

Syllabus Outline: Principles of Corporate Governance

NQF Level 6

Prescribed Textbook: Corporate Governance*¹

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Published by Juta

King IV Report on Corporate Governance^{2*}

Other readings on remuneration – PWC report on executive remuneration (latest version)³

Disclaimer: Please note the following:

- A prescribed textbook may not necessarily cover every aspect of a syllabus. The Institute examines the syllabus and any omissions should be researched personally or be provided by your tuition provider.
- ISBN numbers may have changed since the publication of this list. Our policy is that you should always use the latest edition of the textbook.
- Many publishers are no longer publishing hard copies and have switched to e-books.
- Some modules require prescribed readings which can be downloaded for personal use from the internet or the CSSA student portal.

The overall aim of the module is to demonstrate understanding of important aspects of corporate governance

| Syllabus topics | Syllabus detailed content | Texts and readings |
|--|---|---|
| Learning Outcome 1: Demonstrate an understanding of risk management | | |
| Risk Management | <ul style="list-style-type: none"> • The risk management process • Risk reporting • IT risk | W/E Ch 9 King IV |
| Learning Outcome 2: Demonstrate an understanding of key committees of the board | | |
| Board Committees | <ul style="list-style-type: none"> • Social and ethics committee • Audit committee • Risk • Remuneration • Audit | W/E Ch 10, 11 King IV |
| Learning Outcome 3: demonstrate an understanding of remuneration of directors and executives | | |
| Remuneration of directors | <ul style="list-style-type: none"> • Structure of executive remuneration • Remuneration of non-executive directors | W/E Ch 18 King IV PWC Report on Executive remuneration (latest) |
| Learning Outcome 4: Demonstrate an understanding of company reporting and the need to communicate with stakeholders | | |
| Reporting and communication | <ul style="list-style-type: none"> • Financial reporting and communication | W/E Ch 12, 13, 14 |

¹ Also used for Introduction to Corporate Governance NQF Level 5

² Download from https://c.ymcdn.com/sites/www.iodsa.co.za/resource/resmgr/king_iv/King_IV_Report/IODSA_King_IV_Report_-_WebVe.pdf

³ Download the latest version from the PWC website. The 2017 report can be found at <https://www.pwc.co.za/en/assets/pdf/executive-directors-report-2017.pdf>. Note the report is updated annually.

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| | <ul style="list-style-type: none"> • Integrated reporting • Stakeholder relationships | King IV |
| Learning Outcome 5: Demonstrate an understanding of auditing as a key component of corporate governance | | |
| <ul style="list-style-type: none"> • Auditing | <ul style="list-style-type: none"> • External audit • Internal audit | W/E Ch 15, 16 King IV |
| Learning Outcome 6: Demonstrate an understanding of compliance as a key component of corporate governance | | |
| <ul style="list-style-type: none"> • Compliance | <ul style="list-style-type: none"> • Responsibility of compliance • Compliance for listed companies • Compliance with the Companies Act • Competition Law • Other Acts | W/E Ch 17 King IV |
| Learning Outcome 7: Demonstrate a basic understanding of governance in the public sector | | |
| Public sector governance | <ul style="list-style-type: none"> • The Public Finance Management Act (PFMA) • Audit of public entities • Municipalities • Protocol on corporate governance in the public sector | W/E Ch 19 King IV |

Practical work

Given different scenarios, the learner must be able to:

- Draft a basic risk management plan – download from student portal
- Draft the section of the integrated report on remuneration. <http://integratedreportingsa.org/preparing-an-integrated-report-a-starters-guide/>
- Review at least three integrated reports from different companies and evaluate them on a table of criteria.
- Given a case study, draft a compliance schedule. – download exercise from student portal

Online resources:

Introduction to risk management: <https://youtu.be/ijpqQUMRfd8>