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*CENTRE FOR CRITICAL ACCOUNTING &
AUDITING RESEARCH*



WITS
SCHOOL OF
ACCOUNTANCY



Exploring the Future of Accounting:
21st Century Challenges

CONFERENCE PROCEEDINGS

University of the Witwatersrand | School of
Accountancy | Johannesburg | South Africa |

4 – 5 August 2022

UNIVERSITY OF THE
WITWATERSRAND,
JOHANNESBURG



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1922
2022

Programme Day 1 (4 August 2022)			
MS Teams Link Day 1: Click here to join the meeting			
Time Slot (South Africa Standard Time)	Details	Topic	Presenter
09:30 - 09:45	Introduction	Background to CCAAR and APPP	Professor Warren Maroun
09:45 - 10:15	1 st Guest Speaker	An IAASB update and the need for integrated thinking	Professor Yvette Lange
10:15 – 10:45	Chief Value Officer Course Presentation	Application of an integrated thinking model: An executive's view	Jason Daniel Baker
10:45 – 11:05	Panel discussion	Q&A	Open to floor
Comfort break 11:05 – 11:15			
11:15 – 11:45	2 nd Guest Speaker	Extinction governance, finance and accounting	Professor Jill Atkins
11:45 – 12:00	Panel discussion	Q&A	Open to floor
Lunch break 12:00 – 13:00			
13:00 – 14:45	Conference Presentations	Day 1 Break out rooms: Refer to page 3 Break out room 1: Technology and innovation Break out room 2: Accounting education and tax Break out room 3: Niche financial accounting considerations	Thomas Gutmayer
14:45 – 15:00	Closing address	Conclusion of day's proceedings and information for Day 2	Dusan Ecim

Programme Day 2 (5 August 2022)			
MS Teams Link Day 2: Click here to join the meeting			
Time Slot (South Africa Standard Time)	Details	Topic	Presenter
09:30 - 09:45	Introduction	Information for Day 2	Dusan Ecim
09:45 - 10:15	3 rd Guest Speaker	Subject, method and praxis – Conducting critical studies in accounting research	Professor Stewart Smyth
10:15 – 10:45	Panel discussion	Q&A	Open to floor
10:45 – 11:15	4 th Guest Speaker	Accounting history	Professor Karen McBride
11:15 – 11:30	Panel discussion	Q&A	Open to floor
Comfort break 11:30 – 11:45			
11: 45 – 13:30	Conference Presentations	Day 2 Break out rooms: Refer to page 4 Break out room 1: Assurance and crisis management Break out room 2: Extinction accounting and sustainability Break out room 3: Integrated reporting and stakeholder relationships	Dusan Ecim
13:30 – 13:45	Closing address	Closing and thank you Future conferences and workshops	Thomas Gutmayer/Dusan Ecim/Professor Warren Maroun



Day 1 Break Out Sessions			
Refer to the [Abstracts] section for further details			
	Room 1	Room 2	Room 3
MS Teams Link	Click here to join the meeting	Click here to join the meeting	Click here to join the meeting
Topic	Technology and innovation	Accounting education and tax	Niche financial accounting considerations
Time / Chair	Michael Buchling	Elmarie Papageorgiou	Gary Marques
13:00 – 13:20	<p>Title: <i>Translation of artificial intelligence into auditors' risk assessment. A sociomaterial self-affordance analysis</i></p> <p>Authors: Piotr Staszkiwicz; Anna Szelałowska; Agnieszka Strzelecka</p>	<p>Title: <i>Transforming the accounting curricula by assessing soft skill: Insights from South African universities</i></p> <p>Authors: Dolly Nyaguthii Wanjau</p>	<p>Title: <i>Organisational culture and consequence management during the COVID-19 pandemic: Lessons from two Gauteng government departments</i></p> <p>Authors: Beatah Sibanda; Professor Surika Van Rooyen</p>
13:20 – 13:30	Q&A	Q&A	Q&A
13:30 – 13:50	<p>Title: <i>Transaction Level Integration for Integrated Reporting: Evidence from Performance Simulation on Multi-Entry Accounting</i></p> <p>Authors: Piotr Staszkiwicz</p>	<p>Title: <i>Determinants of Accounting Students' Performance: The Role of Self-Regulation (Presentation only)</i></p> <p>Authors: Andres Merino</p>	<p>Title: <i>An Artistic 'Account' of Jesus or an Account of the Resurrection? Exploring Accounts of and Accounting for the Shroud of Turin</i></p> <p>Authors: Jill Atkins; Warren Maroun; Federica Doni</p>
13:50 – 14:00	Q&A	Q&A	Q&A
14:00 – 14:20	<p>Title: <i>Exploration of supply chain management challenges in the transformation process towards Servitisation: A Narrative Review</i></p> <p>Authors: Sehrish Atif</p>	<p>Title: <i>VAT on e-commerce transactions: A comparative analysis between South Africa, OECD guidelines, New Zealand, and Australia</i></p> <p>Authors: Alexandra Loffstadt; Jane Ndlovu; Misha Padia</p>	<p>Title: <i>An assessment of accounting policy choices elected for the valuation of investment property: trends evident in the empirical analysis of JSE-listed companies</i></p> <p>Authors: Dusan Ecim; Warren Maroun</p>
14:20 – 14:30	Q&A	Q&A	Q&A
14:30 – 14:45	General Q&A / comfort break		



Day 2 Break Out Sessions			
Refer to the [Abstracts] section for further details			
	Room 1	Room 2	Room 3
MS Teams Link	Click here to join the meeting	Click here to join the meeting	Click here to join the meeting
Topic	Assurance and crisis management	Extinction accounting and sustainability	Integrated reporting and stakeholder relationships
Time / Chair	Lindani Myeza	Dannielle Cerbone	Gary Marques
11:45 – 12:05	<p>Title: <i>Understanding audit quality through a service quality perspective: A systematic review</i></p> <p>Authors: Lise Botha; Phillip de Jager; Ezelda Swanepoel; Francois Toerien</p>	<p>Title: <i>Exploring Accounting Academics' Perspectives on Sustainability: A Freirean Critical Pedagogic Perspective</i></p> <p>Authors: Dr Olga Cam; Professor Joan Ballantine</p>	<p>Title: <i>Are Integrated Reporting supporting circular economy activities? The Role of Institutional Pressures: An exploratory study with content analysis</i></p> <p>Authors: Sarfraz Nasir; Federica Doni</p>
12:05 – 12:15	Q&A	Q&A	Q&A
12:15 – 12:35	<p>Title: <i>Financial reporting timeliness and a lack of auditor resources during the height of the COVID-19 pandemic</i></p> <p>Authors: Phillip de Jager; Theo Mey; Christiaan Lamprecht; George Nel; Nicolene Wesson</p>	<p>Title: <i>'As bad as bad can be': Accounting for species extinction in the North Pacific</i></p> <p>Authors: Dr Karen McBride; Dr Roza Sagitova; Dr Olga Cam</p>	<p>Title: <i>Does combined assurance contribute to higher quality integrated reports by South African listed companies?</i></p> <p>Authors: Mathew Abraham; Warren Maroun; Lindani Myeza</p>
12:35 – 12:45	Q&A	Q&A	Q&A
12:45 – 13:05	<p>Title: <i>COVID-19 remote work and audit evidence gathering in South Africa: Evidence from Big 4 & Non-Big 4 audit firms</i></p> <p>Authors: Tadiwanashe Mugabe; Jane Ndlovu; Wayne Van Zijl</p>	<p>Title: <i>The impact of the Sustainable Finance Disclosure Regulation on the promotion of ESG investment across the EU. A preliminary analysis of the Italian asset management companies SFDR disclosures</i></p> <p>Authors: Isabella Alloisio; Federica Doni; Giovanni Di Grezia</p>	<p>Title: <i>Corporate ethical identity and social media signalling the case of controversial industries</i></p> <p>Authors: Erika Branca; Silvio Bianchi Martini; Federica Doni; Antonio Corvino</p>
13:05 – 13:15	Q&A	Q&A	Q&A
13:15 – 13:45	General Q&A / comfort break		

*Note – not all conference papers accepted were able to present on 4 – 5 August 2022. The abstracts have still been included below as part of the conference proceedings.



Summary of conference proceedings

Proceedings	Link
Day 1 Main Room	Click here to join the meeting
Day 1 Room 1	Click here to join the meeting
Day 1 Room 2	Click here to join the meeting
Day 1 Room 3	Click here to join the meeting
Day 2 Main Room	Click here to join the meeting
Day 2 Room 1	Click here to join the meeting
Day 2 Room 2	Click here to join the meeting
Day 2 Room 3	Click here to join the meeting

Contribution of Papers per University/Institution	
Name	Percentage contribution per university based on all authors affiliated with the paper
University of Cape Town*	5%
Stellenbosch University*	4%
University of the Witwatersrand*	35%
North-West University*	9%
External corporate contribution	4%
University of the West of Scotland #	5%
Warsaw School of Economics, Poland #	7%
Koszalin University of Technology, Poland #	2%
University of Milano-Bicocca #	9%
Mongolia International University #	2%
University of Foggia #	1%
University of Pisa #	2%
Cardiff University #	2%
European University Institute #	2%
University of Sheffield #	4%
University of Portsmouth #	3%
Ulster University #	2%
University of Notre Dame Australia #	2%
South African University * [53%]	100%
International University # [43%]	
External corporate [4%]	

**No research institution has contributed more than 40% of the total conference papers included in the proceedings*

All conference papers submitted were subjected to an independent, double-blind peer review process. As part of this review, certain papers were rejected and have not been included as part of the proceedings. The abstracts of the accepted papers have been included below as part of the accredited proceedings.

ABOUT CCAAR

The CCAAR is based in the School of Accountancy at Wits University, South Africa. The Centre acts as a forum for research into accounting and auditing and adopts a broad social and political context, focusing on issues of sustainability as well as embracing historical perspectives and utopian visions of accounting. The Centre is an African hub for accounting and auditing research that explores and seeks to address urgent 21st -century issues relating to integrated reporting, ecological and biodiversity accounting and auditing.

Visit <https://www.appp.co.za/> for further information

Summary of papers

Number	Title	Author/s	Affiliation	Presentation
1	Understanding audit quality through a service quality perspective: A systematic review	Lise Botha Phillip de Jager Ezelda Swanepoel Francois Toerien	University of Cape Town	Day 2 Room 1
2	Financial reporting timeliness and a lack of auditor resources during the height of the COVID-19 pandemic	Phillip de Jager Theo Mey Christiaan Lamprecht George Nel Nicolene Wesson	University of Cape Town Stellenbosch University Stellenbosch University Stellenbosch University Stellenbosch University	Day 2 Room 1
3	Exploration of supply chain management challenges in the transformation process towards Servitisation: A Narrative Review	Sehrish Atif	University of the West of Scotland	Day 1 Room 1
4	Translation of artificial intelligence into auditors' risk assessment. A sociomaterial self-affordance analysis	Piotr Staszkiwicz Anna Szelałowska Agnieszka Strzelecka	Warsaw School of Economics Warsaw School of Economics Koszalin University of Technology (Poland)	Day 1 Room 1
5	Transaction Level Integration for Integrated Reporting: Evidence from Performance Simulation on Multi-Entry Accounting	Piotr Staszkiwicz	Warsaw School of Economics, (Poland)	Day 1 Room 1
6	Transforming the accounting curricula by assessing soft skill: Insights from South African universities	Dolly Nyaguthii Wanjau	North-West University	Day 1 Room 2
7	Corporate ethical identity and social media signalling the case of controversial industries	Erika Branca Silvio Bianchi Martini Federica Doni Antonio Corvino	University of Pisa University of Pisa University of Milano-Bicocca University of Foggia	Day 2 Room 3
8	Are Integrated Reporting supporting circular economy activities? The Role of Institutional Pressures: An exploratory study with content analysis	Sarfraz Nasir Federica Doni	University of Milano-Bicocca	Day 2 Room 3
9	Exploring Accounting Academics' Perspectives on Sustainability: A Freirean Critical Pedagogic Perspective	Dr Olga Cam Professor Joan Ballantine	University of Sheffield Ulster University	Day 2 Room 2
10	'As bad as bad can be': Accounting for species extinction in the North Pacific	Dr Karen McBride, Dr Roza Sagitova Dr Olga Cam	University of Portsmouth University of Portsmouth University of Sheffield	Day 2 Room 2

Number	Title	Author/s	Affiliation	Presentation
11	Organisational culture and consequence management during the COVID-19 pandemic: Lessons from two Gauteng government departments	Beatah Sibanda Prof Surika Van Rooyen	North-West University	Day 1 Room 3
12	An Artistic 'Account' of Jesus or an Account of the Resurrection? Exploring Accounts of and Accounting for the Shroud of Turin	Jill Atkins Warren Maroun Federica Doni	Cardiff University University of the Witwatersrand University of Mllano-Bicocca	Day 1 Room 3
13	The impact of the Sustainable Finance Disclosure Regulation on the promotion of ESG investment across the EU. A preliminary analysis of the Italian asset management companies SFDR disclosures	Isabella Alloisio Federica Doni Giovanni Di Grezia	European University Institute University of Mllano-Bicocca Mongolia International University	Day 2 Room 2
14	COVID-19 remote work and audit evidence gathering in South Africa: Evidence from Big 4 & Non-Big 4 audit firms	Tadiwanashe Mugabe Jane Ndlovu Wayne Van Zijl	University of the Witwatersrand	Day 2 Room 1
15	Determinants of Accounting Students' Performance: The Role of Self-Regulation (Presentation only)	Andres Merino	University of the Witwatersrand	Day 1 Room 2
16	Does combined assurance contribute to higher quality integrated reports by South African listed companies?	Mathew Abraham Warren Maroun Lindani Myeza	University of the Witwatersrand	Day 2 Room 3
17	An assessment of accounting policy choices elected for the valuation of investment property: trends evident in the empirical analysis of JSE-listed companies	Dusan Ecim Warren Maroun	University of the Witwatersrand	Day 1 Room 3
18	VAT on e-commerce transactions: A comparative analysis between South Africa, OECD guidelines, New Zealand, and Australia	Alexandra Loffstadt Jane Ndlovu Misha Padia	University of the Witwatersrand	Day 1 Room 2
19	Integrated Thinking – Application Framework & Assessment of Illovo Sugar Africa's Maturity	Jason Daniel Baker	External corporate	Presenting as a guest speaker
20	Value relevance of financial and sustainability information for investment decisions: A South African Study	Rahul Rajcoomar Lindani Myeza Thomas Gutmayer Warren Maroun	University of the Witwatersrand	Did not present
21	Determinants of sustainable assurance: Evidence from the South African mining industry	Wayne van Zijl Warren Maroun Dannielle Cerbone	University of the Witwatersrand	Did not present
22	A discursive analysis of audit firm executives in South Africa managing a severe legitimacy crisis	Michael Harber Warren Maroun	University of Notre Dame Australia University of the Witwatersrand	Did not present

**Note – not all conference papers accepted were able to be presented on 4 – 5 August 2022 due to author obligations. The abstracts have still been included below as part of the conference proceedings.*

Abstracts

1: UNDERSTANDING AUDIT QUALITY THROUGH A SERVICE QUALITY PERSPECTIVE: A SYSTEMATIC REVIEW

Lise Botha, Phillip de Jager, Ezelda Swanepoel & Francois Toerien

University of Cape Town

Purpose: In this paper, the recent audit quality literature is systematically reviewed through a service quality perspective derived from the service quality model by Kang and James (2004). Based on this perspective the audit quality construct consists of the following dimensions: technical quality, image, functional quality, client attributes, and the audit market. The paper aims to find how existing literature fits within this service quality model and to identify areas for future research. This different perspective is important because the rate of progress towards a better understanding of audit quality has slowed down in recent times.

Methodology: A systematic literature review methodology, involving the use of various software-based products and approaches to identify the most relevant academic literature and concepts, was followed to understand and develop a comprehensive understanding of the dimensions of the audit quality construct.

Findings: Our augmented service quality model encapsulates the audit quality literature well. Specifically, the review shows that the technical quality and image dimensions of audit quality have been well researched. However, the review finds that only one aspect of client attributes (earnings management) has been well developed. The audit market dimension was rarely considered in the literature, other than from an audit fee perspective. Furthermore, the functional quality dimension seems to be the area from which most further insights into audit quality can be obtained. A few studies have indirectly touched on this dimension by investigating audit timeliness and auditor personal characteristics. However, a more focused approach, informed by functional quality factors identified from the service literature, could provide further insights into the audit quality construct. Lastly, few studies were found that empirically tested the audit quality construct in a multidimensional sense. Most studies focused on one or two dimensions only, mostly using proxies.

Originality: This study contributes to the literature by providing a different perspective to current audit quality research. The methodology and software applications used could be of interest to other researchers.

Keywords: audit quality, service quality, systematic literature review

**2: FINANCIAL REPORTING TIMELINESS AND A LACK OF AUDITOR RESOURCES
DURING THE HEIGHT OF THE COVID-19 PANDEMIC**

Phillip de Jager**, **Theo Mey***, **Christiaan Lamprecht***, **George Nel*** & **Nicolene
Wesson***

**** University of Cape Town**

*** Stellenbosch University**

This paper investigates which South African listed firms made use of the option to extend the mandatory release of annual results during the height of the COVID-19 pandemic. Theory suggests that a choice to extend the reporting of financial results might be related to opportunistic timing of bad news or a lack of resources. Our descriptive and analytic research approach shows that a minority of firms delayed the release of the earnings bad news caused by the COVID-19 pandemic. We theorise that the release of bad news is not delayed when general in nature and the market is anxious for news. We find that a lack of resources, especially audit firm resources, explains the decision to extend financial reporting deadlines during the pandemic, except when there has been an audit firm rotation. In that case, the lack of resources manifests on the side of the reporting firm. The results, therefore, show that previous timeliness research's focus on management opportunism as a rationale for delayed earnings is not as useful as normal during the COVID-19 pandemic and in a developing country context.

Keywords: natural experiment; timeliness; COVID-19; dichotomous measure of timeliness

3: Exploration of supply chain management challenges in the transformation process towards Servitisation: A Narrative Review

Sehrish Atif

**School of Business & Creative Industries, University of the West of Scotland,
Paisley, PA1 2BE, UK,**

The transformation of manufacturing firms towards servitisation is largely characterised as adding the service-provision to their product continuum. Most current research focuses on identifying the drivers of servitisation and its impact on the supply chain. However, this shift has various underlying issues of siloed operations that the firms need to acknowledge to enable agile and adaptable product and service package offering to their customers. Therefore, this paper uses a narrative review approach to synthesise a comprehensive and critical analysis of 28 research articles, exploring the transformation process and the issues related to the context of the application of servitisation approach and supply chain management. The findings revealed that the transition process of a manufacturing firm towards the adoption of servitisation approach presents various structural challenges related to market orientation and inter-functional coordination in supply chain management. This study will serve as a baseline for manufacturing firms and practitioners to evaluate their readiness for this transition.

Keywords: Servitisation, Supply chain management, innovation, market-orientation

4: Translation of artificial intelligence into auditors' risk assessment. A sociomaterial self-affordance analysis

Piotr Staszkiwicz*, Anna Szelałowska* & Agnieszka Strzelecka**

*Warsaw School of Economics (Poland)

**Koszalin University of Technology

Purpose - The study aims to understand frictions generated by the mechanism of artificial intelligence (AI) translation into auditors' risk assessment.

Design/methodology/approach - This paper looks through the lens of sociomateriality to decompose the AI translation mechanism into two loops: knowledge diffusion and spillover. This study reviews 38,163 words included in transcripts of semi-structural interviews conducted with auditors, researchers, supervisors, and self-regulatory body representatives.

Findings - Acceptance of AI into audit practice is conditioned on mutual human and AI understanding of rights and obligations. The understanding refers to both affordance (how humans interpret AI properties) and self-affordance (how AI reacts to human and other AI's interpretations). The paper extends *interpenetration* into the *dynamic mutual accommodation* that takes place between humans and AI. The translation of AI into risk is scarce and subject to numerous frictions. Although the market is investing in AI development, auditors are not using advanced solutions and are not exploring AI in practice. Hence, practice does not provide empirical research problems to academics who, as a result, do not provide theoretical solutions thereof. Meanwhile, supervisors adopt a passive attitude to AI risk assessment, while professional associations fail to formulate expectations for potential AI solution providers. Thus, the actors look at each other and wait for their partner to move, which blocks feedback. The AI feedback loops are broken, which constitutes a systematic risk of response lag for policy setters and supervisions. To break the feedback vicious circle, this study modifies the audit risk (AR) assessment model to account for the autonomy of AI.

Originality - This paper enhances the affordance concept with self-affordance to capture the role of "software personality" as the primitive friction of AI translation into risk assessment.

Keywords - audit risk model, artificial intelligence, AI risk, sociomateriality, affordance, risk visualisation

**5: Transaction Level Integration for Integrated Reporting:
Evidence from Performance Simulation on Multi-Entry Accounting**

Piotr Staszkiwicz

Warsaw School of Economics (Poland)

Purpose: The paper aims to develop the technique to integrate financial and social reporting at the transaction level.

Design/methodology/approach: The paper applies dynamic panel regression and a panel set of the major global companies, it simulates the benefit of an introduction to the multi-entry for both financial and corporate social responsibility reporting. The simulation covers the period 2011-2020 and it uses 703 companies across 45 countries.

Findings: The paper contributes to the discussion on integrated reporting with the conclusion that migration from double- to multi-entry journals improves the informativeness of integrated reporting.

Originality: The research develops multi-entry recording and reporting to fill the gap with integrated measurement of development objectives set by the United Nations. Multi-entry offers a way to limit the narratives disclosure in integrated reporting. The paper provides the outline of the valuation framework linked to existing business practices and introduces less judgmental valuation.

Research limitations/implications: The applied methodology pictures only performance measurement. The study is based on the assumption that environmental transactions are auditable, which might not hold for complex transactions, thus the level of uncertainty and judgment might constitute an inherent aspect of the entire model.

Practical implications: The research provides a straight guide for the application of multi-entry at the managerial accounting level. It offers policymakers the pre-conditions for the coherent implementation of multi-entry for integrated reporting.

Social implications: The research demonstrates that the total financial profit of all entities in the sample for the entire timespan amounts to \$15.3 trillion which was generated at the total environment loss of \$7.35 trillion. The existence of the relation between financial and environmental performance indicates that we achieve the global GDP development at the cost of environment conservation, which in turn contributes to the environmental deficit rolled forward to the next generations.

Keywords: Integrated Reporting, Business Reporting, Corporate Social Responsibility, UN 2030 Agenda, Non-financial Disclosures, UN Sustainable Development Goals, ESG

6: TRANSFORMING THE ACCOUNTING CURRICULA BY ASSESSING SOFT SKILL: INSIGHTS FROM SOUTH AFRICAN UNIVERSITIES

Dolly Nyaguthii Wanjau

North-West University

Purpose: This study explores the importance of teaching and assessing soft skills in accountancy programmes in higher education, and develops a framework that can help to transform the accounting the curriculum

Design/methodology/approach: The study adopts an interpretive approach and draws insights from multiple qualitative data sets. Information was gathered from academic staff amongst 12 SAICA accredited South African universities which provide chartered accountancy training.

Findings: The findings reveal that soft skills are assessed both formally and informally, and that it is done at the discretion of the individual instructors. It also emerged that there was a resource disparity, and this affects universities to fully transform the accounting curriculum. It was also found that the competency frameworks proposed by professional bodies such as SAICA, are also being derailed by a lack of resources in some universities. This has adverse effects on the quality of accounting graduates produced. Findings also reveal varying levels of readiness to acquire the soft skills needed by accounting graduates in the workplace.

Practical implications: The study proposes a framework that can help to transform the accounting curricula, and produce comparable graduates, with the intention of adding value to industry, and accounting practice.

Originality/value: Whilst the development of non-technical skills can play an important role in shaping the perceptions of employers, customers, and other relevant stakeholders, there is a dearth of studies that focus on transforming the accounting curriculum. This article adds to our understanding of transforming the accounting curriculum by proposing a framework for producing comparable accounting graduates by assessing soft skills, both formally and informally, in a consistent manner across different universities in South Africa.

Key words: accounting education, curriculum, transform, soft skills, South Africa

Paper type: Research paper

7: CORPORATE ETHICAL IDENTITY AND SOCIAL MEDIA SIGNALING
THE CASE OF CONTROVERSIAL INDUSTRIES
SHORT PAPER

Erika Branca*, Silvio Bianchi Martini*, Federica Doni & Antonio Corvino*****

***University of Pisa**

****University of Mllano-Bicocca**

*****University of Foggia**

Purpose: Building on signaling theory, this paper asks whether and how ethic-related social media communication could represent a signaling instrument able to stimulate the formation of trust between stakeholder and firm and if this relationship is stronger in controversial industries.

Research design: We created our data sample from the Datastream, Refinitiv Database, which is the largest company database specializing in the analysis of financial and non-financial data. The final sample is composed of 499 companies belonging to 27 European countries. 248 firms are operating in the industries described by previous literature as controversial, which are: Oil & Gas, Metals & Mining, Transportation, Textile and Fashion, Food & Tobacco, Pharmaceuticals, Banking and Investment & Investment Services.

Findings: This new set of ethical needs may be not easily meet by firms, leading to lower firms' financial performance given that firms will be perceived as unable to meet stakeholders' demand. In this light, is not clear wherever and how is beneficial for firms to not only disclose but also to create debate around practices in industries that are conventionally seen as unethical by default.

Originality: This paper can extend the knowledge on the topic analyzed by addressing the lack of studies on this specific context.

Article classification: Research paper

Keywords: ethical, identity, signaling theory, controversial industries

8: Are Integrated Reporting supporting circular economy activities? The Role of Institutional Pressures: An exploratory study with content analysis

Sarfraz Nasir & Federica Doni

University of Milano-Bicocca

The study purpose is exploring circular economy (CE) activities in relation to integrated reporting practices. Specifically, there is investigation into how and to what extent integrated reporting supports CE 6Rs related practices? Additionally, how and the degree to which institutional pressure (coercive, normative, and mimetic) impacts on integrated reporting and CE 6Rs practices are probed? The research design entailed searching for CE 6Rs-related concepts in 84 integrated reports through content analysis based on the use of the NVivo software. Additionally, SPSS software was used for testing the hypotheses. The study elicited that in every report minimum one-time cited CE-6Rs term. Also, it emerged that coercive, normative and mimetic isomorphism mechanism has a strong impact on CE activities into integrated reporting practices. It is concluded that a combined framework of CE and IR is required, with the aim of value creation and participation in the sustainable development agenda. The research has certain limitations, in particular, most of the integrated reports drawn upon are from 2016 to 2017. Hence, further research should be pursued by undertaking expert surveys, interviews and case studies that would supplement the findings of this exploratory study and determine whether CE activities are being incorporated into integrated reporting approaches. It is beneficial for the policymaker and first movers to develop circular economy-related activity by organisations that are disclosed in their reporting practices. For, this will provide well-defined financial and non-financial information to all stakeholders for making investment decisions. The previous studies have only considered the 3R principles of reduce, reuse and recycle along with the economic and environmental effects. This research involves considering the social, environmental and economic concepts of CE 6Rs in unison, thereby supporting a more comprehensive sustainable development agenda.

Keywords: Circular economy, integrated reporting, sustainable development, sustainability, institutional theory

9: Exploring Accounting Academics' Perspectives on Sustainability: A Freirean Critical Pedagogic Perspective

Dr Olga Cam* & Professor Joan Ballantine**

*University of Sheffield

**Ulster University

Sustainability is a philosophy that is supported by large-scale societal movements. Accounting as a communicative practice, central to organisational decision-making, has the potential to support sustainability agenda. Still in its emerging state, sustainability demands a dialogical learning approach facilitated by educators with a fully awakened critical consciousness and thus can be the force for change. However, the ability of educators to drive the sustainability agenda in accounting education is often taken for granted, which limits opportunities for engagement in critical reflexivity necessary for the critical consciousness awakening. To enable such an engagement requires building the initial knowledge base for learning to understand the view of others (i.e. dealing with relational issues). This study aims to explore educators' views on the relation of sustainability to accounting (and accounting education). The interview data demonstrate that accounting educators' perspectives vary along a continuum: from the dismissal of sustainability to see it as a foundation philosophy for accounting and accounting education. We map these views along the epochal change continuum to show that change occurs. At large, sustainability remains of a secondary value to the currently adopted use of accounting techniques as a tool for reporting financial profitability. The contribution of our study is twofold. Firstly, it explains the evident disengagement with dialogical approaches in accounting teaching. Many educators are confined to a dominant narrow view on the matter and may not yet have an awakened critical consciousness. Secondly, our findings facilitate an opportunity to deal with relational issues for those wishing to engage in self-reflexivity to become critically awakening educational professionals. It enables educators to see the existence of realities alternative to theirs.

Key words: self-reflexivity, accounting education, critical, dialogical, sustainability

10: 'As bad as bad can be': Accounting for species extinction in the North Pacific**Dr Karen McBride*, Dr Roza Sagitova* & Dr Olga Cam*******University of Portsmouth******University of Sheffield**

Purpose – This paper explores the reporting of the Russian American Company (RAC), from 1840 to 1862. Trading in fur, company's fears of animal extinctions viewed from a monetary perspective led to early extinction reporting practice. These were not altruistic reports, they were generated by a wish to exploit natural resources. Despite the motivations, these reports present an example of successful extinction management by a for-profit company and a workable example of emancipatory extinction accounting. Design/methodology/approach – Using thematic analysis, this study demonstrates how extinction accounting can become emancipatory by exploring this historical business case of extinction management through the lens of Atkins and Maroun's (2018) extinction framework.

Findings – The application of the framework on the RAC's set of reports indicates that this offers a viable proposal to development of extinction management and a reporting tool for a for-profit company.

Originality – Exploring RAC's reports focusing on their extinction management, the paper contributes to the contemporary debate on the development of the extinction reporting framework. These historical examples of extinction accounting, show extinction management and reporting is not a unique contemporary development in accounting. The research uses historical data as the empirical foundation for exploring applicability and further development of this extinction framework.

Keywords: extinction management, extinction reporting, Russian American Company accounts, fur trade, integrated reporting.

11: Organisational culture and consequence management during the COVID-19 pandemic: Lessons from two Gauteng government departments

Beatah Sibanda & Prof Surika Van Rooyen

North-West Univeristy

Purpose: The COVID-19 pandemic accelerated the number of financial transgressions in government departments. The objective of this study was to determine the status of consequence management in Gauteng government departments, using lessons from the COVID-19 pandemic. To achieve this, the study draws evidence from two government departments by reviewing the state of consequence management and the organisational culture towards corrective action.

Design/Methodology/Approach: The study followed a qualitative research approach using previous literature studies, reports of the Auditor General South Africa (AGSA), annual reports of the concerned government departments and other legislation applicable to the governing of government departments. The two government departments used as examples are the department of health and the department of employment and labour.

Research limitations: An empirical study was not conducted. This potentially limits fresh ideas from role players. That the study focused on two departments implies that the findings cannot be generalised.

Practical implications: The significance of the study consists in the increased transgressions by officials charged with governance South Africa. Consequence management is critical in curing the maladministration of funds in government departments. The study provides insight on how organisational culture can contribute to the ineffectiveness of policies governing departments, specifically consequence management. Lessons from this study could be used by those charged with governance to enforce organisational cultures that prioritise compliance to legislation.

Originality/Value: Accountability is at the core of an enduring intellectual debate that has for many years occupied financial accountability scholarship. This study brings a fresh perspective to accountability by highlighting the role of organisational culture in enforcing consequence management. Lessons from the Covid-19 pandemic could be used to by accounting authorities to prevent the recurring of transgressions in government departments. The study provides preliminary evidence that the extent to which consequence management is applied is determined by the culture of the organisations.

Keywords: Consequence management, organisational culture, material irregularity, PFMA, AGSA.

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**12: An Artistic 'Account' of Jesus or an Account of the Resurrection?
Exploring Accounts of and Accounting for the Shroud of Turin**

Jill Atkins*, Warren Maroun & Federica Doni*****

***Cardiff University**

****University of the Witwatersrand**

*****University of Milano-Bicocca**

One of the most famous images in the world is the Turin Shroud. The Shroud is also one of the most contested. We approach the Shroud from social constructionist viewpoint which recognises art, poetry, music and other forms of literary and creative endeavours, as forms of account. We draw concurrently on accounting's transformative potential and the ability of the 'accounting craft' to record and construct alternate representations of reality to develop a model which accounts for the Shroud. The research makes an important contribution to the literature by expanding on an important, but relatively small, body of normative accounting research dealing with how the act of providing an account can be expanded to incorporate cultural, environmental and social constructions of value. Interest in different types of environmental, social and governance (ESG) reporting has grown over the last two decades but the emphasis is on how companies account for and disclose non-financial indicators as part of a sustainability or integrated reporting agenda. Relatively little is known about accounting when it is applied more broadly instead of being bounded by the legal and economic construct of the 'reporting entity'.

Keywords: image, religion, accountability, accounting model, integrated reporting, multi-capital framework

13: The impact of the Sustainable Finance Disclosure Regulation on the promotion of ESG investment across the EU. A preliminary analysis of the Italian asset management companies SFDR disclosures

Isabella Alloisio*, Federica Doni & Giovanni Di Grezia*****

***European University Institute**

****University of Milano-Bicocca**

*****Mongolia International University**

The Sustainable Finance Disclosure Regulation (EU Regulation 2019/2088) (hereafter SFDR) was adopted in November 2019, and entered into force in March 2021, as one of the main pillars of the EU Action Plan on Sustainable Finance, with the overarching aims to promote sustainable investment and to foster transparency and long-termism in financial and economic activity across the EU. However, the complexity of the regulation and the many interlinkage/interdependencies with other financial sector regulations (i.e., EU Taxonomy, MiFID II) bring several questions over its compliance and its effectiveness to promote sustainable investment in Europe.

Keywords: ESG, SFDR, sustainable finance, sustainable investments, taxonomy, disclosure

JEL classifications: G20, G23, G24, M10, M14, M16

14: COVID-19 remote work and audit evidence gathering in South Africa: Evidence from Big 4 & Non-Big 4 audit firms

Tadiwanashe Mugabe, Jane Ndlovu & Wayne Van Zijl

University of the Witwatersrand

Purpose: A cause for concern has been the outbreak of the Coronavirus (COVID-19) pandemic impacting audit fees, risk assessments, as well as auditors' ability to conduct audits. Some auditors were unable to collect evidence in the same manner as with conventional face-to-face audits on client premises as they had to work from home to comply with social distancing guidelines. In this study, we examine the impact of remote work on audit evidence gathering.

Design and methodology: A quantitative analysis of 61 responses to an electronic questionnaire sent via LinkedIn to junior auditors at Big 4 and non-Big 4 firms was conducted.

Findings: Most of the results are consistent between the two firm types with a few exceptions. According to the respondents, the training provided by their respective audit firms on how to conduct remote audits was highly valued as they found it effective. Most respondents, regardless of the firm type, indicated that they performed adequate procedures in collecting sufficient and appropriate audit evidence in remote working conditions. Most respondents from non-Big 4 firms found it exceedingly difficult to gather audit evidence, but their counterparts from Big 4 firms found it less difficult. A considerable number of respondents indicated that the evidence was not provided on time and most of the respondents from non-Big 4 firms said that the audit evidence gathered electronically was less credible and authentic. The training provided and the ease of gathering audit evidence correlated positively. The study could, however, not establish a correlation between the timeliness of information gathered electronically and its credibility.

Originality: This is the first study to gather empirical evidence on the experience of South African auditors on gathering evidence electronically during remote work conditions.

Keywords: audit engagements, audit evidence, COVID-19, remote working, South Africa

15: Determinants of Accounting Students' Performance:**The Role of Self-Regulation****Andres Merino****University of the Witwatersrand****(Presentation only)**

Structural equation modelling was used to assess the impact of motivational, emotional, behavioural and cognitive regulation on the academic performance of students. A total of 1,761 students studying accountancy at Wits University in the 2019 academic year completed questionnaires measuring the following constructs: mindset, autonomy, guilt, shame, self-control and grit. The relationship between these constructs and student performance is captured through a Conceptual Framework that also incorporates academic behaviours and a range of Habits of Mind, or thinking dispositions. Grit was found to have a significant direct impact on the academic performance of students. Mindset and self-control had significant indirect positive impacts on student performance and shame had a significant indirect negative impact. Autonomy was found not to play a significant role in the performance of students and guilt had both positive (indirect), and negative (direct) impacts, but only for Financial Accounting. The study also identifies a range of academic behaviours associated with good academic performance and highlights the need to design effective interventions to help students internalise and develop an “accounting mindset”, that is, to embrace the role of being a prospective accountant and not just an accounting student.

Keywords: self-regulation, mindset, autonomy, grit, self-control, shame, grit, accounting education

16: Does combined assurance contribute to higher quality integrated reports by South African listed companies?**Mathew Abraham; Warren Maroun & Lindani Myeza****University of the Witwatersrand**

Purpose - The study aims to examine whether combined assurance contributes to higher quality integrated reports by South African listed companies. The study seeks to evaluate the role combined assurance plays in enhancing integrated reports in South Africa.

Design/methodology/approach – The study uses a qualitative approach using content analysis with the data analysed using quantitative methods. Detailed content analysis is performed on integrated reports of 30 JSE listed in the top 100 companies in the JSE. The data is then analysed using a regression model and different test statistic performed to determine association between combined assurance and integrated reporting.

Findings - The results of the study indicate that combined assurance by JSE listed companies is associated with higher quality integrated reporting. The study highlights the importance of the type of procedures performed and source of assurance whether external or internal as these factors are found to be significantly associate with high quality integrated reports. The level of assurance and the responsibility and compliance statement are negatively associated with high integrated report therefore not considered important.

Originality/value –The study contributes to the emerging body of research which seeks to answer calls for additional research that evaluates drivers of integrated reporting quality. This study provides insights on the role combined assurance can play in improving integrated reporting quality.

Key words – Combined assurance; Integrated reporting; Sustainability reporting; Stakeholders

17: An assessment of accounting policy choices elected for the valuation of investment property: trends evident in the empirical analysis of JSE-listed companies**Dusan Ecim & Warren Maroun****University of the Witwatersrand**

Accounting policy choices can significantly change the manner in which the financial statements are presented to users. Currently, a neoliberal agenda is proliferating the accounting standards as different elements of fair value are gaining prominence, resulting in accounting policies being selected that favour a fair value approach. The purpose of this paper is to investigate the investment property accounting policy choices (as per International Accounting Standard 40: *Investment Property* (IAS 40)) elected by a sample of South African listed companies. Using a simple correspondence analysis, the IAS 40 accounting policy choice is compared to the accounting policy choice for property, plant and equipment as well as the materiality of the investment property balance. The primary aim is to establish the dominant accounting policy choice, whether this choice is in line with the ideological theory and business model of the company and which model best reflects the economic phenomena. The findings shows that the fair value model per IAS 40 is most prevalent regardless of whether or not it is in line with the company's business model, indicating that there may be ideological discords in the accounting for investment property. A policy of transferring gains/losses from the fair value model within equity to retained earnings to ring fence the gains/losses and avoid distributions to shareholders through dividends from retained earnings has also been identified. This iterates potential discords in applying neoliberal versus accountability/stewardship principles to accounting records. Accounting policies not in line with the business model may have been chosen simply due to their prevalence in the industry or a conscious choice by management to present information in a specific manner. This exploratory study identifies future avenues of research into management policy elections impacting the decision-usefulness of information presented to users of the financial statements.

Key Words

Investment Property, Neoliberalism, Stewardship, Fair Value

**18: VAT on e-commerce transactions: A comparative analysis between
South Africa, OECD guidelines, New Zealand, and Australia**

Alexandra Loffstadt, Jane Ndlovu & Misha Padia

University of the Witwatersrand

Purpose: To protect governments from erosion of tax bases, many studies have been conducted on e-commerce's taxability and possible solutions. Business is changing rapidly and companies are using e-commerce to trade with each other. In South Africa, electronic commerce transactions have increased rapidly due to the COVID-19 pandemic and government restrictions. Digital goods and services are exchanged using the internet and various software without physical presence in the state where they are provided. As a result, traditional tax rules cannot effectively address the issue of digitalised business models. Globally and in South Africa, enforcing relevant tax legislation to cope with digitalisation remains a challenge. Consequently, the focus of this study is to critically analyze the challenges brought about by digitalisation to South African tax and recommend modifications to the value-added tax rules to address taxation of digital transactions.

Design and methodology: Through a qualitative literature review and comparative synthesis, this study employs a comparative legal approach. South African legislation concerning VAT levied on electronic commerce transactions is compared with the relevant OECD guidelines, as well as New Zealand and Australian Goods and Services Tax legislation. The objective is to highlight possible amendments to the South African VAT Act.

Findings: While the South African VAT Act aligns with OECD recommendations and international standards on bad debts and intermediaries, there are some differences in other areas. To promote the destination principle and align with international trade counterparts, the study recommends that SARS distinguish between B2B and B2C supplies. Additionally, there should be a provision concerning the place of consumption for bundled goods that will work together with section 10(22) of the VAT Act, as well as possibly shifting the responsibility for compliance with VAT by foreign suppliers to intermediaries dealing with low-value imports.

Originality: This study contributes to the harmonisation of South African tax legislation with international best practices in the context of novel technological business models such as e-commerce trade.

Keywords: Business to business (B2B); Business to Consumer (B2C); E-commerce; Goods and Services Tax; OECD; Value-Added Tax

19: Integrated Thinking – Application Framework & Assessment of Illovo Sugar Africa’s Maturity

Jason Daniel Baker

External corporate

This report seeks to put forward the core features of integrated thinking by creating a conceptual application model for the business sector within the broader the understanding of the economy.

If non-systemic thinking & acting (de Freitas Netto et al., 2020) fuelled by the insatiable demand of growing consumerism (CISL, 2021) is the primary cause of global instability & inequality (Raworth, 2017), then creating an integrated thinking adoption framework only in the context of the business sector would be unwise and potentially perpetuate the confusion that exists in adopting sustainability frameworks (Greenstone, 2021). This report therefore seeks to put forward an integrated thinking application framework that considers the business sector’s role in relation to the greater economy and the holistic transformative change needed (Nelson, 2017) for a more sustainable world.

The application framework put forward in this report is therefore rather a subset of a larger application framework in which the entire economy adopts a multi-capital approach and applies it for more virtuous outcomes. The application framework, measured on a maturity curve, is then applied to the operations of Illovo Sugar Africa with cases of best practice presented to demonstrate maturity aspirations.

At present Illovo’s maturity to fully integrating a multi-capital approach is long way off with a score of 1.25 from a maturity level of 4 for full integrated thinking.

With the buy-out and accompanying delisting of Illovo from the JSE in 2016 (Odendaal, 2016), the Illovo Sugar Africa Group became a subsidiary of ABF (Associated British Foods) and was no longer required to produce its own integrated report but rather supply data and information to ABF as part of a much larger consolidated reporting process (ABF, 2020). While the consolidation has by no means diminished Illovo’s intent to manage its business sustainably, it has removed the need to have internal capacity and capability to continue the journey of integrated reporting (ISA, 2020). This internal shift, coincided with a global push in sustainability and reporting (Laszlo & Zhexembayeva, 2017), has resulted in Illovo becoming IR “unfit”.

With significant research showing that businesses that produce high quality integrated reports perform better than their peers (EY, 2021) and that integrated thinking & reporting are self-perpetuating (McNally & Maroun, 2018), Illovo has a lot to gain by shifting to an integrated thinking approach that adopts multi-capital management as a way forward (VRF, 2021).

This report provides a detailed assessment of Illovo Sugar’s maturity score and provides recommendations to be implemented as a starting point for maturation.

[Refer to full conference paper proceedings for the relevant reference list]

20: Value relevance of financial and sustainability information for investment decisions: A South African Study

Rahul Rajcoomar, Lindani Myeza, Thomas Gutmayer & Warren Maroun

University of the Witwatersrand

ABSTRACT

Aim: This study aims to explore which type of information between financial and sustainability information presented in integrated and sustainability reports has the highest value relevance for decision-making purposes by South African investors.

Setting: South Africa is considered as one of the pioneers of sustainability reporting. The study was performed while there is growing debates on sustainability reporting.

Methodology: This study uses prior literature on value relevance of financial and sustainability information to establish a list of financial and sustainability indicators that investors deem relevant for investment decision-making. A survey was constructed and sent to financial analysts, investment bankers, financial consultants, and business executives, who shared their perspectives on how relevant each financial and sustainability indicator is in their decision-making process.

Findings: The findings indicate that investors favour financial indicators more than those dealing with sustainability-related matters in investment analysis and appraisal process. In particular, the most extensively used financial indicators are asset-based measures, liquidity ratios and earnings per share figures. The most important sustainability indicators are the unintended economic and environmental consequences of a firm's operations and product awareness among stakeholders.

Conclusion: South African investors continue to rely on financial information for investment decision making despite the growing emphasis being placed on sustainability information.

Keywords: financial information, non-financial information, investment decisions, value relevance, financial reporting, sustainability reporting

21: Determinants of sustainable assurance: Evidence from the South African mining industry

Wayne van Zijl, Warren Maroun, Dannielle Cerbone

University of the Witwatersrand, School of Accountancy

Abstract

In response to the increasing emphasis on sustainability reporting, this paper contributes to the sustainable development literature by exploring possible drivers of the decision to have environmental, social and governance disclosures and systems subject to external assurance. Data are collected from the South African mining sector which has an established record of assuring corporate reports and self-selection bias is mitigated. The results show that, in established assurance markets, the primary consideration is the cost of marginal assurance. This is most likely because the benefits from reducing information asymmetry and managing stakeholder expectations over report credibility have already been realised.

Key words: assurance, integrated reporting, South Africa, sustainability

22: A discursive analysis of audit firm executives in South Africa managing a severe legitimacy crisis

Michael Harber* & Warren Maroun**

*University of Notre Dame Australia

**University of the Witwatersrand

Abstract:

Purpose – Using an institutional logics framework which employs a legitimacy ‘as process’ conceptualization of auditor rhetoric, based on social constructivism theory, this paper examines the discourse of a Big Four audit firm (KPMG) whose leadership has been actively engaged in responding to a severe legitimacy crisis. In so doing we respond to calls for more research into auditor legitimation at an ‘agentic’ level, where ‘purposive actors’ engage in ongoing discourse to maintain or, in this case, restore, and propagate legitimacy. The KPMG saga in South Africa presents a unique opportunity to understand how audit firms, experiencing an existential threat to their social contract, defend themselves and rebuild public trust.

Proposed method – We intend to perform an interpretive discursive analysis of publications and messaging during an extended period from 2015 to date. A modified version of Van Leeuwen's (2007) typology of discursive forms of legitimation, integrated with Oliver's (1991) understanding of strategies of institutional resistance, will provide the analytical frame to examine the discourse.

Anticipated findings – We expect numerous forms of legitimation by rationalisation and moralisation, according to Van Leeuwen's (2007) typology, as KPMG engages with the regulator, the legislator and the investing public to rebuild trust. We also expect KPMG to exhibit strategies to resist (1) having its license revoked, and if not revoked, (2) onerous regulations and fines imposed. According to Oliver's (1991) strategies of resistance, the legitimacy-deficient context and resolve of actors to hold KPMG accountable, will likely mean that KPMG cannot mount an ‘active’ resistance against these pressures. We intend to interpret the ‘passive’ resistance strategy adopted by the firm’s new leadership.

Implications – Auditors are supposed to safeguard financial reporting quality and help facilitate the smooth functioning of capital markets. The audit profession has become highly influential in recent decades, with the global strength of the Big Four sometimes accused of manipulating regulatory processes to achieve preferred policy outcomes in local settings (Cooper & Robson, 2006; Malsch & Gendron, 2011; Sikka & Willmott, 1995). Understanding of auditor legitimation techniques can enhance the ability for society to foster democratic control of the audit profession and implement regulation which restores balance between professional ideals and economic interests (Canning & O’Dwyer, 2013; Cooper & Robson, 2006; Dellaportas & Davenport, 2008; Sikka & Willmott, 1995).