

THE FORUM



SOUTHERN AFRICAN ACCOUNTING ASSOCIATION

MAY 2019

The FORUM Editor: Rolé van der Merwe

Message from the President – Prof Elmarie Papageorgiou

The Southern African Accounting Association (SAAA) is proud to host the next SAAA Biennial International Conference in collaboration with IAAER (International Association for Accounting Education and Research) in 'Egoli', City of Gold with the theme, 'Breaking Barriers and Moving Boundaries'! This conference is scheduled at Emperor's Palace, 26 to 28 June 2019, with the IAAER/CIMA/KPMG/SAAA Paper Development Workshop (PDW) scheduled at the University of Pretoria on 25 June 2109 (1 day prior to the conference). Hosting such a quality conference would not be possible without the generous contribution and overwhelming support from our sponsors. This year we want to thank our three Gold Sponsors: SAICA, ACCA and Lexis Nexis.

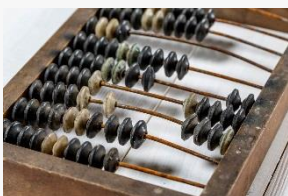
Over the past few years, SAAA has provided a platform for accounting educators, the profession, emerging researchers, reviewers and exhibitors to showcase their work to positively influence the Accounting education landscape in Southern Africa. To support Accounting academics in the development of research papers and output, the conference will offer four panels, discussions, paper presentations, social networking, multiple exhibitors and a lovely conference bag full of surprises. SAAA will also honour the recipients of the Lifetime Achievement Award at the Gala Dinner which are distinguished Accounting academics who are highly respected and have contributed to teaching, scholarship and research in Accountancy.

The Scientific Committee under the Chair of Prof Rikus de Villiers (from NWU) is in the process to finalise all the submissions; this was a very busy time for the respective Subject and Vice-Subject Representatives. We are expecting a record high number of delegates to attend the conference due to the location of the venue. Further, we have confirmed a prominent key note speaker to address the delegates at the opening of the conference. We are not going to let the cat out of the bag at his stage, come and join us at the conference!

We hereby invite you to register for our conference and also join us at the Best Paper Awards ceremony and the Biennial General Meeting on Friday (28 June 2019)!

Prof Elmarie Papageorgiou
SAAA President

History of accounting



The history of accounting or accountancy is thousands of years old and can be traced to ancient civilizations. The early development of accounting dates back to ancient Mesopotamia, and is closely related to developments in writing, counting and money and early auditing systems by the ancient Egyptians and Babylonians. By the time of the Roman Empire, the government had access to detailed financial information.

In India Chanakya wrote a manuscript similar to a financial management book, during the period of the Mauryan Empire. His book "Arthashastra" contains few detailed aspects of maintaining books of accounts for a Sovereign State.

The Italian Luca Pacioli, recognized as The Father of accounting and bookkeeping was the first person to publish a work on double-entry bookkeeping, and introduced the field in Italy.

The modern profession of the chartered accountant originated in Scotland in the nineteenth century. Accountants often belonged to the same associations as solicitors, who often offered accounting services to their clients. Early modern accounting had similarities to today's forensic accounting. Accounting began to transition into an organized profession in the nineteenth century, with local professional bodies in England merging to form the Institute of Chartered Accountants in England and Wales in 1880.

(Source: Extracted from https://en.wikipedia.org/wiki/History_of_accounting)

2018 SAAA Biennial Teaching and Learning Conference

The 2018 SAAA Biennial Teaching and Learning Conference, in collaboration with the SAAA Regional Conference Eastern Cape, was hosted on 6 and 7 December 2018 by the Nelson Mandela University in Port Elizabeth under the leadership of Prof Houdini Fourie, Tracy Beck and the organising team.

Sponsors included SAAA, SAICA, ACCA, LexisNexis, SAIPA and Juta.

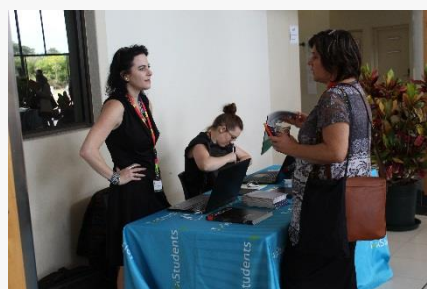
The main focus of the SAAA T&L conference was on teaching innovation and technology. The submissions for Track 2, Innovative teaching initiatives, were evaluated by a dedicated panel of adjudicators, comprising Mandi Olivier and Prof Alex van der Watt (both from SAICA) and Emeritus Associate Professor June Pym.

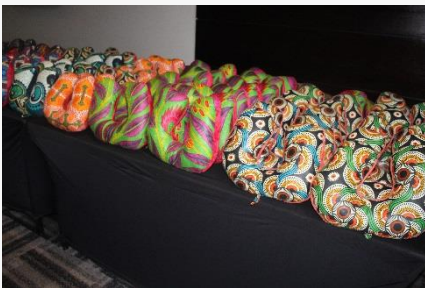


To support South African Accounting Academics in the development of research papers and output, this conference offered three workshops, namely: Workshop A – a paper development workshop, offered by Prof Joan Ballantine and Prof Greg Stoner; Workshop B – a workshop on converting your dissertation into a paper for publication and/or conference paper, offered by Prof Elmarie Papageorgiou; and Workshop C – a teaching workshop, offered by Prof June Pym and Prof Jacqui Kew.

Congratulations to the winners of the 'Best Paper Award for Conference Proceedings' to Michele Aucock, Andres Merino and Lanelle Wilmot of the University of the Witwatersrand and 'Best Paper Award for Innovative Teaching Initiative' to Astrid Schmulian and Stephen Coetzee of the University of the Pretoria, both awards sponsored by SAICA.

These and other photos of the conference are available on the SAAA Facebook page, please visit the following [link](#):







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Revised classification criteria for South African SMME sizes

By JP Bruwer (Cape Peninsula University of Technology)

Closer to the end of 2018 the Minister of the Department of Small Business Development, Ms Lindiwe Zulu, unveiled revised classification criteria to determine the size of Small Medium and Micro Enterprises (SMMEs) operating in South Africa. This comes almost after two decades since the last amendment made to the original National Small Business Act No. 102 of 1996, during the course of 2004. The unchanged official definition of a SMME reads as follows:

A separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or subsector of the national economy.

Before the revised classification criteria to determine the size of SMMEs in South Africa, these business entities could be identified as “micro entities”, “very small entities”, “small entities” and “medium entities” using three criteria, namely gross asset value, total annual turnover and number of full-time employees employed. According to the most recent revision, as presented by Ms Zulu, a SMME can now be categorised in terms of size as a “micro enterprise”, a “small enterprise” or a “medium enterprise” based on only two criteria, namely: 1) the number of full-time employees employed by the SMME, and 2) the total annual turnover of the SMME. For clarity, a summary of the foregoing is shown in Table 1, per sector:

Table 1: Summary of SMME size classification (Source: Republic of South Africa, 2019)

Sector	Size	Number of full-time employees	Total annual turnover
Agriculture	Medium	51-250	<= R35 million
	Small	11-50	<= R17 million
	Micro	0-10	<= R7 million
Mining and quarrying	Medium	51-250	<= R210 million
	Small	11-50	<= R50 million
	Micro	0-10	<= R15 million
Manufacturing	Medium	51-250	<= R170 million
	Small	11-50	<= R50 million
	Micro	0-10	<= R10 million
Electricity, gas and water	Medium	51-250	<= R180 million
	Small	11-50	<= R60 million
	Micro	0-10	<= R10 million
Construction	Medium	51-250	<= R170 million
	Small	11-50	<= R75 million
	Micro	0-10	<= R10 million
Retail, motor trade and repair services	Medium	51-250	<= R80 million
	Small	11-50	<= R25 million
	Micro	0-10	<= R7.5 million
Wholesale	Medium	51-250	<= R220 million
	Small	11-50	<= R80 million
	Micro	0-10	<= R20 million
Catering, accommodation and other trade	Medium	51-250	<= R40 million
	Small	11-50	<= R15 million
	Micro	0-10	<= R5 million
Transport, storage and communications	Medium	51-250	<= R140 million
	Small	11-50	<= R45 million
	Micro	0-10	<= R4.5 million
Finance and business services	Medium	51-250	<= R85 million
	Small	11-50	<= R35 million
	Micro	0-10	<= R7.5 million
Community, social and personal services	Medium	51-250	<= R70 million
	Small	11-50	<= R22 million
	Micro	0-10	<= R5 million

Not only is the revised classification criteria for South African SMME sizes is better aligned to the SMME size classification criteria used in countries such as Australia, Canada, Germany and Brazil, but the intervals for the number of full-time employees have been standardised for all sectors. As this makes matters easier when conducting comparative-cross-country research studies on SMMEs, this revision will hopefully inspire more research to be conducted on South African SMMEs, as a whole.

Reference:

Republic of South Africa. 2019. Revised Schedule 1 of the National Definition of Small Enterprise in South Africa. Government Gazette No. 42304. Government Printer: Pretoria.

Useful apps for teachers and educators



Kahoot

This app can turn a boring class into a fun one as this app is used by the teachers to motivate the students by turning the classroom into a playground.



Doceri

This Doceri app has the ability to turn the tablets and smart phones into portable whiteboards by taking the advantage of the portability and touchscreen of the iPad.



Evernote

Evernote is indispensable notetaking app that helps teachers eliminate printed handouts for outside-the-classroom learning. You can share projects and assignments with students using shared notebooks.



Educreations

This is a whiteboard app which is interactive in nature and is mainly used by the teachers for providing students with easy to follow tutorials.

(Source: Extracted from <https://www.redbytes.in/best-apps-for-teachers-and-educators/>)

Re-imagining the education of professional accountants

By Ilse Lubbe (University of Cape Town, SAAA Exco member: research)

The SAAA Teaching and Learning conference in early December 2018, held at the Nelson Mandela University in Port Elizabeth, allowed us to engage with the many issues and challenges associated with the education of accounting professionals. This conference allowed for the showcasing of the many **innovative teaching interventions** that are currently happening inside and outside the classroom, ranging from reflective teaching, the impact of mind sets, blended learning, e-portfolios and messenger bots, to name a few. The group session on **quality teaching** allowed us to reflect on the many aspects of our teaching, while we also listened to a presentation of the **SAICA 2025** project.

As accounting academics, we continue to grapple with the challenges of preparing students for their future role as professional accountants. There is a renewed focus on business ethics and ethical behaviour, the fourth industrial revolution and the way businesses are organised and new-styled transactions are happening globally, associated with changes in technology, networks and big data, all raising questions about the relevance of the Accounting curriculum, and the knowledge and knowing-structures of Accounting looking forward.

It is time for us to **re-image the education of the professional accountant of the future**. There are several aspects that, individually and collectively, all require some reimagination (or shall I rather say, *critical thinking*):

1. The **student**: who are our students today, what are their prior knowledge and lived experiences? How do they study, and what motivates them?
2. The **classroom**: what happens in the large classroom, is this still useful? Why do students no longer attend lectures? Do we over-teach? What do we require and allow the students to do during these lectures?
3. The **curriculum**: it is overloaded, how can it be organised better? What is assumed, and what can be removed? Isn't it time to change to a 4-year undergraduate programme?
4. **Technical knowledge and practical application**: what knowledge are relevant for the future? Should we consider work-integrated-learning?
5. **Content and competencies**: How can we combine content and competencies? What should be removed and what should be added? Do we include ethics in each course? What about the application of technology?
6. Our **teaching style**: are we transformative enough? Do we include all students? Are we teaching for learning, or merely presenting? Can/should we teach with technology?
7. **Assessments**: what are the outcomes that we assess? Are our assessments fair, do we assess the right competencies? Do we assess too much, or should we assess more? What counts, and should we allow for peer-assessment? Can an assessment be done using technology?

I acknowledge that these are many questions, and some are more difficult to find answers for than others. The time has come for us to tackle these (and several other) issues and challenges, with the aim of educating professional accountants that will be relevant in the future. For this, I call on us all to image, reflect, engage, **research**, and collectively find new paths of educating professional accountants for the future.

Attend the SAAA conferences and be part of the journey!

Newly published online research book: Inclusive Accountancy



You may find this recently published research book useful and interesting:

Inclusive Accountancy Learning Programmes in South African Higher Education: An adapted teaching

By LJ Erasmus, H Fourie, T Beck, J Christian, L Bester, M van Wyk, M Sekhukhune, S du Preez, M Seromo, A Legodi

Foreword - Tim Shaftel, Jordan Haines Professor of Accounting and Information Systems, University of Kansas

This research book presents the culmination of a search for a solution to a difficult problem: How to increase the success rate of students who, left to themselves, and through no fault of their own, will be unable to achieve the success they deserve? The result is a test case of an approach, successfully applied elsewhere, which does not change the material taught but magnifies in specific ways the importance of valuable educational, and indeed, life skills.

One of the underlying tenets of this research is the Theory of Reasoned Action. This well-studied theory suggests that positive intentions can be achieved through normative influence and that these resulting attitudes lead to future positive behaviours. The theory has been shown to be viable in a variety of contexts, including classrooms. In some of these venues experimenters have demonstrated that the desired behavioural changes can be enhanced through the existence of supportive peer groups.

In this experiment the researchers attempted to change behaviours of students in a large lecture environment regarding a simple set of typical and relatively mundane classroom skills such as doing assigned pre-reading, arriving to class on time, doing homework, and not skipping class. The importance of these were emphasized continuously and obviously throughout the semester. Also, the researchers created a peer group environment by placing smaller groups of students with a specific tutor whom they met weekly, as a group. The tutors were selected from successful, advanced students, who exhibited the desired outcomes. In these sessions emphasis was focused on activities, which added learning but also encouraged development of a supportive peer group. In other studies, advanced students working with students in this environment were shown to become part of the peer group, resulting in added positive impact.

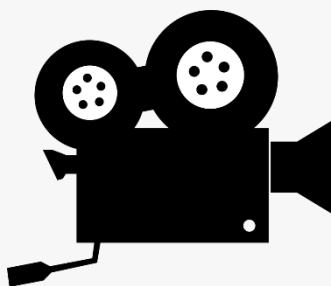
The results of this experiment stunned me even though I had successfully used this approach in my own large classroom. The circumstances faced by these South African researchers was vastly different where students were not only attending rigorous classes but also facing significant economic disadvantage and cultural differences and were, in most instances, the first in their family to attend university.

My hope had been that these researchers would achieve modest results while working through some of the significant implementation issues they faced. To my surprise and delight the pass rates for first-year accounting diploma students in the pilot group was 23% and 34% greater than for the control groups at the two universities. Results of this magnitude should not be ignored. In the small 2017 pilot group alone the increase in success rate meant that something on the order of 37 students, who would otherwise have failed, did not. My contention is that the success they achieved will not be a one-time event but that these students will move through life as successes in all they do. This fact alone will contribute to a more prosperous future for everyone.

The book is available online, via the SAAA website and you are welcome to distribute:

<http://www.saaa.org.za/Downloads/Inclusive%20Accountancy%20WEB.pdf>

11 movies that every accountant must watch



- The other guys (2010)
- The untouchables (1987)
- The accountant (2016)
- All the president's men (1976)
- Office space (1999)
- The Shawshank redemption (1994)
- Wall Street (1987) or The wolf of Wall Street (2013)
- The Royal Tenenbaums (2001)
- Schindler's list (1993)
- The big short (2015)
- The insider (1999)

(Source: Extracted from <https://www.arbitrue.com/blog/11-movies-every-accountant-must-watch/>)

SAAA Regional Communications Liaisons 2017 – 2019



Region	Name	Institution	Email address
Northern Gauteng	Corlia Joynt	UP	corlia.joynt@up.ac.za
Gauteng Central	Ingrid Baigrie	UJ	ibaigrie@uj.ac.za
Western Cape	Pieter van der Spuy	Stellenbosch	vanderspuy@sun.ac.za
	Elton Pullen	UWC	epullen@uwc.ac.za
Eastern Cape	Lizel Bester	NMU	lizel.bester@mandela.ac.za
KwaZulu-Natal	Vanessa Gregory	UKZN	gregoryv@ukzn.ac.za
Central	Nandi Lubbe	CUT	nlubbe@cut.ac.za

Facts about Johannesburg you might not know

- Johannesburg is the biggest city in South Africa. According to 2016 estimates, Johannesburg has a population of +/- 4.4 million people. It's one of the 40 largest metropolitan areas in the world. It's also the biggest city in Sub-Saharan Africa and 2nd biggest city in Africa.
- The Johannesburg Zoo is more than 100 years old. The zoo was founded in 1904 and covers 55 hectares of land. The zoo used to house the only two polar bears in Africa.
- The city was rebuilt four times in the span of one century. First, Johannesburg was a tented camp. Then it was a town of tin shanties. Next it was a town filled with four-storey Edwardian brick buildings and finally, it became a city of modern skyscrapers.
- OR Tambo International Airport is the busiest airport in Africa. It's estimated that more than 28 million people pass through this airport's terminals every single year. OR Tambo International has also been around for more than 60 years – it was opened in 1952.
- 40% of the World's Gold is found in the greater Johannesburg region. The fact that Johannesburg is also referred to as 'Egoli' (meaning the 'Place of Gold') makes sense, right?
- It's not the only place in the world called Johannesburg. There's a town called Johannesburg in California in the USA. It was named by miners who worked the gold mines in Johannesburg, South Africa and has an estimated population of less than 2 000.
- 40% of all the world's human ancestor fossils have been discovered in and around Johannesburg. Most of the fossils were found in the area which is now known as the Cradle of Humankind. It was declared as an UNESCO World Heritage Site in 1999. The site currently occupies 47,000 hectares and contains a complex of limestone caves.
- It's the home of Africa's fastest and tallest rollercoaster. This title is held by Gold Reef City's Tower of Terror. This vertical-drop coaster has a 47-metre drop and generates a G-force of over 6 Gs.
- The city is very leafy. According to the City of Johannesburg website, there are 1.2 million trees within parks and on pavements and an estimated 4.8 million trees in private gardens. Many regard the city as the world's biggest man-made forest, but this fact is disputed. Unofficial claims say that Johannesburg has 10 million trees. In 2013, New York City had 5.2 million trees and was planning to plant another million by 2017. New York City has a population of more than 8 million people.
- Chris-Hani Baragwanath is the world's third largest hospital. The hospital (which is located in Soweto) has over 3200 beds and 6760 staff members. Facilities are housed in 429 buildings.
- Johannesburg is more than 130 years old. The city was founded on the 4th of October 1886. It's one of the youngest world cities though.
- Mponeng Gold Mine is the world's deepest mine. The mine is located on the outskirts of Johannesburg (near Westonaria). The mining shaft of this mine extends down to 4 kilometres below the surface. A trip to the bottom of the mine takes about an hour.
- The Carlton Centre (located in the city's CBD) is the tallest office building in Africa. The building was completed in 1973. It has 50 floors and is 224 metres tall. It's not the tallest structure in Johannesburg though. The Hillbrow Tower (also located in the CBD) stands 269m tall.
- City Deep is the world's largest dry port. Johannesburg the world's largest city that isn't located near a coastline or navigable river. City Deep was developed 1977 by South African Railways to accommodate 50% of the city's cargo (which comes from ports in Cape Town and Durban).
- Boiling an egg takes one minute longer in Johannesburg than on the South African coast. The reason for this is because Johannesburg is located at 1753 metres above sea level. The air is not dense.
- Vilakazi Street in Soweto is famous for having 2 Nobel Prize winning residents. Former South African president Nelson Mandela and former Anglican Archbishop Desmond Tutu lived on this street.



(Source: Extracted from <https://rwrant.co.za/10-facts-johannesburg/> at 13/12/2018)

International conferences 2019 / 2020

Please note that not all of the conferences on this list is hosted by the SAAA.



- BAFA Accounting Education SIG Annual Conference: 22 – 24 May 2019 (Ghent, Belgium);
- IAAER ACCA Central & Eastern European Emerging Accounting Scholars Research Workshop: 3 – 4 June 2019 and 2019 AMIS-IAAER Joint Conference: 5 – 6 June 2019 (Bucharest, Romania);
- 16th Annual GLOBAL Management Accounting Research Symposium (GMARS): 20 – 21 June 2019 (Michigan, USA);
- IAAER Southern African Emerging Accounting Scholars Research Workshop: 25 June 2019 (Pretoria, South Africa);
- SAAA International Conference in Collaboration with IAAER: 26 – 28 June 2019 (Johannesburg, South Africa);
- 9th Asia-Pacific Interdisciplinary Research in Accounting (APIRA) Conference: 1 – 3 July 2019 (Auckland, New Zealand);
- 2019 AFAANZ (Accounting & Finance Association of Australia and New Zealand) Conference: 7 – 9 July 2019 (Brisbane, Australia);
- Annual International Conference on Accounting and Finance (AF 2019): 15 – 16 July 2019 (Singapore);
- 2019 American Accounting Association Annual Meeting (AAA): 10 – 14 August 2019 (San Francisco, CA, USA);
- 9th African Accounting and Finance Conference (AAFC): 4 – 6 September 2019 (Dar es Salaam, Tanzania);
- International Society for the Scholarship of Teaching and Learning 2019 Conference (ISSOTL19): 9 – 12 October 2019 (Atlanta, GA, USA);
- 2020 International Accounting Section Midyear Meeting (AAA): 23 – 25 January 2020 (Orlando, FL, USA);
- 55th Annual (2019) Journal of Accounting Research Conference: 1 – 2 May 2020 (Chicago, IL, USA);
- APACAM/ITAM IAAER Joint Conference: 9 – 11 September 2020 (Mexico City, Mexico).



Tips on how to get your research published

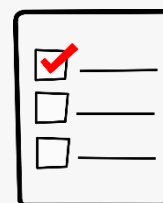
By JP Bruwer (Cape Peninsula University of Technology)

During the course of March 2019, I had the opportunity to attend an international conference on Transformative Business Models in Dubai. During the second day of the conference one of the keynote speakers, Prof Jonathan Liu (the Editor in Chief of two prestige journals in Europe), shared the following tips on how to get one's research published in top journals:

- Know the type of manuscript you want to write: An array of manuscript types are accepted for publication around the world which include books, book reports, essays, papers, abstracts and explications. Ensure you know which type of manuscript you are writing / want to write.
- Know your readership: Have a clear understanding of who you are writing your manuscript for – always keep your readers in mind.
- Know the down-low of your discipline: Have a clear understanding of the latest changes and/or updates in your discipline and showcase it in your writing.

Prof Jonathan Liu also stated that taking into account that the “name of the game” in research is citations, researchers should strive to publish top-notch papers in top-notch journals. To make this happen, he shared the following valuable one-liners when it comes to the publication of top-notch research papers:

- Write for the journals whose papers you read.
- Cite papers for the journal you want to publish in.
- Understand the aims and scope of the journal you are writing for,
- Peer review papers before sending them off to the journal.
- Justify how your paper adds to existing literature.
- Justify how your findings/results contribute to literature.
- Justify why your paper is important.



Lastly, Prof Johnathan Liu also shared that research does not necessarily have to only cover realistic aspects. When it comes to research, one can dream – one can create a type of idealistic prediction as to how a phenomenon can be like. Two example of this may include *What entrepreneurial opportunities will South Africa be susceptible to it had cheap and sufficient electricity?* and *How will the South African Gross Domestic Product be affected if competence is solely considered for vacant leadership positions?*

The insight shared by Prof Jonathan Liu made me re-realise that good research influences policy. Essentially, research should allow us to solve the problems of today in order to make tomorrow the best it can possibly be. In conclusion, the quote of Helene Deutch summarises the session presented by Prof Jonathan Liu best: *“After all, the ultimate goal of all research is not objectivity, but truth”*.

Remember to register for the 2019 SAAA Biennial international Conference in collaboration with the IAAER, which will be held on 26 – 28 June 2019 at Emperors Palace in Johannesburg.



EXTENDED CALL FOR PAPERS

2019 SAAA BIENNIAL
INTERNATIONAL CONFERENCE
in collaboration with IAAER

26 – 28 JUNE 2019
Emperors Palace, Johannesburg



Theme:
"Breaking Barriers and Moving Boundaries"

IAAER Paper Development Workshop (PDW)
25 June 2019



All SAAA and IAAER members and colleagues are invited to submit papers for conference proceedings and presentation at this conference. The conference has strong interdisciplinary roots and encourages innovative and interdisciplinary approaches covering a broad range of topic areas in Accountancy. The conference endeavours to maximise the learning and feedback opportunities for all attendees, from experienced researchers to early-career academics.



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