JERAHUNI ACCOUNTING & ADVISORY CONSULTANCY (JAAC)
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THE BUSINESS DIGEST | ***October 2026 Edition*** | *Monthly Executive Briefing*



Paddington Jerahuni
Founder & Author

■ Welcome from the Founder's Desk

Managing a growing business or NGO in South Africa means navigating an increasingly complex regulatory landscape. This month, revenue enforcement, strict corporate registry deadlines, and tightening data security frameworks take center stage.

At **JAAC**, we believe that compliance isn't just an administrative chore—it is a vital asset for financial clarity, operational scaling, and building long-term investor trust. Let’s look at the key developments you need to know to protect your bottom line this October.

■■ SARS Update: Enforcement, Modernisation & Key Deadlines

The South African Revenue Service (SARS) is heavily prioritizing revenue collection through data matching and strict automated auditing. Small businesses must keep their tax affairs meticulously aligned.

- **Interim EMP501 Reconciliation Deadline:** The submission window for the bi-annual Employer Interim Filing Season closes on **31 October 2026**. It is vital to reconcile your employee payroll data accurately via eFiling or e@syFile to avoid strict administrative penalties.
- **VAT Modernisation Overhaul:** SARS has moved into the final review phase for its digital VAT transformation consultation paper, closing stakeholder submissions on **16 October 2026**. SMEs should prepare for real-time transactional reporting and tighter digital invoice matching in the near future.
- **Expanded Turnover Tax & VAT Limits Reminder:** Ensure your business is leveraging the expanded thresholds implemented earlier this year. The compulsory VAT and Turnover Tax registration thresholds now sit at **R2.3 million**, creating an excellent 'regulatory bypass' for smaller entities looking to reduce their administrative load.

■ CIPC Registry: The Annual Return 'Hard Stop'

If you manage a registered private company, close corporation, or non-profit company (NPC) in South Africa, keeping your CIPC profile updated is no longer a separate task from your regular reporting.

- **The Beneficial Ownership Lock:** The Companies and Intellectual Property Commission (CIPC) has fully enforced its system functionality that prevents companies from filing their Annual Returns until their **Beneficial Ownership (BO) registry** is updated completely.
- **The Calendar-Year Trap:** Be aware that the CIPC interprets BO filings as a dynamic requirement linked strictly to the *calendar year*. Even if you filed your BO register late last year, the system requires a fresh declaration reflecting the **2026 calendar year** before it will let you submit your upcoming Annual Return. Don't let your company slip into 'Non-Compliant' status, which risks sudden bank account freezes or eventual deregistration.

■■ SME Risk Spotlight: POPIA Enforcement Intensifies

The Information Regulator has officially shifted from warning business owners to **proactive enforcement and data auditing**.

- Reported data compromises in South Africa have dramatically escalated this year, driven heavily by cyber-attacks on third-party suppliers.
- Larger corporate entities are now pushing data protection accountability directly down onto the SMEs in their supply chain. Ensuring your cloud storage, customer databases, and privacy frameworks are fully secure is no longer optional—it is a critical requirement to remain a trusted corporate vendor.

■ International Financial Reporting (IFRS) Insights

Looking ahead to your year-end financial statement preparation, there are major changes on the global horizon designed to redefine how financial health is communicated across industries.

- **Current Standards (Effective 1 January 2026):** Amendments to **IFRS 9 and IFRS 7** are officially active, introducing new guidelines for the classification of financial instruments with ESG-linked features and specifying rules for handling electronic transaction settlement delays.
- **The IFRS 18 Breakthrough (Effective 1 January 2027): IFRS 18** will officially replace *IAS 1 (Presentation of Financial Statements)*. It fundamentally changes the structure of the Income Statement by introducing three distinct categories (Operating, Investing, and Financing) along with mandatory subtotals.
- **Operational Action Plan:** Although it becomes mandatory in 2027, companies will be required to provide **2026 comparative figures**. Finance teams must start reviewing their charts of accounts now to ensure their data architecture is fully ready for this structural shift.

■ Achieving Financial Clarity with JAAC

Running a business shouldn't mean getting buried in regulatory red tape or struggling with cash flow ambiguity.
As certified Sage cloud accounting advisors, the team at JAAC specializes in designing connected, automated financial systems that keep you perfectly compliant with SARS and CIPC, while providing you with clean, real-time analytics to fuel your growth.

• Need to audit your CIPC compliance status?
• Want to ensure your payroll is ready for the 31 October EMP501 deadline?
• Ready to move your records to a secure, compliant cloud architecture?

Schedule a Financial Clarity Consultation with JAAC Today
Official Digital Node: www.jaac.co.za

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