

After having been in corporate finance for a few years, I had an opportunity to be introduced to an enabler who began to provide guidance to me in my career and challenged me to think ‘outside the box’. I soon realised that I had a lot of untapped potential and began to test my own capabilities while knowing there was someone who had my back. This is the ideal learning environment and invaluable for career enrichment.

Rule 4: Invest in resources at home

In corporate finance and investment banking, clients are obtained by merit and so one must provide an absolute and committed service. Women have added pressures of child-rearing and taking care of a home which might curtail time additional time required for long work hours and relationship building. My rule has been to pull in resources (including your spouse!) that can provide the necessary support at home. You can’t do it all by yourself.

Rule 5: Winning at salary negotiations

Be aware of your unique selling proposition a year before salary negotiations take place and discuss this with your enabler or superior. Don’t commoditise your services and be confident, even if this means having worked on ‘negotiation phrases’ in preparation. Importantly, ‘do your damndest’ and remain unattached to the outcome.

Rule 6: 24-hour turnaround

This is a rule which I have instilled in my team. Work on a 24-hour turnaround and never, ever fail to uphold it (obviously with all things possible). We pride ourselves on being reliable, dependable and providing quality work. Clients come to expect this, which leads to trust and strengthened relationships.

Rule 7: Less girly talk and fewer boys’ clubs

As women in corporate finance and investment banking, we are professionals and must carry ourselves with authority. Both men and women should be aware of the ease with which we can slip into gender-based huddles, be this at the office or work functions. This serves to accentuate a gender divide which benefits no one.

culture” which can be excluding, even if it is unintentional. Thus both men and women in the workplace need to be cognisant of behaviours that might exclude others. There also should be recognition of anecdotal evidence that suggests many women in corporate South Africa must balance home responsibilities with their work responsibilities. This can at times restrict their ability to attend extra-mural work events or functions which serve an important networking and relationship-building function with peers, senior leaders and even clients.’

CREATING A PIPELINE OF FEMALE LEADERS

Meaningful gender transformation cannot come from a desire to meet targets. That would be merely ‘ticking the boxes’ as opposed to real, sustainable business development.

‘The topic of transformation in South Africa has been in the spotlight for a long time and is an issue that Nexia SAB&T has addressed since our inception 25 years ago,’ says Adam. ‘Today it feels like many businesses transform out of a legislative imperative, and the requirements of B-BBEE legislation rather than a genuine commitment to change and social equality. We believe that creating a strong pipeline of women managers must start at the top. Making real, meaningful change at an executive level creates role models and mentors throughout the ranks and a tangible example to aspire to. Once women can see what is possible, it becomes almost impossible to stop them from achieving it.’

Decisions about the growth and prospects of women cannot be made without the women in the room. Companies need to introduce policies and programmes to ensure that women are not disadvantaged when they take time off that is related to family, Adam says. ‘Most women become managers at a time when long-term relationships and life decisions start to play a larger role, and creativity and innovation on

the part of business is important to ensure their retention and growth within the workplace.’

For gender transformation to be taken seriously, executives need to have a mid- to long-term objective in mind. To be done properly, this has to be done systematically and will take time to implement effectively, Ransby says. ‘Appointments should always be on merit. If a woman is appointed to a position prematurely, or if she does not have the right qualifications and experience, it will be setting her up for failure, as well as sending a strong message that the company isn’t really serious about gender transformation.’

An appropriate development plan is essential for gender transformation to be effective, she adds. Those selected to participate in the gender transformation programme should have a clear understanding of what is required from a learning and development perspective in order for them to progress in the company. Their performance should be managed closely to ensure that they are on track.

‘Mentorship programmes, if properly implemented, are a wonderful way to develop young talent,’ Ransby says. ‘The mentor should have the capacity to dedicate the appropriate time and resource to the mentee. The mentee also needs to buy into the process in order to gain maximum benefit from it.’

Takoorteen makes a critical point about leaders needing to understand that they are contributing to a purpose greater than their own efforts and that they have the ability to influence a broader ecosystem. ‘This speaks to the importance of purpose-driven leadership.’

If we believe that all (or certainly most) people are searching for a clear and driving purpose for our lives, we want to contribute to something bigger than ourselves. The world of work offers a great opportunity for people to connect with a greater purpose or a compelling cause. ‘Leaders who follow the model of purpose-driven leadership believe deeply in a cause, which motivates their decision-making.’

BREAKING THROUGH THE SHATTERPROOF CELLING

There is a general consensus that young women today need to seek out role models and mentors and learn from their successes and failures to move forward and upward.

‘Develop yourself into an invaluable asset, with the ability to add value to any organisation you choose and make choices that see you promoted for your competence rather than to meet a quota,’ says Adam. ‘Lend your talents to organisations that create a safe and respectful work environment, these are organisations that are already on a path of success and where you are most likely to achieve your career ambitions.’

Ransby says she encourages young women to set goals, to make sure that someone is in their corner to help and guide them on their journey, and to have a plan to achieve their goals. ‘If we fail to plan, we plan to fail. If someone believes they are confronting a glass ceiling, they should identify the reasons for this, and then find strategies to remove it. Most importantly, young women should believe in themselves and not be scared to speak up if an opportunity presents itself.’

The latter is one point that Professor Bosch stresses too. ‘Persistently hone your craft,’ she says, ‘and deliberately put your hand up. Men do that instinctively, while women think that if we do not tick all the boxes, we cannot apply. Jump in and learn as you go.’

She has a word of caution for women too: ‘Don’t try to become what you see. There’s a bit of a complex dance required to work with the system but not become the system.’

AUTHOR | Monique Verduyn

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Leadership Advisor
BRETT TROMP CA(SA)
 CFO of Discovery Health

A VISION FOR A BETTER WORLD

Transformational leaders give others a higher vision to strive towards. One of the ultimate examples of such leadership is in our first democratically elected president, Nelson Mandela. His 'Why' kept him steadfast in chipping away at the seemingly entrenched apartheid system and its brutal hold on our people. His 'Why' saw him through unimaginably trying and traumatic circumstances, allowing him to emerge with an ability to relate to every man, to forgive, love, show compassion and empathy, and to lead. His 'Why' transformed our society in the most profound way, creating a legacy that still lives on.

FOLLOWING YOUR 'WHY' MATTERS!

Transformational leaders run the race hard, their eyes focused on the end goal. They never leave the course to argue with spectators. Attaining a smaller win would be a distracting, pyrrhic victory, costing the race. Their unwavering 'Why' keeps their eyes on the finish line

I recently had the privilege of travelling our country to speak to trainee chartered accountants and share my industry learnings. It was a refreshing experience and the opportunity had me contemplate a key question: Which piece of advice would have had the most impact on my career and potential to lead had I received it in my trainee days?

Columbia University Business School's professor and author Simon Sinek is known for popularising the concept 'Start with Why' as the means through which great – or rather, transformational – leaders inspire action for positive change in individuals and societies. After years in the industry, his message resonates strongly with me. How much more might I have achieved if I had known, at the outset, to seek out and define my personal and professional, transformational 'Why'?

Sinek says people don't buy 'What' we do, they buy 'Why' we do it. Transformational leadership is about ethics and the right choices, about sacrificing selfish pursuits in favour of creating opportunities for growth for all, with the rudder held firm by a clearly defined 'Why'. Transformational leaders demonstrate confidence and optimism and remain on track by understanding why these qualities matter. They are not afraid to explore and cement disruptive ideas. They make it their business to anticipate market demand and proactively develop competitive products and services that meet changing societal needs. They know why their organisations exist. This clarity reflects in group results, as leaders and followers raise one another to ever-higher levels of motivation and morality. Running a profitable company is not the 'Why' – it is a result of reaching the organisation's higher purpose.

We may know the 'What' and 'How' of our work and habits, but can we articulate the 'Why' – our higher cause or belief – in our case, as chartered accountants? Knowing 'Why' means understanding why our organisation exists and why we exist within it.

Many people see actuarial scientist, founder and group CEO of Discovery Limited Adrian Gore as a great example of a transformational leader. Gore's steadfast belief in making people healthier and enhancing and protecting their lives has guided him through almost three decades of growth of one of the world's most successful insurance brands. Gore's 'Why' created Discovery's 'What'. And the evidence is in the collective result. Today, the Discovery Shared-value Insurance model is transforming the business of insurance on a global scale.

DEMYSTIFYING BLOCKCHAIN



Blockchain Specialist
MONICA SINGER CA(SA)
Blockchain Evangelist for ConsenSys

In the early days of the Internet, evangelists were trying to get people to believe in its vast potential, and there were many who said that they did not believe in this new technology. They did not believe that information will be held on a server but instead insisted that it would continue to be held on a CD-ROM or a floppy disk. How wrong they were! We think that blockchain has a great deal of equivalence to the Internet in the mid-90s

WHAT IS BLOCKCHAIN?

Blockchain is a technology which effectively connects people or companies in a direct way or on a peer-to-peer basis. For the past 20 years, people have shared information through the Internet. Blockchain as a technology offers the Internet of value so that people not only exchange information but value from person to person or on a peer to peer basis. Using blockchain, we can now transfer ownership of a car, cast a vote in an election, or transfer shares without having to go through a third party such as a bank, a government or a stockbroker.

What we have today in society are entities that control that transaction process, that own the process and insert themselves in the middle of the process.

Until now there was no way we could trust the Internet to ensure that records of transactions were correct so we interpose intermediaries that we trusted to ensure that the delivery of goods for example against payment happened simultaneously and the risk of not getting the goods or the payment was reduced and the intermediary took responsibility.

Blockchain as a technology has the power to eliminate that centrality and decentralise the control of this process. Change is often feared but it is nonetheless inevitable.

IMMUTABLE AND DECENTRALISED

The key feature in blockchain is that anything that is stored on the blockchain is there forever; the information is 'immutable' and it cannot be erased. This means that the information that is stored on the blockchain offers us a level of transparency that does not exist today in the modern world. It means that if I own something at a certain time, and when I transfer the ownership or value of it to you, there will always be a record that I owned it on the blockchain. It also guarantees that the record cannot be manipulated, in other words that nobody else can come in and change the record. Within the industry we describe it as the 'trust machine'. That record then builds trust.

Another key feature of the technology is that it's decentralised; that no one person or a thing or a government or an entity owns the information. This effectively means that I have a copy of all of my information, but so do you and so does the next person. Can you imagine a world where everyone has access to the same information? You will then choose to share it or not and in this way no central database will abuse the information you shared.

EXAMPLE: SMART TRAVEL INSURANCE

Smart contracts are self-executing contracts where certain criteria are met. An example in travel insurance will illustrate its use.

You buy travel insurance and if your flight is delayed you are entitled to make a claim. In this situation, you'll have to go online and fill out a form and you get your money refunded maybe six weeks later.

So how do we use blockchain technology to make that a better customer experience? Using a smart contract automates the transaction and returns the cash to you almost instantaneously. As the flight is delayed you get paid out.



Leadership and Success Strategist
USHA MAHARAJ CA(SA)
Brain-based Coach, Speaker, Facilitator and HR Consultant

LEVELLING THE PLAYING FIELD

Unemployment rates are on the rise, retrenchments are commonplace, the job market is transforming, and hope turns to despair every day as graduates face the reality of a saturated job market. Levelling the playing field matters more today than it ever has before

CHART YOUR OWN PATH

Moral and ethical business leaders must find a way to match the social needs of their employees, communities and stakeholders to the financial needs of the business and create sustainable solutions to empower the most vulnerable while building a foundation for the new world of work that is rapidly consuming us.

And while employers must act, ultimately, as an employee, it is up to you to chart your own path. Make learning, development, growth and creativity your responsibility; equip yourself with the knowledge and skills required for the next revolution. The time to level your own playing field is now.

A past work colleague, let's call her Cindy, gave me a call this week. I remember Cindy from my days in corporate a few years ago. She was an administrator and a valued team member who always wore a bright smile to complement her positive disposition. Cindy was sadly retrenched during a corporate restructure over a year ago and has since been actively seeking employment. Expecting to be greeted by a warm, familiar, bubbly voice on the other end of the line, I was taken aback when all I encountered was sadness. Cindy lost her husband and the family breadwinner to a sudden illness and now finds herself grief-stricken and even more desperate in her search for a job.

The market, already bloated by the significant unemployment rate, is further pressured by the many mass retrenchments; think KPMG, Standard Bank and Tongaat Hulett, to name a few. What hope is there for Cindy and the thousands her who are joining the ranks of the unemployed; having to rapidly re-invent themselves, unprepared and without a clue of where to even start?

Now more than ever, we need to rally together to level the playing field. But if business has, after all these years of trying, visibly failed to level the playing field when it comes to women and minorities earning, developing and climbing the ranks on par with others, what hope is there when the complexity is now tenfold?

We are no longer just focusing on women and minorities, but also on those who are likely to lose their jobs to restructuring and on those who will lose their jobs to innovation and technology or those who do not evolve at the pace required to take up the new opportunities that replace existing roles when the Fourth Industrial Revolution streamlines their organisations.

Changing the face of the workforce by including women and minority groups is simple in comparison. While most businesses have failed with this simple transformation, the impact has been bearable. Failure, however, to succeed in this new wave of transformation will not be.

And not just for people like Cindy, but for their families and the extended communities dependent on them too. As business, alongside our financial pursuits we have a moral and social obligation to ensure that our workforce adapts and prepares and that we level the playing field for every employee as the new world of work unfolds.

DOUBTFUL DEBT ALLOWANCE

Section 23(e) of the Income Tax Act prohibits a deduction of a provision. Therefore, a provision may not be claimed as a deduction unless specifically allowed under the Act. Section 11(j) grants a deduction for an allowance for doubtful debts

Section 11(j) of the Income Tax Act has been amended effective for year of assessment commencing on or 1 January 2019. The new rules will therefore apply to companies with a December year-end in 2019.

THE POSITION BEFORE THE AMENDMENT

Section 11(j) of the Act grants a deduction in respect of debts that are doubtful. The deduction is only allowed in respect of debts which would have been allowed as a deduction had they become bad. In practice, the Commissioner applied the discretion granted in terms of section 11(j) and gave an allowance of 25% of the face value of doubtful debts. Taxpayers could motive for a higher deduction depending on the facts and circumstances. The allowance granted in the year of assessment was added back to income in the following year of assessment.

THE POSITION AFTER THE AMENDMENT

The amount of the deduction now depends on whether the taxpayer applied International Financial Reporting Standard (IFRS) 9 for financial reporting purposes.

IFRS 9 is applied

The deduction is the sum of the following three amounts:

- 1 40% x IFRS 9 lifetime expected credit loss (ECL), plus
- 2 40% x IFRS bad debts not allowed under section 11(i), plus
- 3 25% x IFRS 9 other ECL impairment

IFRS 9 NOT applied

The deduction is the sum of the following two amounts:

- 1 40% x debt that is ≥ 120 days, plus
- 2 25% x debt that is ≥ 60 days

A taxpayer can apply to SARS to have the 40% in the above calculations to be increased to a higher percentage but not exceeding 85%. SARS will take the following factors into account when deciding on the higher percentage:

- The history of a debt owed to that taxpayer, including the number of repayments not met, and the duration of the debt
- Steps taken to enforce repayment of the debt
- The likelihood of the debt being recovered
- Any security available in respect of that debt
- The criteria applied by the taxpayer in classifying debt as bad, and
- Such other considerations as the Commissioner may deem relevant



TAX Specialist
MUNEER HASSAN CA(SA)
*Tax Consultant, Senior Lecturer in
Taxation at UJ and Lecturer on the
Gauteng Board Course*

IN BRIEF

Where a taxpayer applied IFRS 9, the taxpayer in calculating the allowance must take into account 40% of the IFRS bad debts not allowed under section 11(i). Let's assume that a small amount remains outstanding from a debtor and due to the insignificance of the amount outstanding it is not economically viable for the company to incur legal cost to collect the debt. For accounting purposes, a decision is taken to write the debt off as bad; however, the debt written off for accounting purposes does not qualify for a deduction under section 11(i). It is submitted that this is an example that is envisaged by the Act in this regard.

Top 35 Under Thirty5

EXCEPTIONAL. WITHOUT EXCEPTION.

SAICA proudly announces the 2019 Top 35-under-35 finalists. These 35 phenomenal youngsters stand out from the crowd. They all boast exceptional achievements and they are changing their communities for the better. The next exciting stage of the competition is the judging process ...



NILZA MNGOMEZULU
CFO: Global Alliance
Seguros Mozambique



ASHANIKA PERIMAL
Director/Senior Manager
Finance: FedEx Express SA



GIDEON BOTHA
Senior Financial Manager:
Nedbank Group



DAVID ABBEY
Acquisition and Leveraged
Finance Transactor: Rand
Merchant Bank



HENNIE MEEDING
Chief Technology Officer:
Laxton Group



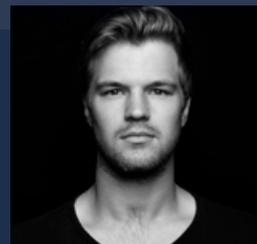
HITEN KESHAVE
Chief Financial Officer:
PRP Solutions



NYASHA MADAVO
Chief Financial Officer:
Black Umbrellas



NKOSODUMO (DUMO) MFINI
Finance Director:
Tiger Brands



GRANT GREEFF
Chief Executive Officer:
EHIRE



ROELOF DEDNAM
Financial Director:
National Real Estate

MEET THE 2019 FINALISTS

Click on the link below and read more about their stories to success:

<http://www.top35-under-35.saicaevents.co.za/>



BONGANI HABILE
Head of Strategic Audit
Projects: Auditor-General SA



JABU MPHAMBO
Head of Mergers and
Acquisitions: Transaction
Capital Risk Services



JONATHAN DEVRIES
Executive Head: Finance
Econorisk (Pty) Ltd



LÉAN BOEZAART
Co-founder: Freedom of
Movement



LIKELELI MONYAMANE
Director: Business and
Management Advisory
Services



MPHO MOOKAPELE
CFO: Energy and Water
SETA and Acting CEO:
Energy and Water SETA



PETER MAGNER
Director: Iridium
Business Solutions



UNATHI MKIVA
Co-founder and Chief
Executive Officer:
Vintage Capital (Pty) Ltd



RHETT FINCH
CFO: King Price CFO and
MD of a broker business



BRETT PERLSTEIN
Managing Director and
Founder: SearchKings



LIZE LUBBE
Principal:
Phatisa



RACHEL NKGODI
Deputy Group CFO:
Alexander Forbes



THEMBELIHLE MBATHA
CFO: Inkomati-Usuthu
Catchment Management
Agency



NKATEKO MATHEBULA
MD:
Master Spelling Bee



**HLENGIWE PENELOPE
NDLELA**
Auditing Lecturer: University
of KwaZulu-Natal (UKZN)
Yooh Media (Pty) Ltd



DESIDRE COOPASAMY
Senior Lecturer:
Rhodes University



KARABO KEKANA
Senior Lecturer: University
of Johannesburg



JULIAN JOHNSON
Chief Operating Officer
and Chief Financial
Officer: BioTherm Energy



LINDA KELETSO MOTEA
Associate Director:
EY



LERATO MSIBI
Senior Manager: Forensic
Services and Head of
Investigations for the MTN Group



WELMA DU PREEZ
MD of Burger & Buurman
Inc & My Digital
Accountant (Pty) Ltd and
Founder of My Digital
Accountant (Pty) Ltd



RIKUS VISSER
CFO:
Crossgate Technologies



CHRISTIAAN BARNARD
CFO:
Spear REIT Limited



LUYANDA GIDINI
Acting CFO: Metropolitan
Trading Company (MTC)



HEINE BELLINGAN
CEO:
JOB JACK



SPONSORED BY



NILZA MNGOMEZULU 27

CHIEF FINANCIAL OFFICER:
Global Alliance Seguros Mozambique



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THE DIFFERENCE BETWEEN WHO YOU ARE AND WHO YOU WANT TO BE IS WHAT YOU DO

– UNKNOWN

Nilza Mngomezulu is the CFO of Global Alliance Seguros Mozambique, a wholly owned subsidiary of the Absa Group Limited. Global Alliance is one of the largest insurance providers in Mozambique specialising in life, short-term insurance and pension fund administration.

She is one of the key players in driving the Absa's strategy, which is growing within the African continent and increasing their market share. She also assisted in driving the company's strategic initiatives to turn around the business from loss-making in previous years to profitability in 2018.

Nilza plays an active and collaborative role in the closure and remediation of open risk and compliance issues, which contributed to the improvement

of the overall control environment and implementation of tighter controls and streamlined processes.

She is passionate about education and youth development which resulted in her founding the Phenomenal Women Foundation (PWF), a non-profit organisation. The organisation's main objective is to address a range of social issues facing women from disadvantaged backgrounds, irrespective of race. There are currently 20 high school girls in the mentorship programme. As a mentor within PWF, Nilza utilises her life and working skills to instil leadership skills in the younger generation.

FUN FACTS ABOUT NILZA

DESCRIBE YOURSELF IN A FEW WORDS? I'm humble, hard-working, and I like to challenge myself on a regular basis. I like to set goals in both my personal and professional life and then strive to accomplish them.

FAVOURITE HOBBY? Mentorship and giving motivational talks.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I sometimes forget my age; this is due to the responsibility and accountability I am faced with.

FAVOURITE HOLIDAY DESTINATION? The Maldives, with its breath-taking beaches and views.

SOMETHING YOU CAN'T LIVE WITHOUT? The grace of God and my family's support.

BEST GADGET? My cell phone: Samsung S10+.

FAVOURITE FOOD? Prawns.

BEST-LOVED RESTAURANT? Sakhumzi Restaurant in Vilakazi Street, Soweto.

SPOUSE? Neo Vusi Masango.

HOW MANY CHILDREN DO YOU HAVE? I am a proud mother of three beautiful and phenomenal girls.

PET? A dog named Mia.

CLOTHING ITEM? My African print dress.

BEST WAY TO RELAX? A spa day and being pampered while listening to soft music.

ANY NEW GOALS FOR THE FUTURE? Furthering my studies abroad, getting my master's and PhD. Being a board member of a JSE-listed company.



Congratulations to the 2019 SAICA Top 35 Under 35 finalists.

Absa supports professional achievement and excellence.

**Contact Absa Private and Business Banking on
0860 553 553 or privatebanking@absa.co.za**



GIDEON BOTH

35

SENIOR FINANCIAL MANAGER:

Nedbank Group



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CARPE MAÑANA (SEIZE TOMORROW)

concluding his postgraduate diploma in future studies at the University of Stellenbosch.

To enrich his team at Nedbank, he arranges annual workshops and talks by motivational speakers. Featured speakers include Harmonie CEO Johan Beukes, who explained the importance of telling one's story, and renowned fine artist Duncan Stewart, who taught attendees strategies to think creatively. Extreme-adventure facilitator Alex Harris, who is sought after nationwide for his inspiring talks on refusing to give up, will meet with the team in September.

Gideon also runs an informal mentorship programme for young CAs(SA) by arranging sessions to engage with prominent business leaders. The aim of this programme is to empower young CAs(SA) to learn personally from these business leaders, expand their network, and dream big.

A senior financial manager at Nedbank Home Loans, Gideon Botha manages a staff complement of 11 and is responsible for technical accounting, management accounting, and reporting for his division. He also serves on the board of Nedbank Medical Aid as a member-elect trustee and chairs two of the subcommittees.

Gideon will complete his PhD titled 'Developing a framework for price tariffs in the costing structures of South African private hospitals' by December 2019. His PhD will recommend a combination of unit costing and reimbursement models to set price tariffs in South African private hospitals – a methodology designed to improve the way price tariffs are determined for hospital procedures. In addition to his PhD, Gideon is

FUN FACTS ABOUT GIDEON

DESCRIBE YOURSELF IN A FEW WORDS?

As a leader, I am passionate about developing people. I am inspired by the beauty and the essence of excellence in myself, my faith, and everyone I interact with. I am a keen student of emerging trends in finance, health care and the global economy. I'm fascinated by the opportunities the future holds and work constantly to become the best version of myself.

YOUR FAVOURITE HOBBY? Reading and outdoor sporting activities such as mountain biking. I completed the Trans Baviaans Mountain bike race in 2015, which is a 24-hour single-stage race of 230 km.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am completing my PhD titled 'Developing a framework for price tariffs in the costing structures of South African private hospitals', which will be finalised by December 2019.

FAVOURITE HOLIDAY DESTINATION? Orcas Island, off the coast of Seattle, USA.

SOMETHING YOU CAN'T LIVE WITHOUT? The Bible.

YOUR FAVOURITE GADGET? iPad.

FAVOURITE FOOD? Sushi.

BEST RESTAURANT? Thunder Gun.

SPOUSE? I am engaged to Dr Meryl Oyomno and the wedding will take place in October 2019.

DO YOU HAVE A PET? No.

FAVOURITE CLOTHING ITEM? Blue jeans.

BEST WAY TO RELAX? Drinking coffee and catching up with friends.

ANY NEW GOALS FOR THE FUTURE? To complete my master's and PhD in future studies in five to seven years.

DAVID ABBEY

33

ACQUISITION AND LEVERAGED FINANCE TRANSACTOR:

Rand Merchant Bank



David Abbey is widely recognised for his integrity, commercial savvy and sound business acumen. He started his career at PwC's advisory and banking divisions where he qualified as a CA(SA) and concurrently as a certified information systems auditor (a global qualification recognised as the highest qualification for IT and information systems professionals).

David was headhunted to join RMB in the then newly established Finance Target Operating Model – a strategy execution unit for the bank's finance capability. He was shortly thereafter appointed as strategist and executive assistant to the CFO at RMB.

He is currently in a deal-making role at RMB's Leveraged Finance Division, developing and structuring multidisciplinary and integrated financial solutions across the entire capital structure for corporates and financial sponsors wishing to create value through acquisitions, balance sheet optimisation, recapitalisations, management buy-outs,

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I WANT TO CONTINUE TO WORK HARD, USING MY GOD-GIVEN TALENTS TO REALISE MY FULL POTENTIAL AND TO MAKE A HUMBLE MARK IN SOCIETY AND PEOPLE'S LIVES

leveraged buy-outs and the like, covering all aspects of financing including debt arranging, debt structuring advisory, and term debt funding, including senior, mezzanine and hybrid capital funding solutions.

He is a recipient of various accolades and highest honours, including the coveted RMB Special Service Distinction Award that goes to an individual whose commitment, delivery and determination to go beyond the call of duty ensure that the bank continues to deliver in the market place; the Emerging Old Rhodian Award bestowed on Old Rhodians who have achieved excellence in their careers; and the UFS Chancellor's Distinguished Alumni Cum Laude Award.

David is the deputy chairperson of the Johannesburg branch of ABASA,

FUN FACTS ABOUT DAVID

DESCRIBE YOURSELF IN A FEW WORDS? I'm a sincere, passionate, curious, ambitious, driven, savvy, perceptive, empathetic, a people's person.

YOUR FAVOURITE HOBBY? Training in the gym.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I draw – freehand sketch.

FAVOURITE HOLIDAY DESTINATION? Miami, Florida.

SOMETHING YOU CAN'T LIVE WITHOUT? The Word of God.

YOUR FAVOURITE GADGET? Smartwatch.

FAVOURITE FOOD? It changes. Right now, dumplings with beef stew.

BEST RESTAURANT? Breakfast: Tashas; lunch: Old Town Italy; dinner: Wang Thai.

DO YOU HAVE A PET? Charlie the boy! (cross chow/husky pup).

FAVOURITE CLOTHING ITEM OR PERFUME? A well-tailored suit accompanied by the smell of Terre d'Hermès.

BEST WAY TO RELAX? A Bush escape.

ANY NEW GOALS FOR THE FUTURE? I aim to gain a new skill/experience, something new each year.

a member of council, member of the executive committee of council, and member of the Audit, Risk and IT Governance Committee at the University of the Free State, as well as a member of the board of directors of the Mother and Child Academic Hospital (MACAH) Foundation.

HENNIE MEEDING

33

CHIEF TECHNOLOGY OFFICER:

Laxton Group



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WHETHER YOU THINK YOU CAN OR CAN'T, YOU ARE RIGHT

– HENRY FORD

Hennie is one of the three co-founders of Laxton Group. His focus has been on the creation and continuous enhancement of the technology arm of the business. Laxton Group is a global leader in the provision of cost-effective, high-technology election, identity and self-service solutions.

Hennie and his team focus on designing, developing and implementing software solutions and over the years, they have successfully implemented large-scale software solutions around the world. These solutions assisted in providing free and fair elections in countries such as Tanzania, Mozambique, Zimbabwe and Guinea-Bissau. It also created the necessary infrastructure to provide a sustainable ID solution to citizens in developing countries, with Malawi being the most recent example.

All of the projects impact society by making a difference in the lives of citizens, and that is what keeps Hennie motivated and energised.

Hennie works with people from diverse background and cultures. Over the years he has shown a deep passion for positively influencing the people around him and he is always looking for opportunities to grow the careers and skillsets of his team members.

He is a firm believer in a good work-life balance. His favourite pastime is spending time with his wife, his two sons, and other members of his family. He recently took up running and successfully completed three marathons since December 2018. Other than that, he enjoys spending time with friends, following major sports events, tackling DIY projects, or brushing up his Mandarin with locals around the village pool table.

FUN FACTS ABOUT HENNIE

DESCRIBE YOURSELF IN A FEW WORDS?

I am a person that is driven to succeed and accomplish set tasks and goals. Giving up is not an option for me. I firmly believe that one's mind is more powerful than we tend to give it credit for. I also stand by the fact that respect is earned and not given and to earn it you have to treat all people with equal respect.

YOUR FAVOURITE HOBBY? Fixing stuff around the house (DIY), training for a marathon and playing golf.

FAVOURITE HOLIDAY DESTINATION? Nothing beats South Africa.

SOMETHING YOU CAN'T LIVE WITHOUT? The Internet.

YOUR FAVOURITE GADGET? My Amazon Echo and its friendly assistant, Alexa.

FAVOURITE FOOD? Italian food – mostly pizza.

BEST RESTAURANT? My wife is an exceptional cook, but assuming I cannot pick our dining – Pizza Marzano in downtown Guangzhou.

NAME OF YOUR SPOUSE? Stephanie Meeding CA(SA).

HOW MANY CHILDREN DO YOU HAVE? Two boys.

FAVOURITE CLOTHING ITEM? My Blue Bulls rugby jersey ...

BEST WAY TO RELAX? Socialising with friends with some form of sport humming in the background.

ANY NEW GOALS FOR THE FUTURE? From a business point of view – conquering the American election market with our latest software products. From a personal point of view – reaching my target finish time for a marathon and doing at least one of the major global city marathons every year until I have them all under my belt.

HITEN KESHAVE

32

CHIEF FINANCIAL OFFICER:
PRP Solutions



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YOU CREATE YOUR OWN DESTINY! LIFE IS TOO SHORT TO CRY OVER SPILT MILK – LIVE EVERY DAY AS IF IT WERE YOUR LAST AND MAKE THE MOST OF IT

Hiten is a driven, determined and dedicated individual whose humility and honesty go far beyond his years.

As an accomplished and responsible leader, Hiten operates with the highest integrity. His knowledge, gained through practical real-life experiences, is used to assist large-scale businesses, entrepreneurs, SMMEs and charitable organisations, to be sustainable for the future.

Hiten's modern approach to empowering individuals through mentorship and hands-on assistance is what distinguishes him as an individual and disruptive leader. His guidance, mentoring and training to businesses and individuals resonate in the

success stories of individuals under his leadership.

His innovative thinking and use of practical and theoretical knowledge to bring new ideas, or assist those in business facing challenges, is shown in his proven track record of starting up three successful businesses, implementing successful turnaround solutions and strategies at three organisations, and getting them to sustainable growth levels.

He is an active member on numerous social media platforms engaging with thought leaders and making meaningful contributions on a variety of topics. Hiten is delivery focused, and his innovative thinking, coupled with his

FUN FACTS ABOUT HITEN

DESCRIBE YOURSELF IN A FEW WORDS? Loving, caring, jovial, focused, determined, entrepreneurial.

YOUR FAVOURITE HOBBY? Playing sports (golf in particular).

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am spiritual and do pro bono work for NPOs.

FAVOURITE HOLIDAY DESTINATION? So far, Mauritius.

SOMETHING YOU CAN'T LIVE WITHOUT? Bean curry on a Saturday.

YOUR FAVOURITE GADGET? Garmin s60 Golf watch.

FAVOURITE FOOD? Bean curry.

BEST RESTAURANT? Restaurant Mosaic.

NAME OF YOUR SPOUSE? Reshma Parbhoo.

DO YOU HAVE A PET? One dog, Romeo.

FAVOURITE CLOTHING ITEM? I have a variety of coloured chino pants, golf pants and shorts.

BEST WAY TO RELAX? Being with my wife on a date night.

ANY NEW GOALS FOR THE FUTURE? Starting a family.

passion for modern technology to enhance business operations, both internally and for his clients, sets him above most.

He is destined to soar to great heights as a young, confident professional who will help shape the future for others to follow, both here in South Africa and beyond.

NYASHA MADAVO

35

CHIEF FINANCIAL OFFICER:
Black Umbrellas



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HARD WORK PAYS OFF

Nyasha Madavo introduced an enterprise-wide risk management framework within Black Umbrellas which implementation has led to better organisational performance and targeted actions towards addressing key operational and strategic risk exposures, thus enabling us to continue to perform well operationally and drive a clear organisational strategy. She is currently leading the development of an anti-money-laundering and fraud risk compliance plan in order to comply with the FCSA.

Her career highlights include driving budget efficiencies and achieving average annual savings of R19 million. This has been much needed against the backdrop of a challenging

economic environment with many funders facing similar pressure and requiring Black Umbrellas to be more efficient with its resources.

She has also successfully and profitably disposed of an investment transaction with assets of over R205 million which enables Black Umbrellas to start seeking investment opportunities that are more aligned with their strategic direction and plans.

She has also been involved in driving a 10-year sustainability strategy and established a profit-making subsidiary to increase the organisational value chain. Within this entity, over and above tracking and monitoring financial performance against targets, she is leading a project that will facilitate

FUN FACTS ABOUT NYASHA

DESCRIBE YOURSELF IN A FEW WORDS? I'm an energetic, vibrant woman who loves to make an impact wherever I am. I'm on the journey of becoming the best possible version of myself.

YOUR FAVOURITE HOBBY? Listening to great vibey music.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I have a women's fashion brand called House of Perle which enables me to express my creativity.

FAVOURITE HOLIDAY DESTINATION? The Seychelles.

SOMETHING YOU CAN'T LIVE WITHOUT? Lindt chocolate.

YOUR FAVOURITE GADGET? My treadmill.

FAVOURITE FOOD? Seared salmon.

BEST RESTAURANT? Fireroom.

NAME OF YOUR SPOUSE? Terry.

FAVOURITE PERFUME? Si by Giorgio Armani.

BEST WAY TO RELAX? Spa.

ANY NEW GOALS FOR THE FUTURE? Excited about some strategic goals on the horizon.

transactions between funders and business owners which is to be launched in late 2019 and following a one and half year process to obtain an FSP licence (obtained in February 2019) from the FSCA. She is also leading the establishment of an SME loan fund in response to a much-needed solution for SME clients.

NKOSODUMO (DUMO) MFINI 32

FINANCE DIRECTOR:
Tiger Brands



Dumo is a modern-world, well-rounded and sought-after chartered accountant. His track record is that of a natural leader. Within months of joining Tiger Brands in March 2017 at the age of 30, he was called upon to serve as the finance executive of the Perishables Division. In the last few months, he has played an instrumental role in ensuring the return of the Enterprise brand to South African shelves. On a voluntary basis, he also serves as a principal officer of the division's provident fund. He has also held multiple leadership roles prior to joining Tiger Brands.

His desire and passion to develop others are second to none. In 2017, he was able to single-handedly achieve within two months what many others had failed to do in 11 years at Tiger Brands: he acquired a CA(SA) training accreditation for the group and employed the first intake of trainees in January 2018. Dumo continues to volunteer as a training officer for the

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WHILE CLIMBING
THE LADDER,
DO SOMETHING
MEANINGFUL WITH
YOUR LIFE AND
IMPACT OTHERS
POSITIVELY. **VICTORY
IS SWEETER
WHEN IT CAN BE
CELEBRATED BY
OTHERS**

programme. He had achieved a similar outcome for a previous employer (PepsiCo SA) in acquiring a CIMA accreditation for them.

As if his schedule is not full enough, Dumo's extreme passion for giving back has led him (together with his family) to start a powerful initiative in 2009 called Dumekhaya Foundation (DKF). The purpose of the foundation is to ensure that dedicated learners from the disadvantaged families obtain funding for tertiary education and are mentored throughout. DKF has grown from strength to strength – from just two learners in 2009 it now boasts 77 beneficiaries and 18 graduates since inception. Dumo has been involved in multiple rural CSI initiatives throughout his life journey.

FUN FACTS ABOUT NKOSODUMO

DESCRIBE YOURSELF IN A FEW WORDS? A natural innovative leader that is people centred and passionate about developing others.

YOUR FAVOURITE HOBBY? Hosting and watching movies/series.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I started out herding cattle at the age of 4.

FAVOURITE HOLIDAY DESTINATION? Durban.

SOMETHING YOU CAN'T LIVE WITHOUT? Oros and cheese curls.

YOUR FAVOURITE GADGET? Mobile speaker (JBL).

FAVOURITE FOOD? Chicken feet stew and good oxtail.

BEST RESTAURANT? Imbizo Shisanyama (aka Busy Corner) in Midrand.

NAME OF YOUR SPOUSE? Nomcebo Zenande Mfini.

HOW MANY CHILDREN DO YOU HAVE? Two girls (plus one unofficially adopted).

DO YOU HAVE A PET? No (in fact, I'm terrified of dogs).

FAVOURITE CLOTHING ITEM? I'm not into clothes at all, but I love nice sunglasses.

BEST WAY TO RELAX? Watching comedy.

ANY NEW GOALS FOR THE FUTURE? See my 'adopted' daughter matriculate top of class in 2021 and obtain her degree of choice in record time. And then, acquire international work experience within the next five years.

GRANT GREEFF

28

CHIEF EXECUTIVE OFFICER:
EHIRE



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FIND A MENTOR

professional or simply wishing to DIY your own party or social.

Grant believes that entrepreneurship is the culmination of hundreds of tiny experiments that have the potential to create meaningful change for everyone involved.

EHIRE has given him the opportunity to experiment every day. He says the best part of innovating in an ageing industry is that it doesn't necessarily mean reinventing the wheel – a lot of his team's successful outcomes have been inspired by established companies but then made relevant to the event hiring industry and ultimately benefiting the EHIRE team and its customers.

Examples of what impact Grant and his team have been involved with are creating Uber-like tracking for client hiring deliveries in real-time; upskilling EHIRE employees; establishing a logistics partner programme with 11 entrepreneurs who have their own delivery vehicles and that indirectly employs 20 people in the Cape Town

The idea of 'switching off' has never been a desire for Grant throughout his entrepreneurial story. He founded what is today known as EHIRE in his second year of university and worked most weekends to fund his CA(SA) studies and monthly living expenses.

EHIRE employs 40 employees that are dedicated to making your life easier when it comes to hiring products for an event, whether you're an events

FUN FACTS ABOUT GRANT

DESCRIBE YOURSELF IN A FEW WORDS? I love coming up with strategies and new ways of doing things with people, but I'm also serious when things need to get serious.

YOUR FAVOURITE HOBBY? I love meeting and helping fellow entrepreneurs; I guess my hobby is mentoring!

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I speak isiXhosa and don't understand Afrikaans.

FAVOURITE HOLIDAY DESTINATION? Mauritius.

SOMETHING YOU CAN'T LIVE WITHOUT? Ice cream ... I have an insanely sweet tooth!

YOUR FAVOURITE GADGET? My Garmin watch – it keeps me on track with my fitness.

FAVOURITE FOOD? Thai.

BEST RESTAURANT? The Fat Butcher, Stellenbosch.

NAME OF YOUR SPOUSE? Persia.

FAVOURITE CLOTHING ITEM? Old khaki shirts.

YOUR PERSONAL QUOTE TO SUCCESS? Find a mentor.

BEST WAY TO RELAX? Going to the cinema almost once a week.

ANY NEW GOALS FOR THE FUTURE? Learn to speak French.

community; and partnering with the Zankhanyo Network to provide accredited hospitality training to more than 100 previously unemployed people.

ROELOF DEDNAM

34

FINANCIAL DIRECTOR:
National Real Estate



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**WORK SMARTER, NOT
HARDER**

employees who now manage more than 14 000 accounts.

Roelof uses his strengths in IT, problem-solving and simplification to improve internal controls and staff efficiencies as well as assist the company in going green by implementing their own mobile app, integrating maintenance, inspection and document management (workflow) software. This not only saves paper but also gives clients real-time access to everything that's happening at their properties.

He puts innovative ideas into action. For example, at a third of their rental properties, tenants no longer require a deposit to rent, which means more affordability to the community and fewer hassles with refunding deposits at the end of a contract.

Currently Roelof is also making a difference in the community as vice-chair of the church council. He lives in Bloemfontein, is a husband to a CA(SA), and is a father of two.

Roelof is probably the only CA(SA) who can say he passed his BAcc (Hons) in the same year he qualified for and participated in the Olympic Games (Beijing 2008 for badminton). Together with his brother as a doubles partner, they have won multiple All Africa titles and are 11-time South African champions.

With four years' experience at PwC, Roelof joined National Real Estate in 2013 where he became, and still is, the financial director of this multi-million-rand company in the property management sector. During this time the company grew from 104 to 170

FUN FACTS ABOUT ROELOF

DESCRIBE YOURSELF IN A FEW WORDS? Blessed Christian, multi-talented, leader, problem-solver, efficient, dedicated, competitive, clever, calm, friendly and self-confident.

YOUR FAVOURITE HOBBY? Badminton.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I participated in the Beijing Olympics in 2008.

FAVOURITE HOLIDAY DESTINATION? Mossel Bay.

SOMETHING YOU CAN'T LIVE WITHOUT? Internet access.

YOUR FAVOURITE GADGET? Smart Remote app.

FAVOURITE FOOD? Lamb on the spit / apple tart.

BEST RESTAURANT? Longhorn Grill.

NAME OF YOUR SPOUSE? Elaine Dednam CA(SA).

HOW MANY CHILDREN DO YOU HAVE? Two.

DO YOU HAVE A PET? Yorkshire terriers.

FAVOURITE CLOTHING ITEM? Smart watch.

BEST WAY TO RELAX? Watching series in bed.

ANY NEW GOALS FOR THE FUTURE? Open up National Real Estate branches nationwide.

BONGANI HABILE

33

HEAD OF STRATEGIC AUDIT PROJECTS (STRAP):

Auditor-General of South Africa



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BEFORE ANYTHING ELSE, WE ARE PEOPLE FIRST!

Bongani has grown the ESD programme from one beneficiary when he joined the AGSA to 30 beneficiaries currently with representation across all nine provinces. The beneficiaries have experienced significant growth and development from the AGSA ESD initiatives and work allocation. As a result, these firms have been able to create 303 permanent job opportunities, attain SAICA accreditation as training offices, and open branches in other provinces over the past two and a half years.

The ESD programme has been a significant transformation driver within the AGSA. It has seen small black emerging firms that previously had zero allocations in 2015/16 to sharing in 18% of the AGSA CWC allocations in 2018/19. As a result, large and medium firms have been inspired to adopt this programme and implement similar initiatives in support of small emerging firms within the private sector to drive transformation.

Bongani has driven an increase in CWC allocations from 35% to 56% of the total CWC allocations going to firms that are 51% black-owned and those that have 30% black women ownership.

Bongani Habile, who has been with the organisation for three years, is the youngest executive member at the Auditor-General of South Africa (AGSA). He currently heads up a business unit called Strategic Audit Projects (StrAP). This unit serves as the custodian of the key relationships between the AGSA and private auditing firms that conduct work for AGSA across South Africa.

StrAP houses crucial processes such as contract work creditors (CWC) allocations, pre-issuance reviews, quality control support and section 4(3), which are significant during the PFMA and MFMA audit cycles.

Four months into his role as the custodian of StrAP, through the utilisation of existing processes such as CWC, pre-issuance, and partnerships with SAICA and IRBA, Bongani revived and accelerated the AGSA's Enterprise and Supplier Development (ESD) programme. It has since been dubbed by the firms as the best ESD programme in the country within the accounting and auditing profession.

FUN FACTS ABOUT BONGANI

DESCRIBE YOURSELF IN A FEW WORDS? I am a very energetic and firm leader. I am a family man and lover of friends.

YOUR FAVOURITE HOBBY? Motorcycles; running marathons and ultra-marathons.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am very shy.

FAVOURITE HOLIDAY DESTINATION? The Maldives – that is where I am as I respond to these questions ...

SOMETHING YOU CAN'T LIVE WITHOUT? My wife and kids.

YOUR FAVOURITE GADGET? To be honest, I am not a gadget person.

FAVOURITE FOOD? Ribs.

BEST RESTAURANT? Nothing in particular, so long as I can get ribs.

NAME OF YOUR SPOUSE? Molemo Habile.

HOW MANY CHILDREN DO YOU HAVE? Three boys.

DO YOU HAVE A PET? Used to have two pit bulls, Gucci and Armarni.

FAVOURITE CLOTHING ITEM? I love my suits – my confidence is sky-high when I am wearing a suit.

BEST WAY TO RELAX? A braai at home with family and friends.

ANY NEW GOALS FOR THE FUTURE? I have recently become a meat enthusiast and am currently working on opening a butchery.

JABU MPHAMBO

32

**HEAD OF MERGERS AND
ACQUISITIONS:**
Transaction Capital Risk Services



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**DO YOUR BEST AND
TRUST GOD**

house Mergers and Acquisitions team at Barclays Africa (now Absa). After completing his CA(SA) articles, Jabu joined the Corporate Finance advisory team as an analyst at Standard Bank. In addition to being a CFA charter holder, Jabu also has an MBA from GIBS, which he completed with seven distinctions.

In 2013, Jabu founded a non-profit organisation called Youth Power for Christ whose core objective is to inspire, challenge, empower and build youth to do great exploits in their respective fields. The organisation empowers youth across four areas: leadership, spiritual, career development, and business and entrepreneurship. To date, the organisation's annual seminars in rural Limpopo have empowered over 600 youth and learners, some of whom have furthered their studies at universities such as Wits, UCT, UJ and UP. Jabu is also the author of the book *Now that you are in varsity*.

Jabu Mphambo's story is one of beating the odds. He was born and bred in rural Limpopo, where he even remembers attending a class that was held under a tree in one of his earlier grades. Enabled by God's grace, his personal drive, determination and discipline propelled him to take great leaps towards becoming a chartered accountant.

Prior to his appointment as Head of Group Mergers and Acquisitions at Transaction Capital Risk Services, Jabu was vice-president in the in-

FUN FACTS ABOUT JABU

DESCRIBE YOURSELF IN A FEW WORDS? Husband and father. Driven professional with a heart for personal and leadership development.

YOUR FAVOURITE HOBBY? I enjoy reading in my spare time.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I'm a preacher.

FAVOURITE HOLIDAY DESTINATION? Spain or Italy.

SOMETHING YOU CAN'T LIVE WITHOUT? The Bible.

YOUR FAVOURITE GADGET? Mobile phone.

FAVOURITE FOOD? Steak.

BEST RESTAURANT? Grillhouse.

NAME OF YOUR SPOUSE? Nombuso.

HOW MANY CHILDREN DO YOU HAVE? One. Second one on the way.

DO YOU HAVE A PET? Not yet; hoping to get a dog soon.

FAVOURITE CLOTHING ITEM? Sleeveless sweater jacket.

BEST WAY TO RELAX? Spending time with my family.

ANY NEW GOALS FOR THE FUTURE? Continue on a growth path as a business leader.

JONATHAN DE VRIES

35

EXECUTIVE HEAD:
Finance Econorisk (Pty) Ltd



Since June 2013, Jonathan has been the Executive Head of Finance for the Econorisk Group, overseeing finance, human resources, compliance and information technology. Currently he is listed as Econorisk's key individual with the FSCA.

Jonathan has a great operations drive and rises to the occasion in a competitive environment. His natural assertive character means he is not easily deterred when the going gets tough. Determined and confident in style, he finds it easy to control finance and operational processes and bringing projects to a conclusion. Being alert, mobile and a natural self-starter, drive is something Jonathan is not short of, and he finds it easy to influence the decisions of others.

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BE A SUPERHERO AND JUST DO IT

After qualifying as a chartered accountant through KPMG, he travelled to Asia for four months to help the underprivileged. Once back in South Africa he helped clear out a backlog at Subtech, a marine construction company in Durban. Upon leaving them he joined an up and coming short-term insurance brokerage in Rivonia where he helped transform Econorisk into a leading independent risk and insurance advisory business. He has seen the company grow from R150 million into over R500 million premium, with a growth in employees from 30 to just over 100. He has helped drive cultural change and professionalise the company as well as entrench the Johannesburg head office and establish branches in Durban and Cape Town.

Actively involved in his community, Jonathan has spent several years working with organisations that support Aids orphans and vulnerable children. Over the years, he has mentored and helped numerous youths obtain their qualifications and become skilled professionals. He has completed the Comrades and Two Oceans, among many other personal achievements. His zest for life and giving back to others is what differentiates Jonathan from his peers.

FUN FACTS ABOUT JONATHAN

DESCRIBE YOURSELF IN A FEW WORDS? Approachable, dependable and trustworthy.

YOUR FAVOURITE HOBBY? Running and hiking.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? Reserved, but has a deep sense of adventure.

FAVOURITE HOLIDAY DESTINATION? Drakensberg.

SOMETHING YOU CAN'T LIVE WITHOUT? Coffee, and lots of it.

YOUR FAVOURITE GADGET? Right now, it's a Garmin Fenix 5 watch.

FAVOURITE FOOD? French toast

BEST RESTAURANT? Kamiya Sushi, Rivonia.

NAME OF YOUR SPOUSE? Huong.

HOW MANY CHILDREN DO YOU HAVE? Two currently and the third is due Dec/Jan this year.

DO YOU HAVE A PET? A shared pet with my son, being a tortoise.

FAVOURITE CLOTHING ITEM? My hoodie now in winter.

BEST WAY TO RELAX? Meditate and go to the gym.

ANY NEW GOALS FOR THE FUTURE? Support my wife in our journey with our third child.

LÉAN BOEZAART

34

CO-FOUNDER:

Freedom of Movement



After completing his articles in 2011, Léan received a sponsorship from Deloitte to chase a childhood dream of his – becoming a professional golfer. He turned pro in 2012 and gave it his best shot in South Africa (Sunshine Tour) and abroad.

In 2013 he started a business called Freedom of Movement (FOM) with

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ONLY DEAD FISH GO WITH THE FLOW

his brother Roal Boezaart in a small room at the University of Stellenbosch with the vision of creating a proudly South African lifestyle brand. Today, six years later, they have an established brand that features a range of premium leather products, footwear, timepieces, sunglasses and accessories. In a relatively short space of time, they have managed to establish a large online presence and a retail footprint across South Africa. They currently have nine FOM retail concept stores and have recently secured a new location in Johannesburg where they will be opening their tenth store in August 2019. They have also exported to Europe and Australia and are in the process of securing more opportunities in the export market.

Their most recent highlight was launching a shoe in collaboration with Springbok rugby captain Siya Kolisi. The proceeds from the sale of their FOMxKolisi vellies will be used to resurface and level a sports field at the Mbekweni Youth Centre, an underprivileged community just outside Paarl in the Western Cape.

Léan believes CAs(SA) are extremely well equipped to start new businesses

FUN FACTS ABOUT LÉAN

DESCRIBE YOURSELF IN A FEW WORDS? Driven, passionate, loyal, sports mad, family man.

YOUR FAVOURITE HOBBY? Golf.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I used to be a professional golfer.

FAVOURITE HOLIDAY DESTINATION? Stilbaai.

SOMETHING YOU CAN'T LIVE WITHOUT? Friends and family, information/Google.

YOUR FAVOURITE GADGET? My Land Rover Defender.

FAVOURITE FOOD? Anything on the braai.

BEST RESTAURANT? Babel, the restaurant on the farm in Franschoek where we got married.

NAME OF YOUR SPOUSE? Janina.

HOW MANY CHILDREN DO YOU HAVE? Two girls.

DO YOU HAVE A PET? Nope.

FAVOURITE CLOTHING ITEM OR PERFUME? FOM vellies.

BEST WAY TO RELAX? Bushveld fire.

ANY NEW GOALS FOR THE FUTURE? Growing the international footprint of our brand.

but that the financial safety net that comes with the qualification in most cases stops them from trying. He is hoping that his journey will inspire more CAs(SA) to start new ventures, explore uncharted avenues, and have a little bit more 'freedom of movement'.

LIKELELI MONYAMANE 30

DIRECTOR:

Business and Management Advisory Services



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**WE ARE BORN FOR
SUCH A TIME AS THIS**

– **INSPIRED BY ESTHER 4:14**

She co-founded the Keep Lesotho Clean Campaign which aims to solve Lesotho's waste management challenges. The group hosts monthly clean-up campaigns and is planning to host a waste management conference and business and innovation challenges.

Through Inspire Innovation, Likeleli runs a business training and coaching programme through which she mentors and trains SME owners in Lesotho to help them achieve business growth.

Likeleli is committed to the development of the accounting profession in Lesotho and is in partnership with the Lesotho Institute of Accountants to host a number of development initiatives such as a young accountants' development workshop and a student leadership summit.

Likeleli is also a successful businesswoman who runs a professional services company in Lesotho – Inspire Innovation Business Consultants with a number of leadership achievements including the Mandela Washington Fellowship. She holds an MBA from the African Leadership University.

Likeleli has sought to utilise the platform that her profession has provided to serve her community. From her days of articles, Likeleli served as a member of the Free State chapter of the Association for the Advancement of Black Accountants of Southern Africa (ABASA), rising through the ranks to become its first female chairperson. She also served as the youngest member of council of the University of the Free State, as well as on its audit and risk and finance committees.

Likeleli is a champion for change in Lesotho, where she currently resides. In 2016 she co-founded the annual Lesotho Entrepreneurship Expo and she oversees the administration of The Entrepreneurs' Network, which organises a monthly pitching competition, The Hook-Up Dinner (THUD) Maseru.

FUN FACTS ABOUT LIKELELI

DESCRIBE YOURSELF IN A FEW WORDS? Full of passion. I love to encourage and motivate others. I'm also very reserved and enjoy spending time indoors reading and reflecting on life.

YOUR FAVOURITE HOBBY? Taking part in sports activities.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I used to play soccer for my varsity team.

FAVOURITE HOLIDAY DESTINATION? Would love to visit all 54 African states. I've only done about seven of them so far.

SOMETHING YOU CAN'T LIVE WITHOUT? Currently, I can't live without data/wifi.

YOUR FAVOURITE GADGET? Don't really have one but I take my MacBook everywhere.

FAVOURITE FOOD? Spicy Indian dishes.

BEST RESTAURANT? In Maseru, I love Mpilo Boutique Hotel's ambience.

NAME OF YOUR SPOUSE? Thabo Stephen Monyamane.

HOW MANY CHILDREN DO YOU HAVE? One Son, S.J.

DO YOU HAVE A PET? A dog I love named Biko.

FAVOURITE FASHION PIECE? A Seshoeshoe dress I wore at the Mandela Washington Fellowship.

BEST WAY TO RELAX? Reading a good book and writing.

ANY NEW GOALS FOR THE FUTURE? I'm hoping to pursue a DBA or PhD in the near future.

MPHO MOOKAPELE 35

CHIEF FINANCIAL OFFICER:

Energy and Water SETA and Acting CEO: Energy and Water SETA



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WHETHER PARTLY
CLOUDY OR CLEAR
SKIES, THE SUN RISES
ON A DAILY BASIS
AND SERVES ITS
PURPOSE, AND SO
WILL I

Mpho Mookapele's career spans more than 10 years in the private and public sectors in the finance and regulatory environment. The main areas of her experience are external audit, internal audit, performance information, financial management and public sector accounting, and legislation advisory consulting. Through her career she has had the opportunity to work in the different spheres of the South African government, the private sector, and in the United Kingdom.

Mpho's passion for development in the country and in Africa guided her career towards serving in the public space. As a senior manager at Ernst & Young, she led the strategic planning and reporting solutions in the public sector. She facilitated strategic planning sessions for boards and senior management for a number of public entities and assisted with the preparation of strategic plans and annual performance plans. She also provided public entities with compliance

solutions relating to Public Finance Management Act (PFMA), Municipal Finance Management Act (MFMA) and Municipal Structures Act, as well as the relevant National Treasury Regulations. This often included providing training on the roles and responsibilities of those charged with governance in public entities as per the PFMA.

Being within the public sector as a CFO from 2016 and as Acting CEO for the past 10 months, executive leadership and accountability to the board has highlighted the importance of strategic leadership that is governed by ethics.

Her passion for development goes beyond the boardroom and every opportunity to serve others is a privilege.

Her board leadership roles include AWCA and Duke University. She is also a board member of SARETEC and an Audit Committee member of Novo Energy (Pty) Ltd.

Mpho has a Diploma in Theology.

FUN FACTS ABOUT MPHO

DESCRIBE YOURSELF IN A FEW WORDS? I am a true to self kind of person. I am an honest person and very firm but equally fair and compassionate. I love life.

YOUR FAVOURITE HOBBY? Spreading my wings and flying to a different country.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I'm known to be tough and firm, but many don't know that I'm very soft inside.

FAVOURITE HOLIDAY DESTINATION? The smooth sandy and peaceful beaches of Rottneest Island in Perth.

SOMETHING YOU CAN'T LIVE WITHOUT? My God and my meditation book. Connecting to my inner being keeps me alive and on track.

YOUR FAVOURITE GADGET? My CHARGED phone :)

FAVOURITE FOOD? A perfectly grilled tender salmon steak.

BEST RESTAURANT? Flames Restaurant at Four Seasons Hotel the Westcliff.

DO YOU HAVE CHILDREN? I do not have children of my own but I am a mother to many of the Sunday school kids at church:) I believe there's a mother deep inside all of us and there's a desire to nurture regardless of a blood bond.

FAVOURITE CLOTHING ITEM OR PERFUME? I loooooove shirts, especially white shirts. I have collected more than 40.

ANY NEW GOALS FOR THE FUTURE? I see my self as part of SA's strategic planning team in the near future.

PETER MAGNER

32

DIRECTOR:

Iridium Business Solutions



Peter is a proud Capetonian who is passionate about making a meaningful difference to small businesses in South Africa through the use of cloud technology. As a director of Iridium Business Solutions, he helps solve business problems and streamline processes through technology. They work with more than 30 different cloud applications on a regular basis and he is continuously testing and researching new apps in the market.

The business he and his brother have built provides monthly financial management to over 120 SMEs and is 100% cloud-based, strongly tech-focused and paperless. They have grown into a team of 16 young millennials whose goal is to break the traditional mould of the accountant in both looks and through the advice and value they provide.

Peter is an avid ultra-trail runner and tends to spend his weekends exploring the mountains and forests with his wife. He loves testing his limits and

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THERE IS NO REPLACEMENT FOR HARD WORK AND NO SHORTCUTS TO SUCCESS. IT TAKES PERSEVERANCE, DETERMINATION AND A LOT OF SACRIFICES TO SUCCEED AT ONE'S GOAL(S)

in 2017 completed two Half Ironman races. He is looking forward to entering the Full Ironman in the next few years.

His passion for small business mentorship has led him to get involved with presenting at the Better Living Challenge incubator as well as providing business training to informal tradesman through the FixForward Trust. More recently, he has been involved as a mentor with Akro Accelerate, an incubator for tech start-ups. He was also recently appointed as an executive director of the Give for Good Foundation.

Peter has a passion for animals and has been fortunate to be able to use his skills and experience to help migrate TEARS Animal Rescue and SANCCOB to the cloud and continues to provide help and support to them.

FUN FACTS ABOUT PETER

DESCRIBE YOURSELF IN A FEW WORDS? Ultra-trail runner and adventure seeker, problem-solver with a passion for people, technology and learning.

YOUR FAVOURITE HOBBY? Definitely trail running.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I almost died 11 years ago after falling off a ledge on Table Mountain (on India Venster). I ended up breaking my left scapula, cracking my knee in multiple places, and bruising most of my back. This event has motivated me to try and push my body to its limits as I never thought I'd be able to run or play sport again.

FAVOURITE HOLIDAY DESTINATION? The Garden Route. It has so many amazing places to hike, cycle, trail run and generally spend time having fun outdoors.

SOMETHING YOU CAN'T LIVE WITHOUT? My friends and family.

YOUR FAVOURITE GADGET? My Garmen Fenix 3 watch.

FAVOURITE FOOD? Italian – I am a big fan of pasta and pizza.

BEST RESTAURANT? The Pot Luck Club.

NAME OF YOUR SPOUSE? Jessica (Liefie 1).

DO YOU HAVE A PET? Yes – three-month-old German Shepherd named Riley Niffler Magner.

FAVOURITE CLOTHING ITEM? My puffer jacket.

BEST WAY TO RELAX? Going for a run in the forest or mountains with my wife followed by a greasy breakfast.

ANY NEW GOALS FOR THE FUTURE? Completing the Full Ironman is one of my biggest fitness goals; explore the Inca Trail with my wife.

UNATHI MKIVA

34

CO-FOUNDER AND CHIEF EXECUTIVE OFFICER:

Vintage Capital (Pty) Ltd



Unathi Mkiva is an entrepreneur and CEO and co-founder of Vintage Capital (Pty) Ltd, a group of companies established in 2014. The group has the following subsidiaries: MKIVA Registered Auditors and Business Advisors, Fountains Funeral Solutions, Diamond Property Investments Galore, and recently an on-demand services mobile app called UrbanSense. Unathi is a member of the Education and Transformation Committee of the Independent Regulatory Board of Auditors (IRBA). As a believer in continued learning and development of new skills, in 2018 he completed his MBA at the Gordon Institute of Business Science.

He is a registered auditor and his clients are emerging companies (SMMEs). He helps these companies with compliance and governance issues in order to be

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YOU ONLY STOP
DREAMING **WHEN YOU
ARE DEAD**

sustainable for the development of the South African economy.

Unathi is actively involved in his community; he runs a biannual project 'Helping the Homeless' that collects clothes, blankets, food, and other necessities. He wants this to be the wheels in motion for a society that ignites *ubuntu* and selfless leadership. He also supports more than 15 families in Keiskammahoek (EC) by providing Christmas food packs. Unathi considers himself an accountable and selfless leader and replicates the same values to his team. His team knows him not as a 'boss' but rather a support structure that ensures delivery of output while giving direction.

Unathi is a husband, an avid road runner with two Comrades Marathon finishes, an amateur cyclist (94.7 Cycle Challenge medallist) and a die-hard biker.

FUN FACTS ABOUT UNATHI

DESCRIBE YOURSELF IN A FEW WORDS? I am an introvert, kind, reliable, a dreamer/ambitious, resilient and selfless.

YOUR FAVOURITE HOBBY? Road running.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am a retired deep house DJ and I am an avid biker.

FAVOURITE HOLIDAY DESTINATION? So far it's Miami (internationally) and Durban (domestically). I just need to travel more.

SOMETHING YOU CAN'T LIVE WITHOUT? Food and water, otherwise I'd die. You must also add my wife on the list, otherwise I'll get into trouble.

YOUR FAVOURITE GADGET? My iPod Nano. The tunes help to keep me going even when I feel like giving up on my daily grind.

FAVOURITE FOOD? It used to be my mother's Umvubo/'Ripe' (sour milk mixed with dry pap) but I can't resist my wife's Pasta Bolognese.

BEST RESTAURANT? SLOW in the City at the Sandton Eye.

NAME OF YOUR SPOUSE? Zimkhitha Mkiva.

HOW MANY CHILDREN DO YOU HAVE? Expecting my first.

DO YOU HAVE A PET? Four dogs (two Jack Russells and two boerboels).

FAVOURITE CLOTHING ITEM? My running tekkies and sneakers.

BEST WAY TO RELAX? Road running keeps me sane; listening to DJ Black Coffee mixes.

ANY NEW GOALS FOR THE FUTURE? Building a high-tech early development school in the rural area of the former Transkei in the Eastern Cape.

RHETT FINCH

34

CHIEF FINANCIAL OFFICER:

CFO & MD of broker business: King Price Insurance



Rhett says that being a Top 35 finalist is simply recognition for what he – and the other finalists – do every day: using their qualifications and knowledge in a practical sense to make their businesses more profitable and future-proof. He says it’s about using their expertise to reach business goals, to sustain their businesses, and to ensure job security and career growth for all the people who work in and around their businesses.

For Rhett, and for the partners who founded King Price together, ‘business success’ is about so much more than the bottom line. Their people and culture are far more important than the numbers in their annual report. Most of all, Rhett is proud of the role he plays in helping to keep King Price’s 900 people happily employed in the dynamic, entrepreneurial, culture-driven company

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CHANGE IS HARD AT THE BEGINNING, MESSY IN THE MIDDLE AND GORGEOUS AT THE END

– ROBIN SHARMA

whose purpose is far greater than its earnings and results.

That being said, the team is well pleased with how they grew their R100 million start-up into a R3,3 billion company in just six years. The company’s world-first business model has saved their clients over R150 million in decreasing premiums over the years – that’s profit they could have pocketed. Continuing to help their clients save money by providing insurance that makes sense is the reason they get out of bed in the morning.

Rhett’s goal is to be ever more effective at work and to continue to inspire his team to grow themselves and their business while maintaining balance with his personal priorities: his fiancée and their families and friends, making memories, and completing the odd triathlon, all grounded in and guided by The Word.

FUN FACTS ABOUT RHETT

DESCRIBE YOURSELF IN A FEW WORDS? Young at heart, energised, enthusiastic and driven to make a difference with a purpose.

YOUR FAVOURITE HOBBY? Anything that includes a bicycle, a wet suit and a pair of running shoes.

SOMETHING MOST PEOPLE DON’T KNOW ABOUT YOU? I like a little ‘me time’. I represented the KZN Maths Olympiad team at school.

FAVOURITE HOLIDAY DESTINATION? Mozambique.

SOMETHING YOU CAN’T LIVE WITHOUT? Family, friends and some sort of exercise.

YOUR FAVOURITE GADGET? ALL and any...

FAVOURITE FOOD? Pasta.

BEST RESTAURANT? Blu Saffron.

HOW MANY CHILDREN DO YOU HAVE? None for now.

DO YOU HAVE A PET? Yes, two, Cody and Nala (Springer Spaniels).

FAVOURITE CLOTHING ITEM? Jeans.

BEST WAY TO RELAX? Read a book.

ANY NEW GOALS FOR THE FUTURE? Taking our kingdom of 900+ people to new heights and new countries while changing the face of the insurance industry.

BRETT PERLSTEIN

35

**MANAGING DIRECTOR AND
FOUNDER:**
SearchKings Africa



Brett Perlstein is a chartered accountant turned Google Ads specialist who gave up his suits and ties for branded T-shirts and trainers to open SearchKings Africa in 2013.

In a career that has taken him across the globe, Brett now finds himself on home soil in Johannesburg where he has spent the last five years helping business owners and entrepreneurs unpack their potential through the power of Google Ads.

Brett's journey, coupled with his local and dynamic team, has evolved into a business that speaks directly to his client's distinctive and varying needs. As a business that has identified a very specific target customer and created a tailored, tech-centric solution for them, SearchKings Africa has carved out a niche, positioning themselves as

“
**NEVER STOP
LEARNING IN THE
QUEST TO BE A
BETTER VERSION
OF YOURSELF
TOMORROW**

the ideal marketing growth partner for business owners and entrepreneurs.

At SearchKings Africa, Brett and his team specialise in leveraging Google Ads for businesses by driving relevant users to its customers' websites allowing them to engage their audience and form strategies to market themselves more purposefully online. The ability to give clients real-time, meaningful marketing data allows them to understand what customers actually need and how they can grow their businesses exponentially.

Brett's is a compelling story about the nuances of growing his own brand on the African continent to better equip and develop those of fellow Africans.

FUN FACTS ABOUT BRETT

DESCRIBE YOURSELF IN A FEW WORDS? Passionate, well-travelled, people person with a love for seeing businesses and people grow.

YOUR FAVOURITE HOBBY? Golf and drinking whisky.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I don't own a car and Uber everywhere.

FAVOURITE HOLIDAY DESTINATION? Anywhere in Southeast Asia.

SOMETHING YOU CAN'T LIVE WITHOUT? The Internet.

YOUR FAVOURITE GADGET? Garmin Smartwatch.

FAVOURITE FOOD? Being a massive foodie, food brings me an immense amount of joy but if had to choose my last ever meal it would have to be Peking duck.

BEST RESTAURANT? Mosaic; Chef Chantel Dartnall is a culinary genius.

NAME OF YOUR SPOUSE? Kerri.

HOW MANY CHILDREN DO YOU HAVE? None yet.

DO YOU HAVE A PET? Yes, a Jack Russell named Jake who comes with me to the SearchKings offices every day.

FAVOURITE COLOGNE? Mont Blanc Legend.

BEST WAY TO RELAX? Travelling – finding time to explore the world is how I recharge.

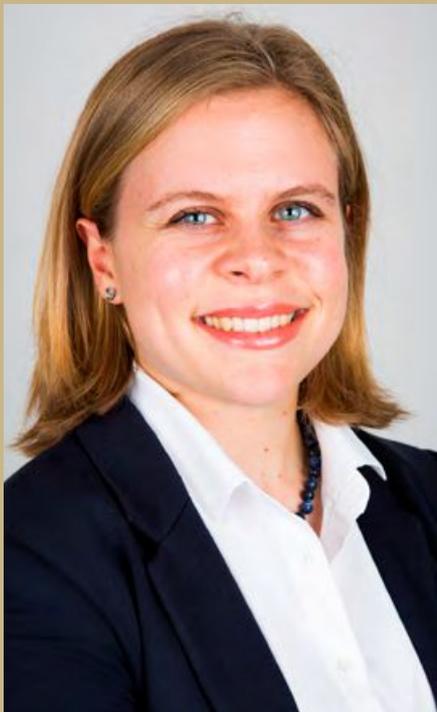
ANY NEW GOALS FOR THE FUTURE? To start a digital search engine marketing academy and help bridge the digital skills gap in South Africa.

LIZE LUBBE

32

PRINCIPAL:

Phatisa



Driven by her passion for investing for impact on the African continent, Lize was appointed as Phatisa's first female principal. She leads large-scale impact investment projects across the continent in the Africa Agriculture Fund and Phatisa Food Fund 2. Her passion is sustained by the fact that she shares the fund's pursuit of the UN sustainable development goals of no poverty, zero hunger, economic growth and gender equality.

She serves on the board of a leading Malawi-based agricultural equipment and contracting business. Critical to her portfolio is to lead the development of its regional growth strategy into neighbouring countries, from ideation to fundraising and execution.

“

CARPE DIEM SEIZE THE DAY!

She managed the successful financial and operational improvement programme in Zambia's largest poultry business. This is a business that targets the 'base of the pyramid' consumer through the provision of an affordable source of protein, ensuring adequate nutrition for a large part of the population.

In 2015 she led the innovation and implementation of South Africa's first Uber owner-driver financing scheme. This enabled drivers who did not have a sufficient credit record to qualify for affordable vehicle finance. The project had the capacity to create 1 000 jobs and increase the income of drivers by 300–400%.

Lize is a professional violinist and permanent member of the Gauteng Philharmonic Orchestra. The GPO is a professional orchestra and NGO based in Pretoria which aims to promote classical music in the local community and to make it accessible to the previously disadvantaged, the youth and the elderly through monthly outreach programmes.

FUN FACTS ABOUT LIZE

DESCRIBE YOURSELF IN A FEW WORDS? Creative, ambitious, curious, lifelong student, musician, explorer, photographer, yogi, aesthete, gastronome.

YOUR FAVOURITE HOBBY? Playing the violin – but being a professional musician is probably much more than just a hobby.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I started violin at the age of three and I play in the Gauteng Philharmonic Orchestra.

FAVOURITE HOLIDAY DESTINATION? It's really difficult to choose one destination, but the country I always love to return to is Italy. It's magical!

SOMETHING YOU CAN'T LIVE WITHOUT? Music.

YOUR FAVOURITE GADGET? My Canon DSLR Camera – I love taking it out into the wild.

FAVOURITE FOOD? Chocolate.

BEST RESTAURANT? Overture (Stellenbosch) – best food, best wine, best views.

FAVOURITE CLOTHING ITEM? My black dress with a dash of colour added.

BEST WAY TO RELAX? Combine good food, good wine, good music and good company!

ANY NEW GOALS FOR THE FUTURE? My dream is to head up my own impact investing fund.

RACHEL NKGODI

34

DEPUTY GROUP CFO:
Alexander Forbes



Rachel Nkgodi started primary school at the age of four. This was the blueprint for her life – being non-conformist and daring to be different.

11 years in the insurance industry in both highly technical and leadership roles have developed Rachel's skills and abilities. She is a member of the SAICA combined long-term and short-term insurance project group.

Throughout her career she has focused on her passions, mentoring and developing others, as a member of Deloitte Women in Leadership Africa Committee and previously a volunteer on the Deloitte Siyakhula Project and Bokamoso Cross Mentorship Programme. At Deloitte, she threw herself into mentoring young professionals, guiding them through their careers, technical and industry

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I AM THE MASTER OF MY FATE; I AM THE CAPTAIN OF MY SOUL

knowledge as well as personal mastery and branding.

Rachel believes in authentic leadership – where the leader is courageous and fearless enough to use their life as an example for and encouragement to others. She also believes that leadership is about the ability to lead yourself through the most difficult times of your life. It is also about the ability to be there for others when they face their life's most challenging times. Rachel believes that leadership is about recognising the best in people and allowing them to flourish.

Her most notable achievements are the Deloitte Africa CEO Impact Award she received as part of the partner team that successfully bid for the firm's biggest audit insurance client and the opportunity to make an impact as Deputy Group CFO of Alexander Forbes from 1 July 2019.

Rachel is also a wife and a mother of twin boys almost three years old and she faces the challenges of raising her boys and having a successful career head on.

FUN FACTS ABOUT RACHEL

DESCRIBE YOURSELF IN A FEW WORDS? I am an open book – what you see is what you get! A vibrant ball of energy ready to tackle any situation.

YOUR FAVOURITE HOBBY? I absolutely love singing.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I used to collect soccer magazines (*Kick-off* magazine to be precise) throughout high school.

FAVOURITE HOLIDAY DESTINATION? The Bahamas.

SOMETHING YOU CAN'T LIVE WITHOUT? My toothbrush.

YOUR FAVOURITE GADGET? I don't like gadgets ... I guess it's my phone then!

FAVOURITE FOOD? Fish.

BEST RESTAURANT? Signature.

NAME OF YOUR SPOUSE? Mpho.

HOW MANY CHILDREN DO YOU HAVE? Two (twin boys).

DO YOU HAVE A PET? Not anymore.

FAVOURITE CLOTHING ITEM OR PERFUME? My shoes (perfume: Coco Mademoiselle by Chanel).

BEST WAY TO RELAX? Sleep.

ANY NEW GOALS FOR THE FUTURE? My immediate goal is to succeed in my new role as Deputy Group CFO of Alexander Forbes.

THEMBELIHLE MBATHA 31

CHIEF FINANCIAL OFFICER:
Inkomati-Usuthu Catchment Management Agency



“
WITH GOD ON YOUR SIDE, HARD WORK, EDUCATION AND DETERMINATION, **NOTHING IS IMPOSSIBLE AND SUCCESS IS THE GUARANTEED BY-PRODUCT**”

Thembelihle Mbatha is a multi-talented young CA(SA) who is consistently rewarded for her success in financial planning, strategic and operational improvements. She has experience in policy development and staff management positively impacting overall morale and productivity. Thembelihle is currently working as Executive Corporate Services: Chief Financial Officer at the Inkomati-Usuthu Catchment Management Agency since June 2013, based in Mpumalanga province.

She is the winner of the 2019 Top Empowerment Young Achiever of the Year Under 40 Award and was the second runner-up in the highly commended certificate of the 2018 Oliver Tambo Public Sector Leader Award. In 2017, Thembelihle was a finalist in two categories for the Standard Bank top women awards:

Sector Leader Award and Top Young Achiever of the Year. She was also the first black African female to qualify on both public practice examinations in training contract at the Nelspruit KPMG office.

Thembelihle believes that as a young black female CA(SA), she needs to tell her story to motivate many young South African girls born in a township somewhere just like herself who made her dream possible through hard work, education and determination.

She believes that by telling her story through motivational talks and women seminars, she will be better profiled to inspire and expose the fact that with God on your side, hard work, education and determination, nothing is impossible! 'Age is just a number,' she says. 'BE the shining light of impossibilities made possible to bring and be the change you want to see!'

FUN FACTS ABOUT THEMBELIHLE

DESCRIBE YOURSELF IN A FEW WORDS? Born leader; God-fearing and humble young professional.

YOUR FAVOURITE HOBBY? Watching self-motivating TED talks and movies.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am a very good chess player.

FAVOURITE HOLIDAY DESTINATION? Bilene, Mozambique.

SOMETHING YOU CAN'T LIVE WITHOUT? My Bible app.

YOUR FAVOURITE GADGET? My iPhone.

FAVOURITE FOOD? Sushi – California rolls in particular.

BEST RESTAURANT? Mediterranean Seafood Restaurant in Nelspruit.

NAME OF YOUR SPOUSE? Sizwe Mbatha.

HOW MANY CHILDREN DO YOU HAVE? Two (four-year-old twins, Christian and Bella)

DO YOU HAVE A PET? No.

FAVOURITE CLOTHING OR PERFUME? La Vie est Belle – Lancôme.

BEST WAY TO RELAX? Hot stone full body massage. Actually, any relaxing spa treatment except facials.

ANY NEW GOALS FOR THE FUTURE? To be a public sector leader with a proven track record; to one day become the youngest black female Reserve Bank Governor of the Republic of South Africa.

NKATEKO MATHEBULA

30

MD:
Master Spelling Bee



“
**AS WE LET OUR
OWN LIGHT SHINE,
WE UNCONSCIOUSLY
GIVE OTHER PEOPLE
PERMISSION TO DO THE
SAME**

– MARIANNE WILLIAMSON

Automotive Components (supplying parts for trucks and buses for small and medium fleet owners), Potters Clay Civil and Construction Projects (working in building refurbishments and renovations), Lintle Community Awakening (NPO) (community upliftment through enterprise development training and governance training for local NPOs), a medical supply company (supplying basic medical consumables for campus health care facilities) and Master Spelling Bee (a national spelling bee competition for Grade 4–12 learners).

She is excited to see Master Spelling Bee grow to compete on an international stage and with the CSI, build and maintain libraries in underprivileged schools. She is passionate about people, loves Jesus and hopes to go into full-time ministry one day.

After obtaining her BCom Accounting and CTA degrees at the University of Pretoria, Nkateko completed her articles at KPMG Pretoria. She is currently working on obtaining her master's in Accounting and hopes to obtain her PhD. After lecturing at Varsity College, she went full time into business. Nkateko is a graduate advisor to the University of Pretoria's Golden Key International Honour Society Chapter and also serves on the International Leadership Committee of Golden Key. She is a Thuthuka Bursary Fund beneficiary and an Allan Gray Fellow.

She is currently managing a portfolio of companies including Kaytee Professional Services (compliance for SMEs and personal development workshops in the workplace), Kaytee

FUN FACTS ABOUT NKATEKO

DESCRIBE YOURSELF IN A FEW WORDS? Jesus, food and sport.

YOUR FAVOURITE HOBBY?
Basketball.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I am a published poet.

FAVOURITE HOLIDAY DESTINATION? Anywhere, as long as I am with people I love.

SOMETHING YOU CAN'T LIVE WITHOUT? My Bible.

YOUR FAVOURITE GADGET? My PlayStation.

FAVOURITE FOOD? Pizza.

BEST RESTAURANT? Burning Arrow Spur.

NAME OF YOUR SPOUSE? I am single.

HOW MANY CHILDREN DO YOU HAVE? None.

DO YOU HAVE A PET? No.

FAVOURITE CLOTHING ITEM OR PERFUME? A hoodie.

BEST WAY TO RELAX? Hanging out with friends.

ANY NEW GOALS FOR THE FUTURE? To create platforms for intellectually inclined learners to shine.

HLENGIWE PENELOPE NDLELA **32**

AUDITING LECTURER:
University of KwaZulu-Natal (UKZN)



Hlengiwe Ndlela is an auditing lecturer and researcher in the School of Accounting, Economics and Finance under the Law and Management Studies College at the University of KwaZulu-Natal (UKZN) (Westville Campus). She is also currently a PhD candidate at the UKZN.

Hlengiwe is a panellist on the young academics segment of the 2019 Forbes Africa Woman Leading Women Summit. She is also programme manager for the Thuthuka Bursary Fund and runs an intervention programme for African CTA students at the UKZN.

Hlengiwe recently addressed learners at the SAICA Mathematics Development Camp (KZN) and the EY Next Gen (Durban Office).

She has a passion for youth development through education

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YOU CAN HAVE ANYTHING YOU WANT IN LIFE IF YOU JUST HELP ENOUGH OTHER PEOPLE GET WHAT THEY WANT

– ZIG ZIGLAR

and mentorship and serves as chairperson and CEO of 1Woman1Girl (a mentorship programme for young school girls) where she runs Grade 9 career day workshops for over 900 learners, and collects donations of sanitary towels for primary school girls in a drive to 'keep the girl-child in school' in Inanda north of Durban.

Hlengiwe sits in the KZN regional committee for the Advancement of Women Chartered Accountants (AWCA) where she looks after student chapters at UKZN. She recently served as the secretary of the KZN region of the Association for the Advancement of Black Accountants of Southern Africa (ABASA) fostering youth development and providing support for aspiring black CAs(SA) in the region. She also volunteers at Meals on Wheels community services' KwaZulu-Natal and Free State Area as finance committee chairperson and board member.

FUN FACTS ABOUT HLENGIWE

DESCRIBE YOURSELF IN A FEW WORDS? I'm an ambitious woman who enjoys a challenge and is committed to uplifting the youth through education and mentorship.

YOUR FAVOURITE HOBBY? Travelling.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? That I am an only child.

FAVOURITE HOLIDAY DESTINATION? The Maldives.

SOMETHING YOU CAN'T LIVE WITHOUT? My daughter or my phone.

YOUR FAVOURITE GADGET? Camera.

FAVOURITE FOOD? Steak.

BEST RESTAURANT? Butcher Block.

NAME OF YOUR SPOUSE? I am single.

HOW MANY CHILDREN DO YOU HAVE? One.

DO YOU HAVE A PET? No, I prefer people.

FAVOURITE PERFUME? Black Opium – YSL.

BEST WAY TO RELAX? Night in; movies with popcorn and red wine.

ANY NEW GOALS FOR THE FUTURE? To encourage as many people as possible to give back and change someone's life for the better.

DESIDRE COOPASAMY

33

SENIOR LECTURER:
Rhodes University



“

**BE THE CHANGE YOU
WANT TO SEE IN THE
WORLD**

– MAHATMA GANDHI

off with 30 students in 2016. It has grown to more than 100 students and now includes donors from Fasset and AG.

'I want my students to be motivated and encouraged. I want them to be the best versions of themselves, to excel and be CAs(SA); to remain humble but build their confidence to be leaders one day.'

One of her favourite quotes is Mahatma Gandhi's 'Be the change you want to see in the world'.

A proud achievement of Desidre Coopasamy would be the opportunity of lecturing at CTA level this year. She has received incredible feedback from both students and lecturers. What has made it even more significant for her is that she is the first black woman to lecture at fourth-year level at Rhodes University.

Desidre is finalising her master's in Fraud and Risk Management, and what she learns, she teaches in class. She intends pursuing her PhD studies.

Another significant highlight for Desidre is that she is a Thuthuka co-ordinator for Rhodes University. The bursary started

FUN FACTS ABOUT DESIDRE

DESCRIBE YOURSELF IN A FEW WORDS? Passionate, determined, driven, spontaneous, caring.

YOUR FAVOURITE HOBBY? My new favourite hobby is playing the violin.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I can play the guitar, piano, recorder and violin, yet I struggle to sing in tune.

FAVOURITE HOLIDAY DESTINATION? Key West.

SOMETHING YOU CAN'T LIVE WITHOUT? Jesus.

YOUR FAVOURITE GADGET? Series 4 Apple Watch.

FAVOURITE FOOD? Mum's breyani or crab curry.

BEST RESTAURANT? Coachman or Boccadilos.

DO YOU HAVE A PET? A Jack Russell; her name is Hope.

FAVOURITE PERFUME? Clinique Happy.

BEST WAY TO RELAX? Spending time with loved ones; going for walks on the beach.

ANY NEW GOALS FOR THE FUTURE? I want to obtain my PhD. I also want to attend conferences and present my articles. I want to help as many of my students achieve the dream and obtain the CA(SA) designation.

KARABO KEKANA

30

SENIOR LECTURER:
University of Johannesburg



“
**WHETHER YOU THINK
YOU CAN, OR YOU
THINK YOU CAN'T –
YOU'RE RIGHT**
– HENRY FORD

Her purpose for people development extends beyond the lecture rooms. Karabo also sits on the boards of non-profit organisations such as the Johannesburg Parent and Child Counselling Centre and of Nali'Bali as a trustee. These organisations are focused on the holistic development of individuals and families and educating children on how to read in their home languages.

Passion, Purpose and People – these three words best describe Karabo and the reason why she does what she does.

Her current role as senior lecturer at the University of Johannesburg allows her to fan into flame her passion for wholesome people development through personal touch and the use of social networks to connect with her students and other youth. She believes in building relationships with students that will result in life-long mentorship and will enable them to reach their fullest potential. She is committed to excellent teaching in a manner that allows students to relate and engage with the content. The responsibility and opportunity of building a pipeline of future chartered accountants really excites her.

In addition, Karabo is a lecturer on the Gauteng Board Course that prepares CA(SA) candidates for their initial test of competence (ITC). She also works closely with SAICA in discharging its responsibility of performing and conducting accreditation visits to the various universities in South Africa, which is a key process of ensuring quality and consistency of CA(SA) degrees across the country's universities. She was recently appointed to the management team of UJ's Department of Accountancy.

FUN FACTS ABOUT KARABO

DESCRIBE YOURSELF IN A FEW WORDS? I am bubbly, energetic, passionate, charismatic, empathetic, loving, bold, inspiring and extremely loyal.

YOUR FAVOURITE HOBBY? Travelling and reading. I read a lot and I am currently into African fiction.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I started in Grade 1 when I was five years old.

FAVOURITE HOLIDAY DESTINATION? São Paulo, Brazil.

SOMETHING YOU CAN'T LIVE WITHOUT? Vaseline and my Bible.

YOUR FAVOURITE GADGET? My iPhone.

FAVOURITE FOOD? I love food so this is a tough one, but oxtail and dumplings.

BEST RESTAURANT? Café Del Sol in Bryanston.

FAVOURITE CLOTHING ITEM OR PERFUME? A gorgeous yellow jacket I bought at Zara – I generally love shoes, though. My favourite perfume is Giorgio Armani Si.

BEST WAY TO RELAX? A nice hot stone massage.

ANY NEW GOALS FOR THE FUTURE? To successfully plan a wedding and to run 10 km at the Soweto Marathon (short term). My long-term goal is to complete my PhD.

JULIAN JOHNSON

35

**CHIEF OPERATING OFFICER AND
CHIEF FINANCIAL OFFICER:**
BioTherm Energy



“

DARE GREATLY

– PARAPHRASING
TEDDY ROOSEVELT

construction, and the balance in the process of reaching financial close in the short to medium term.

Most recently, Julian was involved in the financial close of 284 MW of renewable energy projects for its Round IV projects under the South African Department of Energy's Renewable Energy Independent Power Producer Procurement (REIPPP) Programme. The projects raised funding of US\$500 million and reached financial close in July 2018. All these projects are currently under construction with the first of the projects expected to reach commercial operations in Q4 of 2019.

Through the growth of the company, Julian has been involved in various corporate transactions including the sale of its Round I solar and wind projects awarded under the REIPP Programme, which has contributed to an overall improvement in value for investors.

Julian Johnson is both COO and CFO at BioTherm Energy, a pan-African renewable energy development and investment platform focused on the commercialisation of PV solar and onshore wind projects.

Julian was drawn to the clean energy sector in 2014 to be a part of securing the country's energy supply as a catalyst for sustainable economic growth. Through its development, construction and operation of renewable power facilities, BioTherm creates employment in often remote communities and through meaningful social and economic development programmes that create opportunities to improve and uplift these communities. BioTherm has over 500 MW across the African continent, with 52 MW being operational, 284 MW in

FUN FACTS ABOUT JULIAN

DESCRIBE YOURSELF IN A FEW WORDS? Passionate.

YOUR FAVOURITE HOBBY? Travel and CrossFit.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I cook (on occasion).

FAVOURITE HOLIDAY DESTINATION? The world has too many beautiful places to pick just one.

SOMETHING YOU CAN'T LIVE WITHOUT? Hot water with lemon.

YOUR FAVOURITE GADGET? Currently the Instachef.

FAVOURITE FOOD? The Mediterranean.

BEST RESTAURANT? Ding Dim 1968 in Hong Kong.

NAME OF YOUR SPOUSE? Still have to put a ring on her finger.

FAVOURITE CLOTHING ITEM? My trusty pair of travel walking shoes.

BEST WAY TO RELAX? Good food with friends.

ANY NEW GOALS FOR THE FUTURE? To earn a respectable placing in the next CrossFit Open.

LINDA KELETSO MOTEA **32**

ASSOCIATE DIRECTOR:
EY



Linda is a qualified CA(SA) and holds a diploma in financial markets and instruments. She is currently an associate director at EY, where she is responsible for the audits of banks and insurance companies. Linda was part of the team responsible for successfully delivering the first ever bank single audit in 2018. She has more than nine years' experience, mostly in the financial services industry, including a short-term assignment in the UK. Before re-joining EY, she was employed by Barclays Africa Group as a vice-president for core data architecture systems.

Linda was elected as one of Africa's Bright Young Minds (BYM) in 2017 and her group was selected as one of the top three groups with the brightest idea at the annual BYM conference.

“ BEYOND FEAR IS FREEDOM

She is passionate about education and community development and currently leads the nutrition portfolio and serves on the board for DiskiNine9, a non-profit organisation that uses the games of soccer and netball to unite communities, educate the youth, and drive skills development. Linda was also invited to be a guest speaker at the SeVISSA Girls Club Conference: Educated Girls, Empowered Women in 2017. Further to this, she is part of the African Women Chartered Accountants (AWCA) subcommittee whose vision is to accelerate the development of black female chartered accountants.

Linda is a driven, hardworking and passionate individual who is always willing to lend a hand and eager for a challenge and new experiences.

FUN FACTS ABOUT LINDA

DESCRIBE YOURSELF IN A FEW WORDS? Calm, caring, undercover adventurer and ambivert.

YOUR FAVOURITE HOBBY? Travelling and watching series and documentaries.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I went for piano and guitar lessons at some point in life and dropped them.

FAVOURITE HOLIDAY DESTINATION? Cape Town locally; so far Brazil internationally.

SOMETHING YOU CAN'T LIVE WITHOUT? Food, food, food.

YOUR FAVOURITE GADGET? Popcorn maker.

FAVOURITE FOOD? Phuthu and Nkomazi with fresh cream and buttercream.

BEST RESTAURANT? The Potluck Club.

NAME OF YOUR SPOUSE? He doesn't exist (but my family has nicknamed him Craig).

HOW MANY CHILDREN DO YOU HAVE? None (but I'm ordering twins; deliver once for two).

FAVOURITE CLOTHING ITEM OR PERFUME? My leopard-print shoes.

BEST WAY TO RELAX? Thai massage.

ANY NEW GOALS FOR THE FUTURE? Personal goal: do something about my love for fashion. Professional: go for a partnership!

LERATO MSIBI

34

SENIOR MANAGER:

Forensic Services and Head of Investigations for the MTN Group



“

**GO BIG OR GO HOME;
IF YOU DON'T SHOOT,
YOU WILL NEVER SCORE**

and support on matters of ethics, governance, risk and compliance.

Lerato challenges himself, especially when it comes to self-development. This was confirmed in 2016 when he attained his certified fraud examiner qualification and was elected as part of the Association of Certified Fraud Examiners (ACFE) Pretoria regional committee. The committee was voted 2018 ACFE regional committee of the year.

He leads by example and inspires and motivates his team through his actions. His leadership style is anchored by his humility, which makes him approachable as a manager. This led to him being elected as chairperson of the BRM Employee Engagement Forum, which made a significant impact on the well-being of employees. Lerato truly embodies the characteristics of a servant leader.

He is passionate about career development and regularly mentors and provides career guidance to young people. He was recognised as one of the best career development coaches during his tenure at KPMG and he continues to support young people through the 'Yes Initiative' and mentorship programmes in MTN.

'A true leader has the confidence to stand alone, the courage to make tough decisions, and the compassion to listen to the needs of others. He does not set out to be a leader but becomes one by the equality of his actions and the integrity of his intent' (Douglas McArthur). This encapsulates the essence of Lerato as a leader and his leadership style.

As Senior Manager: Forensic Services and Head of Investigations for the MTN Group, Lerato is responsible for managing fraud risk frameworks and developing and driving appropriate monitoring and mitigation policies, procedures and controls for internal use within MTN Group and across the 22 MTN Operating Companies on the African continent and in the Middle East.

Lerato won the 2016 MTN SA Business Risk Management Certificate of Excellence which is bestowed on an employee that epitomises BRM's mission of being a value-adding partner to business through providing leadership

FUN FACTS ABOUT LERATO

DESCRIBE YOURSELF IN A FEW WORDS? I am highly motivated and enjoy challenging myself, putting myself out there to test my limits and what I am made of.

YOUR FAVOURITE HOBBY? Jogging and TED talks.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? While growing up, I was part of a Zulu dance musical group called Woza Afrika (one of their hit songs is called 'iStokvel').

FAVOURITE HOLIDAY DESTINATION? A seaside holiday is my favourite by far.

SOMETHING YOU CAN'T LIVE WITHOUT? WhatsApp.

YOUR FAVOURITE GADGET? It's not a gadget but a software navigation application called Waze.

FAVOURITE FOOD? Dumplings and beef stew or lamb curry with morogo.

BEST RESTAURANT? I don't really have one, but I was quite fond of Capeesh in Brooklyn.

NAME OF YOUR SPOUSE? Tumiso Lebea.

FAVOURITE CLOTHING ITEM OR PERFUME? The Jogger; Burberry Men's Classic perfume and recently, Versace Eros Flame.

BEST WAY TO RELAX? Being a couch potato (or a 'bum' as my wife likes to call it).

ANY NEW GOALS FOR THE FUTURE? To keep up with the advancement of IT and the perpetration of crime using technology, especially in my line of work (cybercrime); I would like to obtain a qualification in cybersecurity and become a certified ethical hacker.

WELMA DU PREEZ

35

MD:

Burger & Buurman Inc & My Digital Accountant (Pty) Ltd and Founder of My Digital Accountant (Pty) Ltd



“**ANYTHING YOU WANT TO ACHIEVE IS POSSIBLE – IT ALL STARTS WITH THE DECISION TO ACHIEVE YOUR GOAL AND THEN TAKING ONE STEP AT A TIME TOWARDS SUCCESS**”

Welma realised as a young woman that she had a passion to lead and influence young accountants and soon found herself with a desire to impact the world of SMEs.

Post qualification, she was appointed as director and co-owner of Burger & Buurman Inc, an accounting and auditing firm in Witbank/eMalahleni. She has focused intensely on growing her company by researching, developing and implementing systems to improve and achieve greater efficiency and productivity.

Despite economic circumstances and increased pressure on the profession, she started researching methods to grow small, traditional accounting firms in a world of digital and technological transformation. She believes in staying ahead of the rest by adapting early, learning as much as she possibly can from influencers in the UK and the USA, bringing that knowledge to South Africa,

and implementing it in her practice. She aspires to use the knowledge gained from her research and experience to impact small firms across the country to make the same digital transformation in order to embrace the technological advances in the profession.

As a mother it's ignited a passion and benevolence for children and the elderly in need, and therefore she is driving several projects where she invests her time and resources to make a difference by arranging and attending charity visits to underprivileged schools and child welfare homes, as well as donating to old-age homes and the SPCA.

Besides reading, spending time with loved ones and practising her creativity through life-casting, Welma enjoys watching movies, exercising and painting. One of the beliefs that she lives by daily is that great leaders don't tell people what to do – they lead by the actions they take.

FUN FACTS ABOUT WELMA

DESCRIBE YOURSELF IN A FEW WORDS? I am an extremely proud 35-year-old mother, businesswoman and entrepreneur with a passion for leading young accountants in the world of SMEs.

YOUR FAVOURITE HOBBY? Exercising, reading, painting and life-casting – in that order.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? When it's very cold, I sometimes kick off my heels under my desk and put on the winter socks that one of my friends hand-knitted for me.

FAVOURITE HOLIDAY DESTINATION? Bora Bora Island, French Polynesia. It haven't been there, but it is one of the top items on my bucket list.

SOMETHING YOU CAN'T LIVE WITHOUT? My hand cream, lip gloss and good-quality coffee.

YOUR FAVOURITE GADGET? My hair straightener and battery-operated milk frother.

FAVOURITE FOOD? Greek.

BEST RESTAURANT? Mythos, Brooklyn Square.

HOW MANY CHILDREN DO YOU HAVE? Two beautiful children.

DO YOU HAVE A PET? Two St Bernards, Cindy and Mufasa.

FAVOURITE PERFUME? Guess 1981.

BEST WAY TO RELAX? 45 minutes of intense exercise followed by a long soak in a warm bubble bath.

ANY NEW GOALS FOR THE FUTURE? To spend as much quality time with my kids and loved ones as I possibly can.

RIKUS VISSER

34

CHIEF FINANCIAL OFFICER:
Crossgate Technologies



“
**LEAVE
A LEGACY**

payment solution fintech company providing innovative payment solution in retail stores to the South African market.

He is a cancer survivor and trustee of the LYN testicular cancer awareness trust which visits schools and corporate companies to educate young men in a humorous way about the risks of cancer.

Rikus has also been a member of the SAICA YCAN committee for the past three years and is passionate about restoring the reputation of the CA(SA) accreditation and brand, specifically among scholars and students.

In 2015 Rikus was appointed as the CFO of Crossgate Technologies, the largest supplier of retail plastic cards in South Africa, becoming the youngest member of the executive committee. In 2018, he played an instrumental role in the successful share takeover transaction of the Crossgate group by one of the largest fintech investment companies in South Africa and in 2019 he implemented a successful B-BBEE strategy for the group. Rikus is also the CFO and one of the co-founders of Efficacy Payments, a new disruptive

FUN FACTS ABOUT RIKUS

DESCRIBE YOURSELF IN A FEW WORDS? Proud, passionate, ambitious, hard-working.

YOUR FAVOURITE HOBBY? Having a new hobby every second month ... Cricket, golf, hunting, spearfishing, travelling.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I'm a shopaholic ... I have more shoes than my wife.

FAVOURITE HOLIDAY DESTINATION? Anywhere in Southeast Asia.

SOMETHING YOU CAN'T LIVE WITHOUT? My phone.

YOUR FAVOURITE GADGET? My iPhone X.

FAVOURITE FOOD? My mom's lasagne.

BEST RESTAURANT? Hussar Grill.

NAME OF YOUR SPOUSE? Elana.

HOW MANY CHILDREN DO YOU HAVE? One.

DO YOU HAVE A PET? Yes, two Labradors.

FAVOURITE CLOTHING ITEM? Flip-flops.

BEST WAY TO RELAX? A braai.

ANY NEW GOALS FOR THE FUTURE? Climbing the corporate ladder!

CHRISTIAAN BARNARD 30

CHIEF FINANCIAL OFFICER:
Spear REIT Limited



“
DON'T LET TODAY'S PROBLEMS STOP TOMORROW'S SUCCESS

a board position; the development of Spear's investment model; and the development of Spear's internal controls from a pre-listed externally managed accounting function to completely internally managed from listing date.

Christiaan's title formally changed to CFO in May 2018 after he took on more responsibilities within the Spear Group. He and the CEO have worked tirelessly to grow the company that was listed with a market capitalisation of R800 million to a current market capitalisation of R2 billion within 29 months of listing. The company is growing fast in the property market, a sector that has been under severe scrutiny over the past two years.

Christiaan was first appointed on a short-term contract to assist Spear in preparing its pre-listing statement in July 2016. However, it turned out to be a 'three weeks on the job interview'. After being officially interviewed for a position as financial manager (to his understanding), it was a great surprise to receive a letter of appointment as financial director (FD). Christiaan was appointed FD on 1 August at the age of 27. At the time, he didn't fully understand the responsibilities and challenges of an FD of a listed company. It was a baptism of fire but a challenge he was not going to back down from.

Some of his achievements include the listing of Spear REIT Limited; taking

FUN FACTS ABOUT CHRISTIAAN

DESCRIBE YOURSELF IN A FEW WORDS? Honest, energetic, fun and hard working.

YOUR FAVOURITE HOBBY? Playing golf and finding new restaurants.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I failed my first attempt at honours in Stellenbosch.

FAVOURITE HOLIDAY DESTINATION? Mauritius.

SOMETHING YOU CAN'T LIVE WITHOUT? Ice cream.

YOUR FAVOURITE GADGET? iPhone. It holds all the information I need for business and personal use.

FAVOURITE FOOD? Steak and potato bake.

BEST RESTAURANT? Belly of the Beast (Cape Town).

NAME OF YOUR SPOUSE? Fiancée, Joanie Howard. We are getting married on 10 August 2019.

DO YOU HAVE A PET? I adopted my fiancée's dog.

FAVOURITE CLOTHING ITEM OR PERFUME? Nike Epic React running shoes. Perfume – Gucci.

BEST WAY TO RELAX? Running ... The only time I can't answer an email.

ANY NEW GOALS FOR THE FUTURE? Getting Spear to R3 billion market capitalisation and launching Spear's debt capital market programme.

LUYANDA GIDINI

34

ACTING CFO:
Metropolitan Trading Company (MTC)



Luyanda Gidini is currently the acting CFO at Metropolitan Trading Company (MTC), a wholly owned subsidiary of the City of Johannesburg Municipality. He also sits as an acting executive director in MTC's board of directors.

MTC is responsible for the development of the Johannesburg Broadband Network (JBN) to cater for the city's internal telecommunications requirements at a reduced cost as well as to stimulate social and economic development in Johannesburg. The entity achieved actual revenue of just over R500 million for the current financial period and manages a fibre network valued at more than R600 million.

Some of his other significant achievements are being interviewed by Sam Mkokeli on Newzroom Afrika on 14 June 2019 as part of a discussion of the Sygnia, Tongaat and Deloitte debacle.

Luyanda signed off the first trainee accountant under the training programme to become a chartered accountant in January 2019 (as the training officer of the City of Johannesburg Metropolitan Municipality (CoJ) Academy of Chartered Accountants training programme).

“

WHEN YOU ARE AT THE TOP, BE CAREFUL OF THE MONSTER CALLED PRIDE. PRIDE WILL MAKE YOU LOOK DOWN ON THE PEOPLE WHO HAVEN'T ATTAINED YOUR LEVEL OF SUCCESS

NELSON MANDELA

He was appointed as a member and chairperson of the Equal Education (NPO) Audit Committee in February 2019 and was interviewed by Vuyo Mvoko on eNCA in October 2018 as part of a panel discussion on the VBS report with Robert Vivian.

In March 2018, Luyanda was appointed as chairperson of the Association for the Advancement of Black Accountants of Southern Africa (ABASA) Johannesburg branch. In May 2019, he was also appointed to the Audit Committee of the Black Business Council (BBC). Luyanda was appointed national secretary-general of ABASA in July 2018. With the Executive Mayor of the CoJ, Mr Herman Mashaba, he was involved with the launching the CoJ's Academy of Chartered Accountants training programme in June 2018.

FUN FACTS ABOUT LUYANDA

DESCRIBE YOURSELF IN A FEW WORDS? Fun, loving, focused and driven.

YOUR FAVOURITE HOBBY? Playing soccer, going to the theatre, watching movies, and travelling, of course.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? My real age; people always assume I am younger than I actually am. Also, due to my unique physique, most people find it difficult to believe that I was a top athlete during my high school years.

FAVOURITE HOLIDAY DESTINATION? Mozambique.

SOMETHING YOU CAN'T LIVE WITHOUT? My family.

YOUR FAVOURITE GADGET? My iPhone.

FAVOURITE FOOD? *Mogodu* (derivative of tripe served as a stew) and *umngqusho* (samp and beans).

BEST RESTAURANT? The Rock at Kyalami Corner.

NAME OF YOUR SPOUSE? I'm unlucky in love, so I am single and ready to mingle.

HOW MANY CHILDREN DO YOU HAVE? Two beautiful children: Okuhle (baby girl) and Bahle (baby boy).

FAVOURITE CLOTHING ITEM OR PERFUME? Custom-made African attire.

BEST WAY TO RELAX? Spending quality time with my children.

ANY NEW GOALS FOR THE FUTURE? My five-year goal is to be the CEO of a state parastatal so I can win back the confidence of the public in ensuring that every cent gets used to what it is meant to be used for.

HEINE BELLINGAN

28

CEO:
JOB JACK



“
ALWAYS TAKE AN IDEA UP UNTIL THE POINT WHERE A DECISION IS MADE, **DON'T PARK IT**

or take a taxi to drop off their CVs at local businesses, hoping that these businesses are hiring. This is ineffective (as limited businesses are reached) and expensive (R550 can be spent per month on printing and transport costs while job searching).

On the other side of the market, large retailers have thousands of unfilled positions because they are unable to find relevant candidates as a result of inefficient recruitment processes such as sifting through boxes of printed CVs. In a country with a huge unemployment rate, this is unacceptable.

Heine and the JOB JACK pack solve this problem through innovative automation of the recruitment process – giving job seekers equal opportunity to apply for nearby jobs at no cost while simultaneously benefiting businesses with a tenfold improvement in the recruitment cycle.

Heine is also a director of JOB-ABLED – an NPC utilising the functions of JOB JACK to employ people with disabilities.

And, most importantly,
#gettingmarriedsoon
#shreddingforthewedding ...!

Heine Bellingan was born with a drive to build successful businesses. He has been experimenting with business ventures since university, the most notable being automated single-cigarette vending machines he single-handedly built from scratch. Seven prototypes later, two loose cigarettes were sold for R5 ...

In his third year of articles, Heine co-founded JOB JACK – an online marketplace for entry-level jobs. This was a start-up with a vision to employ the world, starting right here in Mzansi at the tip of Africa.

The norm for entry-level job seekers (waiters, cashiers, store assistants, etc) in South Africa is to print CVs and walk

FUN FACTS ABOUT HEINE

DESCRIBE YOURSELF IN A FEW WORDS? I am an always smiling, glass overflowing, mustache growing human with a love for a good banter.

YOUR FAVOURITE HOBBY? Learning new things: just started with Xhosa

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? I caught the world record Jack Crevalle Kingfish when I was 12.

FAVOURITE HOLIDAY DESTINATION? Pearly Beach.

SOMETHING YOU CAN'T LIVE WITHOUT? The Bible.

YOUR FAVOURITE GADGET? The air pressure checker for my car.

FAVOURITE FOOD? Rice with a good leg of lamb sauce.

BEST RESTAURANT? Ocean Basket.

NAME OF YOUR FIANCÉE? Adèle.

HOW MANY CHILDREN DO YOU HAVE? I shall have two or three, starting in about 10 years.

DO YOU HAVE A PET? Mr Miyagi was my pet fish (Siamese Fighter) unfortunately he is now in fish heaven after a long and happy life.

FAVOURITE CLOTHING ITEM? My bright green swimming costume.

BEST WAY TO RELAX? In Namibia; no cellphone signal or electricity on our family farm.

ANY NEW GOALS FOR THE FUTURE? To personally contribute \$200 billion towards making the world (I'll focus on SA) a better place.

ASHANIKA PERIMAL 34

DIRECTOR/SENIOR MANAGER FINANCE:
FedEx Express South Africa



In addition to her role as the youngest Sub-Saharan Africa board director and trustee on the FedEx Express Provident Fund, Ashanika is responsible for 125 team members in seven countries. Her demonstration of strong business acumen and insight on commercial negotiations have seen her travel internationally within Africa as well as to the UAE, Belgium and the USA.

Her resilience and strategic vision resulted in her being awarded the FedEx Five Star Award in 2017, the highest accolade in the company, which recognises the outstanding efforts of those whose dedication, teamwork and leadership have helped drive achieving company aspirations.

Throughout her career, Ashanika has been given the trust of leadership positions and at 27 she was appointed financial manager of a JSE-listed mining and engineering firm employing 15 000 people, managing revenues in excess of R4 billion.

Ashanika is passionate about social development and actively contributes to these types of projects. Her

“
NOTHING FULFILLING IS WITHOUT SACRIFICES, HARD WORK AND COMMITMENT; WISHING THINGS ARE EASIER IS WISFUL THINKING; STRIVING TO BE BETTER AND MAKING THINGS EASIER IS SUCCESSFUL MAKING!

attestation to her humble beginnings is demonstrated through her active support of feeding programmes for the elderly, Christmas boxes for orphaned children, and charity events through school and educational initiatives.

As a female corporate executive, Ashanika is determined to maintain a successful career while maintaining her focus on her strong family values. With a loving husband and two amazing little girls, she is committed to playing an important role in keeping a cheerful, fun and caring family home.

FUN FACTS ABOUT ASHANIKA

DESCRIBE YOURSELF IN A FEW WORDS? Self-motivated, driven, ethical, sharp, thoughtful, humble, friendly and kind. All these are true, but I have been introduced by others on more than one occasion as 'dynamite in a small package'.

YOUR FAVOURITE HOBBY? Baking desserts and treats, especially trying new recipes and creative decorative finishing.

SOMETHING MOST PEOPLE DON'T KNOW ABOUT YOU? Growing up, I didn't have easy circumstances. From an early age I was exposed to financial and social challenges, growing up in a rural area where basic service delivery of running water and electricity didn't exist. Commuting through public transport was a way of life till age 22.

FAVOURITE HOLIDAY DESTINATION? Paris.

SOMETHING YOU CAN'T LIVE WITHOUT? Flat iron.

YOUR FAVOURITE GADGET? My phone – captures memories, connects to people and is a great tool to stay organised.

FAVOURITE FOOD? Rich, delicious desserts like baked red velvet cheesecake.

BEST RESTAURANT? Pigalle.

NAME OF YOUR SPOUSE? Michael.

HOW MANY CHILDREN DO YOU HAVE? Two.

FAVOURITE PERFUME? Tommy Girl.

BEST WAY TO RELAX? Being in the outdoors appreciating nature, away from technology and distractions; for example picnic in parks or even in garden at home. The best things in life really are free!

ANY NEW GOALS FOR THE FUTURE? I am an ambitious young lady and achieving personal career growth, continued family life focus, and making a difference to society will always be on the top of my list.

CPD
30 MIN

THE NEXT BIG THING IN FINANCIAL REPORTING?

NEXT BIG THING

The world is already in transition to a low-carbon economy, driven by climate change and technical development. This presents a set of climate-related risks which business should address through the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Words Dave Collins

Global climate policy is moving slowly but relentlessly, with the 2015 Paris Agreement setting the rules but not the extent of greenhouse gas emission reduction. Many companies, cities and US states are setting their own quicker pace. The awareness of climate change and the pressure to address it are increasing, with mass protests in many countries, divestment away from coal and growing investor demand for climate risk reporting. At the same time, technical development is accelerating

in materials science, digitalisation, connectivity and processing power, leading to cleaner and cheaper energy options.

This transition to the low-carbon economy will require significant and, in some cases, disruptive changes across economic sectors and industries. There are implications for the global financial system, especially in terms of avoiding financial dislocations and sudden losses in asset values. Given such concerns, the G20 Finance Ministers

and Central Bank Governors asked the Financial Stability Board (FSB) IN 2015 to review how the financial sector can take account of climate-related issues. The FSB established the Task Force on Climate-related Financial Disclosures (TCFD) to develop consistent climate-related financial disclosures that would be useful to investors, lenders, and insurance underwriters in understanding material risks. TCFD is currently voluntary but there are expectations that it may become regulated in the future.

In June 2017 TCFD issued recommendations for companies on:

- *Governance* around climate-related risks and opportunities
- *Strategy*: Actual and potential impacts of climate-related risks and opportunities on businesses, strategy and financial planning
- *Risk management*: How climate-related risks are identified, assessed and managed
- *Metrics and targets* used to manage climate-related risks and opportunities, and
- *Scenarios*: Describe the resilience of the organisation's strategy taking into consideration different climate-related scenarios, including a 2 °C or lower scenario (that is one in which the global average temperature rise above pre-industrial times will be 2 °C or less).

There are certainly risks in getting through the transition:

- Because the world is not moving quickly enough on GHG emissions reduction, physical impacts are inevitable from changed weather patterns – heat waves, floods and droughts. Countries, companies and communities will have to adapt to new conditions.
- Companies need to worry about reputational risk – are they perceived to be doing enough to facilitate the transition, be this directly in their own operations or in the case of a bank, indirectly through their loans to emissions-intensive operations? This could extend to legal risk – there are hundreds of current climate-related liability cases around the world.
- Companies also need to worry about market risk. Will a demand for their current products or services even exist in a low-carbon economy?
- Regulatory risk arises from policy actions to constrain adverse effects of climate change, such as carbon pricing, or to promote adaptation.
- Further transition risks arise for companies by moving too quickly, or too slowly, relative to their markets and customers.

In addition to the TCFD risk categories, socio-economic risk should be

considered in a country such as South Africa, which has high social inequality, energy poverty and is particularly vulnerable to climate-related physical impacts. In a low mitigation scenario, there will be risks from community disruption and unrest: in a high mitigation scenario, there will be risks from unrest stemming for mass job losses.

The TCFD recommends that organisations should use scenario analysis to assess the potential business, strategic, and financial implications of climate-related risks and opportunities and disclose those, as appropriate, in their annual financial filings. Some organisations are affected by risks associated with climate change today. However, for many organisations, the most significant effects of climate change are likely to emerge over the medium to longer term, and their timing and magnitude are uncertain. Organisations need to consider how their climate-related risks and opportunities may evolve and the potential implications under different conditions. Scenario analysis is a well-established method for developing strategic plans that are more flexible or robust to a range of plausible future states.

In September 2018 TCFD announced that the number of companies supporting the recommendations was over 500, including Anglo American, Sasol, Gold Fields, Glencore, Rio Tinto, South32, ArcelorMittal, and the South African Institute of Chartered Accountants (SAICA). The total list represented market capitalisations of more than \$7,9 trillion, including financial firms responsible for assets of nearly \$100 trillion. TCFD will publish a further status report in June 2019 which will allow for analysis of disclosures made in 2018 financial reports.

WHAT CAN A COMPANY DO TO MANAGE THE TRANSITION?

- First and foremost, a company must be constantly aware of what is happening on climate change and technological innovation; the various political, regulatory and technical responses; and the amplifying factors such as public perception, and fossil fuel divestment



THE QUESTION HAS NOW BECOME NOT WHETHER TO MANAGE CLIMATE RISK, BUT HOW TO DO IT

campaigns. This is an existential business sustainability risk, not a 'compliance' or an 'environmental' issue with a focus on physical impacts.

- It should identify all the relevant business sustainability risks and incorporate them into its risk governance process. The TCFD framework is a useful tool for this.
- Opportunities are always much more difficult to identify than risks. But if a company does not find new opportunities, it risks its business being disrupted by others.
- A company should at minimum report its GHG emissions and reduction plans annually to the Carbon Disclosure Project (CDP). This is a good basic framework for managing current and future emissions.
- In the light of the many uncertainties, forecasting how the future world and business environment will look is futile. A company should rather generate some plausible scenarios which cover the range of possible outcomes.

The need to disclose all these climate-related risks is becoming a mainstream issue, and the question has now become not whether to manage climate risk, but how to do it.

With all the uncertainties – including the impact of climate change, the pace of technical development, public perceptions and development of global carbon policy – the low-carbon future might arrive as early as 2040, or as late as the end of the century. But arrive it will.

AUTHOR | Dave Collins, Executive at MAC Consulting

CPD
30 MIN

HOLDING OUT AND WHY IT'S A PROBLEM

IT'S A PROBLEM

Holding yourself out as a chartered accountant (CA(SA)) or a registered auditor (RA) is unethical and could negatively affect the already fragile reputation of the accounting and auditing profession

Words Henriette Scholtz

Public trust in the judgements and reputation of accountants and auditors plays a vital role to ensure the credibility of the audit and accounting function. Recent financial scandals involving auditors and accountants, coupled with numerous financial restatements by companies and bankruptcies due to financial statement fraud, have negatively affected public trust in financial reports and related accounting and audit functions.

Restoring public trust in the profession requires consolidated efforts by legislators, regulators, standard-setting bodies, the business community, and the accounting profession.

Part of rebuilding this trust is to ensure accountants and auditors who hold themselves out as a CA(SA) or an RA are indeed registered to do so.

HOLDING OUT AS A CA(SA)

The cornerstone of the accountancy profession in South Africa is the CA(SA) designation. The Chartered Accountants Designation Act 67 of 1993 governs the use of this designation. This Act permit, regulate and restrict the use of certain designations to chartered accountants. Only members registered as CAs(SA) with SAICA may call themselves CAs(SA). Otherwise they transgress the Chartered Accountants Designation Act 67 of 1993 and may be punished.

HOLDING OUT AS A REGISTERED AUDITOR (RA)

Section 41(1) of the Auditing Professions Act 26 of 2005 (APA) states that only an RA may engage in public practice or use

certain designations, including but not limited to the designations 'registered auditor', 'public accountant', and 'certified public accountant'. Section 41(2) of the APA states that an individual who is not registered in terms of the APA may not perform any audit, pretend to be or in any manner allow himself to be held out as a person registered in terms of the APA, or perform any act indicating or calculated to lead persons to believe that he or she is registered in terms of the APA.

EXAMPLES OF HOLDING OUT

Examples of holding out could be:

- Professional accountants registered with SAICA as associate general accountants (AGA(SA)) or accounting technicians (AAT(SA)) believing that because they are registered with

- Foreign CAs(SA) who believe they can call themselves RAs
- Persons not registered as CAs(SA) or RAs and not qualified to register are intentionally referring to themselves either as being a CAs(SA) or an RAs or intentionally offering audit and assurance services with the aim of misleading the public, or
- Persons not registered as RAs misinterpreting certain provisions of certain legislation and believing that although they are aware they are not registered as RAs, they are in a position to act as RAs in certain circumstances

ASSISTED HOLDING OUT

Section R 115.4 SA of the SAICA Code of Professional Conduct deals with assisted holding out. This occurs when a professional accountant is associated with an audit firm or professional accountants who are not registered auditors. The public is often unaware of the fact that the RA is in the background and believes the other professional accountant to be his auditor.

An RA who, intentionally or unintentionally, assists an individual who is not registered in terms of the APA to hold themselves out as an RA may be guilty of unprofessional conduct in terms of the IRBA's Code of Professional Conduct for Registered Auditors and Disciplinary Rules.

STEPS TO TAKE WHEN BECOMING AWARE OF A HOLDING OUT SCENARIO

Holding out as a CA(SA)

If the person is holding him or herself out as a CA(SA) and the person is indeed not registered as a CA with SAICA the matter needs to be reported to The Project Director: Legal Compliance and Discipline, either by:

- General mail: Private Bag X32 Northlands 2116, or
- Hand delivery: 17 Fricker Place, Illovo, Sandton, Johannesburg 2196, or
- Email: discipline@saica.co.za, or
- Fax: 011 621 6763

Holding out as an RA

If the person is holding him or herself out as an RA, the documentation upon which

it was surmised that somebody is holding out or a full statement explaining why it is believed that the person is an RA should be submitted to the IRBA's legal department.

- General mail: PO Box 8237 Greenstone 1616, or
- Hand delivery: Building 2, Greenstone Hill Office Park, Emerald Boulevard Modderfontein, or
- Email: legal@irba.co.za, or
- Fax: 087 940 8873

An allegation of holding out must be accompanied by evidence supporting the allegation.

If unsure of whether the individual purporting to be an RA is in fact a registered auditor, please phone the IRBA Registry on 087 940 8800.

PUNISHMENT

A person holding himself or herself out as a CA(SA) and is not a CA(SA) is liable of a criminal offence and could be liable to a fine not exceeding R20 000.

The IRBA may refer a person holding out as an RA to the NPA for prosecution. In terms of section 54(1) of the APA, a person who contravenes the APA is guilty of an offence and is liable to a fine or in default of payment imprisonment not exceeding five years, or to both a fine and imprisonment.

AUTHOR | Henriette Scholtz, Senior Lecturer at Stellenbosch University.

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SAICA they can also call themselves CAs(SA) or RAs

- Professional accountants registered with SAIPA or SAICA believing that they may perform audits and not just independent reviews as permitted by the Companies Act 71 of 2008 and calling themselves RAs
- A firm of accountants indicating in its stationery or on its website that it provides assurance or audit services when none of the individuals within that firm are RAs. This is either due to intentional misrepresentation or due to a misunderstanding about the nature of association agreements between firms of accountants and RAs
- The CAs(SA) registered with SAICA believing that CAs(SA) may perform audits and call themselves RAs

#CALife Life & Style

Every month the #CALife team will share new products, developments and things to do or restaurants and destinations to consider on your next vacation or business trip



SIMPLICITY AND SOPHISTICATION

The Constantia restaurant scene gained a new all-day eatery when contemporary Botanicum Café & Grill opened its doors, serving seasonal modern European dishes using the best Cape produce.

Personally managed by co-founder and sommelier Marc Botes, Botanicum conveys a sense of place, bringing the leafy surrounds of High Constantia inside with beautifully designed finishes. The interior epitomises simplicity and sophistication, and its menu follows suit.

Botanicum is a meeting point where regulars can visit several times a week with family and friends for informal everyday affairs, or to celebrate those more special occasions.

For information contact them on: 021 794 7843

#CALife LOVES

These stunning Run Away trainers from Louis Vuitton are perfect for any occasion. Made from calf leather with iconic Monogram-canvas trim, these will make you stand out from any crowd.

Available online from www.louisvuitton.com



SHARE YOUR
#CALIFE
EXPERIENCE



**Follow #CALIFE
on our social
media channels
and tag us in your
experience to win
great prizes**

TINTSWALO ATLANTIC RE-OPENING

Tintswalo Atlantic will re-open for business no later than 1 October 2019 following the devastating fire of 5 February 2019 which destroyed half of the luxury resort at the foot of Chapman's Peak near Cape Town. The owner and Tintswalo Lodges CEO Lisa Goosen says that site clearing has started and construction commenced in March already.

Caused by kitchen equipment failure, the fire wiped out the main lodge bar, kitchen, dining room and lounge areas, as well as one of the 11 guest suites. All guests and staff were safely evacuated after the early-alert fire system was activated and staff on duty fought the fire in the early hours of the morning while the emergency services were called in. The Fire Department arrived shortly after and with the help of a firefighting helicopter, managed to contain the fire within a few hours.



A wine for everyone

Almost Zero by Van Loveren Family Vineyards is almost too good to be true. No wonder it has taken South Africa by storm.

Imagine enjoying the taste of white, rosé or red wine without any guilt? These wines have almost no alcohol (less than 0,4%) and 75% less kilojoules than normal wine, so it allows you to be social to your heart's content. The best news is that they recently added a Radiant Red and Ravishing Rosé to the popular Wonderful White.

Ravishing Rosé shows all the divine colours of the traditional favourite with ever-present flavours of Turkish delight. Enjoy it as a healthy aperitif or with oriental dishes, desserts and pizza. Its sibling Radiant Red is fruit-forward with notes of ripe mulberry prominent on the palate. It's also great as an aperitif or with pasta, meat dishes and pizza.

Together, they join Wonderful White – notable for its delicate flavours of apple, citrus and tropical fruit with a crisp and lingering after-taste – that launched at the end of last year to great acclaim.

'Almost Zero taps into consumer lifestyle changes and especially the growing trend of fitness-focused healthy living that is driving innovation of low-alcohol and alcohol-free products,' says Van Loveren CEO Phillip Retief. 'It caters to the very specific need to have a non-alcoholic drink that still has a distinctive wine character.'

The near absence of alcohol means by law it can't be called wine, although this de-alcoholised wonder begins life as such. To remove the alcohol, it is gently spun, allowing the wine to spread thinly across steel cones and the alcohol to evaporate. High precision ensures that what's left is distinctive wine body, colour and flavour.

Available at leading retailers at the RRP of R69,99.

For more information visit www.vanloveren.co.za.



A legend called Lanzerac

Without a doubt, Lanzerac ranks among the iconic wine farms contributing to the rich Cape heritage. It has a history as rich and colourful as that of our country itself and a visit should be high on your bucket list



From the moment you drive through the gates of Lanzerac with the Manor House as backdrop you're transported to a private haven that is almost held sacred in the palms of the surrounding mountains, with endless rows of lush vineyards and gardens shaded by giant oak trees.

This *grande dame* on the outskirts of Stellenbosch boasts an elegant five-star country hotel, acclaimed bars, restaurants, a deli with a remarkable tasting venue, and a chic day spa.

The farm is almost as old as Stellenbosch itself. It was established in 1692 (13 years after Stellenbosch) and today the Manor House and Werf stand proud as a provincial heritage site. The farm's second owner (and probably most influential), Elizabeth Catherina 'Kitty' English, named the farm Lanzerac, as rumour has it, after General Charles Lanrezac (a French general who commanded the French Fifth Army at the outbreak of World War I). She also laid the foundations for the world-renowned wines they have today.

Since that time, the farm changed ownership a few times, with every owner improving the estate's offering and reputation. Later it was taken over by winemaker Angus Buchanan, whose wines went on to become award winners and established Lanzerac as a leader in the field. But it was 'Lord' David Rawdon, who purchased the farm in 1958, who transformed the farm into an elegant hotel and iconic landmark and also converted the original cellar and its surrounding buildings into bars, lounges, dining areas and hotel rooms.

Extensive renovations started when the current owners (a UK consortium) bought it in 2012 – ensuring that Lanzerac became synonymous with Stellenbosch's social agenda and providing visitors with a unique Winelands experience filled with culture and wonderful service.

A devastating fire badly damaged the main operational areas of the hotel in May 2017 and caused the farm to close its doors to the public for 13 months. It re-opened on 1 July 2018 with an even grander offering.



WONDERFUL WINES

Lanzerac is home to the world's first bottled Pinotage, and there's a reason they are world renowned for their excellent wines. The tasting room is open every day of the week and you can sip their award-winning wines while enjoying beautiful views of Stellenbosch Valley. You can also order platters to complement your wines from the deli and make this a memorable experience.

Be sure to taste some of their flagship wines:

- **Mrs English Chardonnay:** This is attributed to the formidable lady 'Kitty' English, who transformed the farm during her ownership. Sourced from a single vineyard in the Jonkershoek Valley, the Mrs English 2017 is a complex wine with an abundance of citrus flavours on the nose, a full palate, and a lingering aftertaste. Great care is taken during the blending process to ensure a wine with impeccable balance, character, poise and deliverance.
- **Le Général Red Blend:** It is rumoured that 'Kitty' English named the farm after the renowned French General Charles Lanrezac. He became famous for his aggressive attitude and determination during the Aisne-Marne offensive in 1918, which marked a series of offensives that finally won the Allied Forces the war – and that is where 'Le Général' is derived from. This 'Left Bank Blend' made

from 79% Cabernet Sauvignon, 17% Malbec, 3% Petit Verdot and 1% Merlot was matured in a combination of new and second-fill 300-litre French oak barrels for 20 months. The four varietals were individually fermented and matured before careful blending and bottling. This is a limited-barrel selection of the best red wine of the 2015 vintage. It's full-bodied and any red wine lover's dream.

- **Pionier Pinotage:** This is a tribute to the world's first bottled Pinotage – a 1959 Lanzerac Pinotage. The 2017 Pionier has an excellent deep colour with typical varietal aromas of ripe, plummy red fruit. With five to ten year maturation the wine will start to acquire the velvet density and luxurious chocolate and caramel flavours its predecessors are known for.

DEVINE DINING

Dining at Lanzerac is as memorable as tasting their wines. Under the careful guidance of their executive chef, Stephen Fraser, you can be sure to be treated to one of the best meals of your life.

Lanzerac also offers private dinners in their newly renovated private dining venue. Interestingly enough, the walls of the dining room were damaged during the fire of 2017, but that revealed the beautiful bare stone walls underneath the old walls that burned down. Today, these bare walls add character to the formal setting in the dining room.



The choice is yours: from the Deli with its fresh and artisan produce to the Taphuis with its beautiful treacle-brown bar and gourmet pub-style food. And at the Manor Kitchen, you can be sure to have a dining experience you'll remember forever. So much creativity goes into every single meal, and flavours and textures are perfectly balanced. Every bite is a delight and with the beautiful setting and wonderful wines that complement your dishes, you are sure to be back until you've tried every dish on the menu.

STAYING AT LANZERAC

To ensure that time really slows down so you can experience everything that the farm has to offer, you can stay over for a few nights and savour every moment.

All the rooms have been designed for ultimate comfort. Each room is unique with different artwork and antique furniture to ensure that the timelessness of the farm is perfectly translated.

With 53 en-suite bedrooms and suites, this is five-star luxury at its best. Most rooms lead onto patios overlooking the beautiful lush gardens against a stunning backdrop of grandiose mountains and vineyards.

Hotel guests are offered complementary services such as breakfast, a select mini-bar, use of the spa's hydro facilities, a winetasting, a cellar tour, a transfer service between the farm and Stellenbosch town, and wifi. Lanzerac also offers wedding and conference packages that will make the event unforgettable.

For more information visit www.lanzerac.co.za



LEFT: The private dining room with the beautiful exposed walls

BELOW: Delectable dishes from the Manor Kitchen

TOP: Unwind and rejuvenate at the Lanzerac Spa, a sought-after wellness retreat and relaxation hideaway.

ABOVE: Each room is unique with different artwork and antique furniture to ensure that the timelessness of the farm is perfectly translated in these guest areas as well.



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The financial health of public hospitals is directly linked to the health of a nation. To assist government in reaching its healthcare promises, SAICA and our volunteer CAs(SA) have partnered with **7 of the 9** provincial health departments to offer financial management support and expert advice. These critical finance skills are vital to securing and maintaining healthy institutions for our nation's well-being.

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DONATIONS TAX AND ESTATE DUTY

CHANGE IN THE RATE OF DONATIONS TAX AND ESTATE DUTY



A NEW RATE OF DONATIONS TAX – AND ESTATE DUTY – OF 25% WAS RECENTLY INTRODUCED. THIS FOLLOWED FROM AN ANNOUNCEMENT IN THE 2018 BUDGET SPEECH, AND THE INCOME TAX ACT AND ESTATE DUTY ACT WERE AMENDED TO ADD A NEW RATE AT WHICH DONATIONS TAX AND ESTATE DUTY ARE LEVIED

The change in the rates for donations tax and estate duty which took effect on 1 March 2018 caused estate planners to consider advising their clients to donate in aggregate up to R30 million before death to make use of the 20% rate.

The two 'taxes' essentially apply to the same thing. Donations tax is payable where wealth is transferred during the lifetime of the donor and estate duty is payable when wealth is transferred after the death of the individual concerned. Donations tax can therefore be seen as estate duty paid in advance and on the net present value of the property that would otherwise have been included in the estate at the date of death and subject to estate duty.

There is an element of double tax involved when an asset is donated or property of a deceased is deemed to have been disposed by the deceased at the date of death. This was the reason for a reduction in both the rate of donations tax and estate duty from 25% to 20% when a tax on capital gains was introduced on 1 October 2001. This 'double taxation' was aggravated since then when the inclusion rate in order to arrive at the taxable capital gain increased to 40%. This is partly addressed by the increased exclusion – the R40 000 annual exclusion in the year of death is replaced by an exclusion of R300 000 (these amounts are applicable to the 2020 year of assessment).

COMMENT ABOUT THE EFFECTIVE DATE OF THE CHANGE IN THE RATES

After its recent amendment, section 64 of the Income Tax Act 1962 reads as follows:

'The rate of the donations tax chargeable under section 54 in respect of the value of any property disposed of under a donation shall be ...



- (i) 20 per cent of that value if the aggregate of that value and the value of any other property disposed of under a donation until the date of that donation does not exceed R30 million; and
- (ii) 25 per cent of that value to the extent that that value is not taxed under subparagraph (i); ...'

According to section 5(2) of the Amendment Act 21 of 2018, the amendment to section 64 'is deemed to have come into operation on 1 March 2018'.

The explanatory memorandum relevant to this change doesn't provide any guidance with respect to the intention here. In the budget review it was stated that in order 'to limit the staggering of donations to avoid the higher estate duty rate, any donations above R30 million in one tax year will also be taxed at 25 per cent. Both measures will be effective from 1 March 2018.' The wording of the draft Bill released on 21 February 2018 are as follows:

- 'The rate of the donations tax chargeable under section 54 in respect of the value of any property disposed of under a donation shall be –
- (a) 20 per cent of such value as does not exceed R30 million; and

- (b) 25 per cent of such value as exceeds R30 million, during the immediately preceding 12 month period, ...'

This differs from the budget proposal and it also differs from the amendment as it appears in the Amendment Act as finally promulgated.

The final wording with respect to the effective date may well be ambiguous. One would be able to interpret the 'the value of any other property disposed of under a donation until the date of that donation does not exceed R30 million' part as being a reference to donations made on or after 1 March 2018 only. But it is also possible to interpret those words to refer to all donations made by the taxpayer, in other words including the value of donations made before 1 March 2018. If the wording was 'the value of any other property disposed of under a donation on or after 1 March until the date of that donation' it would have been clear.

It is logical to accept that the intention is that there is a lifetime limit of R30 million. The rate of 20% then applies until this aggregate is reached and thereafter the rate of 25% applies. If the individual had, prior to 1 March 2018, made donations, specifically significant ones, and one takes the view that it applies to donations made after 1

DONATIONS TAX AND ESTATE DUTY

CHANGE IN THE RATE OF DONATIONS TAX AND ESTATE DUTY

March 2018, it is advisable to support that with a tax opinion to your client. One could rely on the contra fiscum principle here.

KEEPING TRACK OF DONATIONS MADE

What is not ambiguous, is that the taxpayer must keep a record of all donations made. The question is whether it is the aggregate value of donations, subject to the tax, that must be determined and retained. Put differently, will donations that are exempt from the donations tax have to be added to this aggregate.

Section 64 of the Income Tax Act refers to the 'rate of the donations tax chargeable under section 54 in respect of the value of any property disposed of under a donation'. Section 54, which is subject to 'the provisions of section 56', provides that donations tax is payable 'on the value of any property disposed of (whether directly or indirectly and whether in trust or not) under any donation by any resident (the donor)'.

Section 56, in subsection (1), deals with exemptions and provides that donations tax is not payable in respect of the value of any property which is disposed of under a donation listed in section 56. This, for instance, and relevant to R30 million limit, includes the value of any property which is disposed of under a donation to or for the benefit of the spouse of the donor; and to any person (including any sphere of government) referred to in sections 10(1)(a), (cA), (cE), (cN), (cO), (cQ), (d) or (e) of the Act – for instance public benefit organisations, recreational clubs and bodies corporate (among others).

Under section 56(2), donations tax is not payable by a natural person on all his/her property that is disposed of during any one year of assessment and that is worth R100 000 or less. It would therefore seem that the value of the exempt donations under sections 56(1) and 56(2) is not added to the aggregate when the R30 million limit is determined.

WHO MUST KEEP A RECORD OF THE VALUE OF DONATIONS?

Donations tax is currently paid electronically through the eFiling system, but the return, the IT144 (declaration), is filed manually. The onus was before the amendment and still is on the taxpayer to keep a record of donations made during a year of assessment until the R100 000 limit is reached. The return is only required to be submitted to SARS when donations tax is payable – in essence then when the R100 000 amount is exceeded. Until 28 February 2018, or before this amendment to the Income Tax Act, it was not necessary to keep a record of the aggregate value of donations made in previous years.

In the Income Tax Act, unless the context otherwise indicates, 'assessment' has the meaning assigned under section 1 of the Tax Administration Act and includes a determination by SARS of any amounts to be taken into account in the determination of tax payable on income in

future years. The value of donations made, the aggregate one, is an amount that must be taken into account in determining the rate of donations tax in future years, but donations tax is not a tax payable on income. In any event, donations tax is the determination of the amount of tax liability by way of self-assessment by the taxpayer. One can therefore not argue that SARS must maintain a record of the aggregate value of donations made previously. SARS has also not, as would have been reasonable to expect, made amendments to the return (the IT144) since 1 March 2018.

In terms of section 102(1)(c) of the Tax Administration Act, a taxpayer bears the burden of proving the rate of tax applicable to a transaction. As the rate of tax depends on the aggregate value of previous donations made, it appears that the taxpayer, the donor, must keep a record of the aggregate value of donations made. As was indicated earlier, this is the aggregate value of donations subject to donations tax. Once the R30 million amount is exceeded, the donor should know that all future donations will be subject to the tax at the rate of 25%.

STAGGERING THE DONATIONS TO MAKE USE OF THE LOWER RATE

It was mentioned that, according to what was said in the budget review, donations above R30 million in one tax year will also be taxed at 25% in order 'to limit the staggering of donations to avoid the higher estate duty rate'. It is submitted that this means that if the rate of donations tax remained at 20%, there will be an incentive for the taxpayer to donate property in order to ensure that the dutiable amount of his or her estate, calculated in accordance with the provisions of the Estate Duty Act, is less than R30 million. That will ensure that the rate of 25% is avoided.

It is important to note that there is a tax benefit for a donor who has an estate that has a value at the date of death that will exceed R30 million to donate assets before death. This, of course, is only true when, or to the extent that, the aggregate value of donations previously made does not exceed the R30 million threshold.

By also introducing the R30 million threshold for the aggregate value of donations, the incentive is to donate up to R30 million. If the individual donated R30 million until date of death, and the dutiable value of the estate would otherwise have exceeded R60 million, it would then mean that the rate of 20% was applied to an amount of R60 million (R30 million donation and R30 million of assets left in the estate) and that it is only where the value exceeds R60 million that the excess will be subject to a tax at 25%.

In this respect, one must remember the presumption of purpose in section 80G of the Income Tax Act. It is relevant to an 'avoidance arrangement' – any arrangement that, but for Part IIA of Chapter III of the Income Tax Act,



results in a tax benefit. An avoidance arrangement turns into an impermissible avoidance arrangement if its sole or main purpose was to obtain a tax benefit and in a context other than business, it was entered into or carried out by means or in a manner which would not normally be employed for a bona fide purpose other than obtaining a tax benefit. A donor will be able to rebut the presumption that an avoidance arrangement is presumed to have been entered into or carried out for the sole or main purpose of obtaining a tax benefit by proving that, reasonably considered in light of the relevant facts and circumstances, obtaining a tax benefit was not the sole or main purpose of the avoidance arrangement.

CONCLUSION

Tax practitioners and estate planners should exercise care in advising clients to donate assets in order to use up the R30 million amount that will be taxed at 20% and reducing

the dutiable amount of the estate. In the first place, it would be necessary to take a tax position with respect to the values of which previous donations must be aggregated – those before 1 March 2018 or those thereafter. In the second place, and with respect to the donations made, the parties will have to be able to rebut the presumption that the arrangement has been entered into or carried out for the sole or main purpose of obtaining a tax benefit.

Of course, it must be remembered that a donation is a disposal, at market value, for purposes of the Eighth Schedule (or capital gains) and therefore in addition to the donations tax, there will also be tax payable on the capital gain arising from this disposal.

It is therefore possible to ensure that a rate of tax of 20% applies to an amount of R60 million worth's of value transferred from an individual to his or her donees or heirs assuming the taxpayer does not fall foul of the provisions of section 80G.

TRANSFER PRICING

SARS' TASTE FOR TRANSFER PRICING LITIGATION



THE TRANSFER PRICING CONTROVERSY HAS GAINED CONSIDERABLE MOMENTUM IN RECENT YEARS, CREATING INCREASED GLOBAL CHALLENGES FOR MULTINATIONALS BOTH IN TERMS OF COSTS ASSOCIATED WITH DEFENDING MATTERS AND THE TIME THEY TAKE TO RESOLVE. INCREASED LEVELS OF DISCLOSURE THROUGH THE OECD THREE-TIERED DOCUMENTATION REQUIREMENTS WILL INEVITABLY SEE A CONTINUED INCREASE IN TRANSFER PRICING AUDIT ACTIVITY LEADING TO CONTROVERSY

It is not surprising that there was much excitement among transfer pricing practitioners last year with the release of South Africa's first transfer pricing case – Crookes Brothers.¹ The case revolved around the availability of the exemption afforded in section 31(7) of the Income Tax Act 58 of 1962 for loans provided to a subsidiary of Crookes Bros in Mozambique. As South Africa appears to have found the legislative teeth to litigate transfer pricing matters, it is worth taking a look at some of the recent cases which may be tickling SARS' litigious taste buds!

IS A LOAN A LOAN?

Back to the Crookes Bros case, which gave SARS its first foray into transfer pricing litigation. The case was a classic situation of the 'devil in the detail' where a clause in the loan agreements governing the provision of loan funding to a subsidiary was found to fall foul of the exemption afforded in section 31(7) of the Act. The clause in question provided for the immediate repayment of the loan balances in the event that the borrowing entity was liquidated or fell into bankruptcy or business rescue. The conditions of section 31(7) require that any loans advanced to a connected person which is a controlled foreign company of the lender should not create any obligation for the borrower to redeem the debt in full within 30 years from the date the debt is incurred; and that even after this period, the redemption is conditional on the market value of the assets of the borrowing entity being more than the market value of the liabilities. Further, the loan must be an interest-free arrangement.



The taxpayer argued that all the conditions of section 31(7) were met and that in addition, any loan claim of Crookes Bros was subordinated in favour of other creditors. In reaching his judgment, Louw J held the conditions of section 31(7) had not been met due to the existence of the clause in the agreement creating an obligation to repay the debt in full if certain events occurred. It was held that the existence of the subordination agreement did not alter the legal enforcement of this clause but simply regulated the subordination of the lender's claim against the borrowing entity to the claims of other creditors.

The case draws attention to the need to ensure that all the documentation governing a transaction is correctly drafted and has the intended legal consequences. If the parties had truly intended that the borrower would never be obliged to repay any of the loan balance within 30 years, then the agreement should arguably reflect

this. It is this level of detail which can make or break the outcome in the event a case reaches the courts.

Technically the case fell within the ambit of section 31, but it did not venture into the technical nuances of typical transfer pricing disputes around the delineation of a transaction, method selection and suitability of comparables. But financial transactions have been tested in the courts in cases such as GE Canada² and Chevron.³ More recently, the analysis of whether a transaction should be classified as more akin to debt or to equity was tested in the case of Hornbach-Baumarkt.⁴ In this case, the court looked at the equity position of the borrowing subsidiary and its capacity to expand. The court held that in considering the appropriateness of extending financial support to a subsidiary for no consideration, the shareholder relationship with the subsidiary should be considered, largely supporting the conclusions of the courts in GE Canada and Chevron. In CJ Wildbird Foods Limited⁵ the nature of the transaction was again tested as to whether it should be delineated as the provision of a loan or a contribution to capital. In considering the facts, HMRC took into account the lack of interest being charged and the likelihood of the loan being repaid. HMRC found that even though there appeared to be an obligation on the part of the borrower to repay the debt, the transaction did not have sufficient loan characteristics to be treated as debt for tax purposes. HMRC found support for its view in the fact that the borrower had never realised a profit and therefore was unable to repay the debt. The court, finding in favour of the taxpayer, acknowledged that the legal obligation to repay the debt should be taken into account irrespective of whether any amounts had actually been repaid. The

TRANSFER PRICING

SARS' TASTE FOR TRANSFER PRICING LITIGATION



case illustrates the importance of the legal obligations of the parties to the agreement and again draws attention to the need for these obligations to be correctly recorded in the agreements.

SARS' success in the Crookes Bros case may well embolden it to take other financial transactions before the court and taxpayers would be well advised to ensure that any agreements in place governing such transactions reflect the true intention and obligations of the parties.

THE METHODOLOGY CONTESTS

Some recent cases have also looked at the appropriateness of the methods selected to support a pricing arrangement when considering the comparable data available. This is an important issue for multinationals defending their pricing positions in South Africa, where access to comparable data is minimal. In the Medtronic case,⁶ the issue was the most appropriate method for the licensing arrangement between Medtronic and its Puerto Rican subsidiary.

Medtronic relied on the comparable uncontrolled price (CUP) (referred to as CUT when looking at royalties) to support the licence. The Inland Revenue Service (IRS) disputed the appropriateness of this method and sought to apply the comparable profits method (CPM) (akin to the transactional net margin method). The Tax Court held in favour of Medtronic that the CUT method was the most appropriate method but required a number of comparability adjustments to be made to improve the comparability of the agreement relied on. In arriving at this decision, the court held that the approach taken by the IRS in applying the CPM method was 'arbitrary, capricious or unreasonable'. The decision was however overturned in the Court of Appeal, which found that the CUT method was not the most appropriate method to value the intangibles due to the highlighted comparability defects. The matter was referred back to the Tax Court for further consideration. This case hinged on a sole internal comparable agreement to support the use of the CUT. The comparable agreement had a number of comparability defects, including differing contractual terms and payment arrangements. In addition, there were differences in the underlying IP being licensed. Because many of these comparability defects had not been interrogated at the Tax Court level, the matter was referred back to assess the impact of these comparability defects on the reliability of using the internal comparable arrangement.

In the Indian case of *Amphenol Interconnect India (Pvt) Ltd v IRA*,⁷ the Indian Revenue Authority sought to recalculate the transfer price for the sale of goods using a CUP method. However, in doing so, the IRA did not take into account some of the key comparability defects such as volume and business risks for which suitable adjustments could not be made. The IRA rejected the taxpayer's use of the TNMM. The court upheld the taxpayer's appeal that the TNMM did represent the most appropriate method due to the comparability



defects associated with the CUP.

These cases highlight the challenges of using a CUP method and the reliability of the comparables. Adoption of the CUP method requires a high degree of comparability due to the fact that a small variance in price could have a significant impact on the profit. It is for this reason that it is often challenging to find suitable comparable data to apply a CUP and also why the use of this method is often met with scepticism by revenue authorities.

Arguably though, if an internal comparable is available it almost always provides a higher degree of information on which to base a comparability analysis. This results in a much more in-depth analysis than is perhaps used when adopting a broad third-party database set to support a profit-based method such as the TNMM. It is for this reason that this method is invariably only adopted as the most reliable where internal comparable data can be obtained and thoroughly scrutinised.

This highlights the challenges of robust comparable information in the selection of any method, as many transfer pricing analyses rely on a broad set of external comparable data from public databases which by their very nature will exhibit comparability defects. I can't help wondering whether using solid comparable agreements which have broadly similar characteristics to the tested arrangement is not a better approach than an arbitrary set of data from a database, even if there are some comparability defects present.

AND FINALLY, A TEST OF SUBSTANCE

In Annexure C of the 2019 budget, noises were made around the need to look closely at interposed operations within supply chains in multinational enterprises. Is this a reaction to SARS' lack of success in the Sasol case, one has to ask. SARS argued in the Sasol⁹ case that the imposition of the sales and marketing company Sasol International Services Ltd (SISL) in the supply chain relating to crude oil sourced by Sasol Oil International Ltd (SOIL) and ultimately sold to Sasol Oil (Pty) Ltd in South Africa was simulated and that SISL did not serve any commercial purpose. At the Tax Court level, it was held that the transactions were simulated and should be disregarded. However, at the SCA, this decision was

overturned. While the case addressed previous cases on substance over form, it also highlighted the importance of economic substance and contractual rights and obligations.

It is common for global companies to sell or procure goods through centralised entities within the group. Revenue authorities gain traction in auditing these arrangements as a result of a lack of substance or poor documentation supporting the arrangement. Key issues that can work to the taxpayer's disadvantage in this context include, for instance when title passes, the assumption of real risk in the supply chain and the authority and ability of the intermediary company to fulfil its obligations.

The recent case of *Cameco Corporation v The Queen*⁹ in Canada is another good case in point. In this case, Cameco entered into a long-term contract to sell uranium to its Swiss subsidiary. The Canadian Revenue Authority (CRA) sought to attribute the profits derived by the Swiss company back to Canada on the grounds that the arrangement was a sham and that the arrangement fell foul of the arm's length standard. In order to support the argument that the arrangement was a sham, the CCA has to prove an element of deceit, akin to the arguments put forward by SARS in the Sasol case. In addition, Canada's transfer pricing rules permit the CRA to disregard and re-characterise a transaction where that transaction is found to be non-arm's length. In *Cameco*, the court held that the arrangement was commercially rational, and the law only permitted a re-characterisation where it is evident that third parties would not have entered into such a transaction or would have done so under completely different terms and conditions.

Multinationals which operate centralised marketing and procurement hubs need to take heed of these recent developments as indicative of the focus of future disputes. Ensuring that these operations have the requisite substance and have a genuine commercial purpose unrelated to tax is just the tip of the iceberg. The pricing of sales through these entities needs to be carefully checked to ensure that it represents an arm's length return for the activities undertaken and the level of risk assumed.

IN CONCLUSION

As governments come under increased pressure for revenue, we can expect to see an increase in global transfer pricing disputes. The recent amount of litigation suggests that the numbers are significant and that revenue authorities are prepared to take matters all the way to court. We can expect SARS to follow suit. Armed with a greater amount of information as a result of the increased disclosure requirements, multinationals should be analysing their cross-border supply chains to ensure that the transactions involved have commercial substance, are priced appropriately and are governed by agreements which reflect the intention and obligations of the parties.

NOTES

- 1 *Crookes Brothers Limited v Commissioner of the South African Revenue Services* (14179/2017) [2018] ZAGPPHC 311.
- 2 *General Electric Capital Canada Inc v HM The Queen*, 2009 TCC 563.
- 3 *Chevron Australia Holdings Pty Ltd v Commissioner of Taxation* [2017] FCAFC 62.
- 4 European Court of Justice, C-382/16 May 2018.
- 5 *C J Wildbird Foods Ltd v HMRC* [2018] UKFTT0341.
- 6 *Medtronic, Inc & Consolidated Subsidiaries v Commissioner* – Eight Circuit No 17–1766 2018.
- 7 536 7 March 2018 Bombay High Court.
- 8 *Sasol Oil v CSARS* (923/2017) [2018] ZASCA 153 (9 November 2018).
- 9 2018 TCC 195.

TAX RISKS

WHEN COMPANIES GET INTO TROUBLE



PER THE 2018 TAX STATISTICS ISSUED BY SARS, 28% OF THE COMPANIES THAT HAVE BEEN ASSESSED HAVE ASSESSED LOSSES. THIS IS A STAGGERING NUMBER OF COMPANIES THAT ARE IN POTENTIALLY DIRE FINANCIAL STRAITS. LOW GROWTH, DIFFICULT TRADING CONDITIONS AND POLICY UNCERTAINTY HAVE CERTAINLY EXACERBATED THIS SITUATION AND THE PROSPECT LOOKS GRIM FOR MANY. MOST PRACTITIONERS ARE VERY FAMILIAR WITH THE LEGAL REQUIREMENTS ASSOCIATED WITH THIS SITUATION, WHILE THE TAX RISKS ARE OFTEN OVERLOOKED. THIS ARTICLE WILL LOOK AT TWO ASPECTS OF THIS RISK, NAMELY CONSIDERATIONS FOR TAX PRACTITIONERS AND COMMON TAX ISSUES THAT WILL OCCUR IN THIS ENVIRONMENT, WITH PARTICULAR EMPHASIS ON SECTION 19 AND PARAGRAPH 12A DEBT COMPROMISES AND REDUCTIONS

TAX PRACTITIONER CONSIDERATIONS

As tax practitioners, we are bound by the SAICA Code of Conduct, which essentially is the NOCLAR standard – in other words, tell the right people to do the right thing. Practically, as a tax practitioner, you have no formal reporting requirements when a company is in financial distress. There is nothing in the Taxation Administration Act that requires you to inform SARS if an entity is in financial trouble. The risks in the tax space are far less obvious but can have disastrous consequences if not managed correctly.

- Rethink your client's risk profile. Clients in distress are far more likely to engage in risky behaviour as they are desperate. Clients who have always been compliant with their tax affairs may now start misstating their records to SARS to avoid paying taxes.
- Tax avoidance schemes could be entered into during this phase to avoid paying



taxes and/or to siphon money out of the entity.

- It's at this point that taxes are often not paid, which could result in significant scrutiny by SARS in addition to the late payment penalties.

COMMON TAX ISSUES TO CONSIDER

The Taxation Administration Act also has a number of aspects in this regard that must be carefully considered.

- Per section 180, anyone who routinely or regularly manages the financial affairs of a taxpayer can be held personally liable for the taxes not paid – even if only due to negligence.
- If funds are diverted to avoid paying taxes, the Taxation Administration Act imposes a personal liability on the recipient of the funds.
- Per section 234, non-submission of returns carries a criminal charge.

More likely than not, your clients will not be aware of the above three points. Please consider educating them so that they don't inadvertently get themselves into even more trouble

than they're already in. The consequences of the above are severe.

On a slightly less ominous note, it would also be worth ensuring that your clients fully understand the income tax consequences of what they do during this period. Although there are no specific provisions that apply, the following would commonly happen:

- *Debt compromises/write-offs*: Section 19 and paragraph 12A of the Eighth Schedule may trigger adverse tax consequences if the taxpayer is able to negotiate a debt compromise with a creditor.
- *Assessed losses*: Not all directors are aware that assessed losses are lost if the company does not trade for a year. If they are banking on using this assessed loss, trade must continue in the company.
- *Assessed losses*: If they are considering selling the company, please keep the provisions of section 103(2) in mind when negotiating the sale – the main purpose cannot be the utilisation of the assessed loss!

A more detailed discussion of these tax consequences will follow in the next article.

TAX RISKS

WHEN COMPANIES GET INTO TROUBLE

These are going to be tough and emotional times. Hopefully the above points will help you navigate some of the risks for yourself and your clients.

DEBT COMPROMISES OR CONCESSIONS

To continue the discussion from the previous article with respect to insolvencies of companies, this article wants to look at the consequences of debt write-offs that could result in this time period. Donations tax will not be discussed in this context, as the presumption is that if a company is in distress, the write-off is not gratuitous – however, do keep a record of this as SARS may query the reason for the lack of a donations tax submission.

A general point is that we as accountants do not always keep enough detail on our debts to adequately deal with the tax in the event of the write-off. This will be discussed in more detail below, but the tax consequences for interest (a revenue item) written off are different to the consequences of writing off the capital portion of a debt, which would be capital in nature. There are two exceptions for this principal of the debt being capital in nature: trade debtors and amounts advanced by money lenders – in those circumstances the principal amount would be considered revenue in nature for tax purposes.

THE HOLDER'S PERSPECTIVE

As the person who will be losing/relinquishing their debt claim, the holder will have a loss in the event of the debt being written off. The following deductions would be available:

- *Section 11(a)*: This would be available only to moneylenders for debts that have gone bad.
- *Section 11(i)*: The bad debts write-off would be available for all items that are irrecoverable and have previously been included in gross income. This means that interest and trade debtors would be claimed under this provision. Please note, however, that in order to claim this provision, the taxpayer must be able to

demonstrate tangible steps taken to recover the money or any other evidence to demonstrate that the money is objectively irrecoverable.

- *Section 11(j)*: In the event of the debt not being 'bad' yet, then the usual doubtful debts allowance would be available for trade debtors. After 2018 amendments, this would be 40% of the IFRS 9 loss allowance for all debts other than lease receivables plus the accounting bad debts; and 25% for the remaining loss allowances. If the taxpayer is not using IFRS 9, this would be 25% of all debtors 60 days or more but less than 120 days in arrears and 40% for all debtors more than 120 days in arrears. No connected person anti-avoidance provision.

Please note that there may be a section 24J(4) adjustment required if the debt was an income instrument.

The consequences for any capital losses would be governed by the provision of the Eighth Schedule. As the proceeds in this case would be Rnil, the loss would be equal to the base cost of the debt being written off. This is generally going to be the face value, but it could be higher or lower if the debt had been purchased from another party. Once the basic calculation has been done, the following provisions would still need to be taken into account:

- *Paragraph 38*: If the issuer is a connected person, the disposal is deemed to happen at market value. This would need to be considered carefully in light of the circumstances surrounding why the debt was being written off. In a situation of true financial distress, the market value would still be Rnil.
- *Paragraph 39*: The so-called 'clogged loss' rule would generally not be of concern in these circumstances, as it is overridden by paragraph 56.
- *Paragraph 56*: If the debt is owed to a connected person, then the holder is barred from claiming a capital loss on that debt unless:
 - o The debtor applied the provisions of paragraph 12A (the debt reduction rules – see below)
 - o The amount written off was included in the gross income/applied against an assessed loss of the debtor, or
 - o Resulted in a capital gain for the debtor.

In summary for the holder therefore, any revenue items can be deducted under the relevant provisions discussed above. Capital items will result in a capital loss; however, where the debtor is a connected person, that loss may be lost unless the debtor has accounted for the debt write off in terms of section 19 or paragraph 12A.

THE ISSUER'S PERSPECTIVE

From the issuer's point of view, the tax consequences on receipt of the write off are in terms of base principles very simple:

- They are not disposing of an asset, hence no CGT.
- They are receiving a benefit outside of their control, hence it's capital in nature and not gross income.

However, the introduction of section 19 and paragraph 12A of the Eighth Schedule changed that landscape completely. The tax consequences can now best be summarised as follows:

- 1 Determine whether there has been a concession or compromise resulting in a debt benefit.¹
- 2 Determine whether the loan was used to fund:



- (a) Any expenditure other than trading stock or expenditure which resulted in a deduction or allowance being granted, or
 - (b) Any expenditure which resulted in a deduction or allowance.
- 3 If you answer 2(a), then apply the provisions of paragraph 12A.
 - 4 If you answer 2(b), then apply the provisions of section 19.

Paragraph 12A requires the following action from the taxpayer in respect of a capital asset:

- If you still own the asset – reduce the base cost by the amount of the debt benefit
- If you no longer own the asset – recalculate the capital gain or loss on the asset taking the debt benefit into account. Compare this gain to the gain or loss originally submitted and include the difference as a capital gain in the current year's tax return.

Section 19 requires the following action from the taxpayer:

- If the debt was used to buy trading stock:
 - o Trading stock still on hand – reduce the section 22 value of the stock by the amount of the debt benefit.
 - o Trading stock already sold – recoup the debt benefit.
- If the debt was used to fund deductible expenditure – recoup the debt benefit.
- If the debt was used to buy an allowance asset:
 - o Allowance asset is still on hand – apply paragraph 12A first to reduce the base cost of the asset. Any debt benefit left over after that is recouped.
 - o Allowance asset already sold – recalculate the

recoupment taking the debt benefit into account. Compare the two recoupment figures and include the difference in the taxpayer's current year taxable income.

There are a few exemptions that could apply, which would save the issuer from having to apply the provisions of section 19 and paragraph 12A. The application of these exemptions must, however, be balanced with the fact that this will result in the holder losing their capital loss if the two parties are connected. The exemptions are:

- Debts owed by an heir written off in estates
- Donations to the extent that donations tax is payable
- Debts subject to the Seventh Schedule
- Debts owed by dormant companies if owed to a fellow group company (can't have had a corporate rules transaction or outside funding for this exemption to apply)
- Debts owed by companies if owed to a fellow group company and settled via share issue (can't have had outside funding for this exemption to apply)
- Share issues settled by capital amounts of the loan

In summary for the issuer, therefore: if the debt was used to fund an asset, reduce the base cost of the asset. If the asset funded deductible expenditure, recoup the debt benefit.

If anything, these sections require that we keep far more comprehensive records on our debts than we had in the past. Taxpayers and tax practitioners alike should consider how they would deal with these situations.

NOTE

¹ As defined in section 19(1) and paragraph 12A(1).

TAX TRANSPARENCY

COUNTRY-BY-COUNTRY REPORTING

CPD
60 MIN

UNDER THE OECD/G20'S INCLUSIVE FRAMEWORK ON BASE EROSION AND PROFIT SHIFTING (BEPS) MORE THAN 125 COUNTRIES ARE COLLABORATING TO WORK TOWARDS ENDING TAX AVOIDANCE STRATEGIES THAT EXPLOIT GAPS IN TAX RULES BY ARTIFICIALLY SHIFTING PROFITS TO LOW OR NO-TAX COUNTRIES. BOTH THE UNITED KINGDOM AND SOUTH AFRICA ARE PARTICIPATING IN THIS INCLUSIVE FRAMEWORK

In this month's issue we're continuing with last month's theme of tax accountability and transparency by taking a look at the UK's country-by-country reporting legislation.

THE PURPOSE OF COUNTRY-BY-COUNTRY REPORTING

As part of the OECD's BEPS Action Plan, country-by-country (CbC) reporting is designed to provide tax authorities such as HM Revenue and Customs (HMRC) with a clearer overall picture of the global position in respect of the profits earned and taxes paid by multinational groups operating in their jurisdiction.

This is aimed at enhancing transparency for tax administrations by providing them with adequate information to assess potential high-level transfer pricing and other BEPS-related risks.

HMRC have stated that they use the information submitted in CbC reports within their internal risk assessment process for cross-border transactions, principally between members of the multinational group which is reporting.

The UK regulations implementing the OECD model for CbC reporting came into force in 2016 and impose a statutory requirement for UK-headed multinational enterprises (MNEs), or UK subgroups of MNEs, to make an annual CbC report to HMRC if they are a qualifying CbC entity.

QUALIFYING CBC ENTITIES

For an entity to be in scope for CbC reporting for any period it must be part of an MNE group which passes *both* the following tests:

- It must include two or more enterprises that are resident for tax purposes in different tax jurisdictions, and
- It must have had consolidated group revenue of €750 million in the previous period (either as shown in its consolidated financial statements or as would have been shown if it had been required to produce them). This revenue test relates to the MNE group's revenue whether or not that group is headed in the UK

It should also be noted that the legislation can apply to partnerships meeting the above definition.

Where an MNE group is in scope under the above criteria, the CbC obligation is imposed on the UK ultimate parent entity (UPE). If there is no UK UPE, the regulations impose the CbC obligations on the top entity in the group which is UK resident for tax purposes, or which has a permanent establishment in the UK.

WHO FILES THE CBC REPORT?

The UK UPE must file a CbC report in respect of every period for which it is in scope as a qualifying entity.

The top UK entity (UKE) of an MNE group which is UK resident for tax purposes, or which has a permanent establishment in the UK, will have to file a CbC report when:

- The UPE of the group is resident for tax purposes in a country that does not require it to file a CbC report, or
- The UPE of the group is resident for tax purposes in a country that either has entered into an international agreement which allows for exchange of information (like the Multilateral Convention for Mutual Administrative Assistance in Tax Matters), but has not entered into specific arrangements to exchange CbC reports, or
- HMRC has notified the UKE that exchange arrangements with the country in which the UPE is tax resident are not operating effectively

THE REQUIREMENT TO NOTIFY AND REGISTER

UPEs and UKEs are required to notify HMRC for each period covered by a CbC report. The deadline for notification is the end of the period to which the report relates. The notification should tell HMRC when the MNE group's CbC reporting will be filed, which entity will file this and which UK tax resident entities the report will cover.

To notify HMRC and be able to file a CbC report, the MNE must first register online in order to be able to use the online submission portal. This means it must have a UK Government Gateway user ID and password. This can be created the first time it registers.

An agent cannot register to submit CbC reports but can use the online service to send a report on behalf of clients. To do so, the agent will need the organisation's CbC ID number to send the report which is provided by HMRC at the time of first registration.

EXCEPTIONS TO THE NEED TO REPORT

A UKE that is required to file a CbC report can apply an exception where, by the filing deadline, the information it would be required to file has already been included in a CbC report which:



- Has already been received by HMRC, or
- Has been filed with a jurisdiction that will exchange with HMRC

If a UKE applies either of the exceptions outlined above, it must tell HMRC by the filing deadline (see below) which entity in the MNE group has filed the CbC report and the date the report was filed.

VOLUNTARY FILING

Any entity of an MNE group may voluntarily file a report on the group's behalf if there is a member of that group resident in the UK and certain other conditions are met. If an entity wishes to file a CbC report voluntarily the UPE must notify HMRC in writing that the entity has the authority to do so on or before the filing deadline.

REPORT CONTENT AND FORMAT

Broadly, the CbC report must be made in the XML (eXtensible markup language) format. The reason for this is that XML documents can be validated, and they also provide a common medium for exchanging

the information reported between the countries who have introduced CbC reporting rules.

The report must show for each country (tax jurisdiction) in which the multinational carries on business:

- The amount of revenue, profit before income tax and income tax paid and accrued, and
- Their total employment, capital, retained earnings and tangible assets

UK UPEs are also required to identify each entity within their group doing business in a particular country and detail the business activity that the entity is engaged in.

If a UKE is required to file the CbC report, it will be required to request the information it needs to do so for the whole group from its non-UK parent entity. If the non-UK parent entity does not provide the information, the UKE must notify HMRC in writing that the parent has not provided the information and the entity must file a UK CbC report by the deadline.

ADMINISTRATION OF CBC REPORTING

The deadline for filing CbC reports is 12 months after the end of the period to which the CbC report relates. CbC reports must be filed online through a secure HMRC portal.

The reporting and notification requirements contain a penalty regime in the event that an entity does not file its CbC report or notification on time without a reasonable excuse for the failure, or knowingly supplies incorrect information.

An initial penalty of £300 can be charged for failure to comply with the filing obligation. Following notification of this initial penalty, if the failure continues, a further penalty of £60 can arise for each subsequent day. A £3 000 penalty can be charged for an inaccuracy in a CbC report.

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