

## MEDIA RELEASE

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### A consolidated 61% pass rate for SAICA's 2022 ITC exams

**Johannesburg, Friday 26 August 2022 – With the release of results\* for the second sitting of the 2022 Initial Test of Competence (ITC), the South African Institute of Chartered Accountants (SAICA) congratulates the 414 candidates who passed. These candidates join the 1 739 candidates who passed the January sitting to bring the total number of successful candidates for the 2022 ITC to 2 153. Thus bringing the consolidated pass rate for 2022 to 61%.**

To pass the ITC, candidates must achieve an overall pass mark of 50% and must obtain a sub-minimum of at least 40% in three of the four professional papers. Of the 1 666 candidates who sat for the second sitting of this year's ITC, 414 (25%) achieved this goal bringing the consolidated pass rate for the year to 61%.

As SAICA's ITC is offered twice a year, the majority of candidates who write in June are repeat candidates. The table below represents the racial demographics of the June 2022 examination:

Demographics	Fail	Pass	Total	%Pass
African	875	214	1 089	20%
Coloured	67	27	94	29%
Indian	177	65	242	27%
White	130	107	237	45%
Demographic not disclosed	3	1	4	25%
<b>Grand Total</b>	<b>1 252</b>	<b>414</b>	<b>1 666</b>	<b>25%</b>

\* Detailed statistics can be found on the SAICA website: [www.saica.org.za](http://www.saica.org.za)

“It is well publicised that the chartered accountancy profession aims to create a constant flow of suitably qualified accounting professionals who represent the racial and gender composition of the country. The 214 African and 27 Coloured candidates who passed in June join the 609 African and 95 Coloured candidates who passed in the January sitting, giving us a total of 823 African and 122 Coloured candidates who passed this year's ITC,” Freeman Nomvalo, the CEO of SAICA, comments.

A detailed analysis of the results reveals amongst others the following areas of focus for the profession – particularly as they pertain to the profession's transformation objectives:

### 1. *The lingering effects of COVID-19 on education outcomes*

The past two years have been a turbulent time for higher education as the COVID-19 pandemic shifted teaching methodologies to a hybrid model. Global trends confirm the prolonged negative impact that the closure of learning institutions as well as remote/hybrid learning have had on student pass rates. On a local front, the biggest impact has been felt by learners and students from economically disadvantaged groups.

### 2. *Distance education providers must continue to be a focus point*

SAICA's analysis of the examination population also reveals that a large percentage of African candidates complete their studies via accredited distance academic providers and these providers have a significant contribution to make in order for the profession to achieve its transformation objectives. As such, it is necessary for these institutions to continuously reflect on the efficacy of their programmes and strengthen them accordingly if they are to improve their throughput pass rates.

"Given this year's results as well as the historic performance of distance providers, it remains evident that further work needs to be done to assist students studying at these institutions as well as to provide additional support to candidates from these institutions who are repeating the ITC. SAICA continues to engage with the affected universities to help them improve their successes," assures Nomvalo.

The table below represents the ITC results by type of academic provider:

	Number of SAICA accredited academic providers	Total number of candidates	All candidates pass rate	First time candidates pass rate**	Repeat candidates pass rate
<b>Overall Results</b>					
SAICA Accredited Academic Providers – Residential (including CIMA candidates)	16	483	40%	55%	39%
SAICA Accredited Academic Providers – Distance	3	1 183	19%	79%	17%

\* Detailed statistics can be found on the SAICA website: [www.saica.org.za](http://www.saica.org.za)

\*\* This being the second ITC sitting for 2022, the first time candidate population is 44 candidates

### 3. *The effect of pipeline challenges in the education system*

SAICA also expressed its ongoing concerns about the low volumes of learners who take pure maths as a subject in matric and pass it well. According to 2021 NSC matric results, less than 30% of all matric students took pure maths with only half of them passing their exam. Of those who took maths and passed, only 13% passed with 60% or more, the required minimum to enter a CA-stream Bachelor of Commerce degree.

"As a scarce-skills profession, we are competing for our slice of an ever-shrinking cake," explains Nomvalo. "While the percentage intake of aspiring CAs(SA) at a university level has remained fairly

stable over the past few years, the fact remains that fewer learners are coming into the system as a direct result of issues within the education pipeline.”

### **SAICA urges partners to reflect on the roles they play in the profession**

“It is up to all stakeholders with a vested interest in the outputs of the CA(SA) qualification process to work together to close the gap in the pass rates of the different demographic groups if we are to ensure that the challenges highlighted above do not derail the gains the profession has made in its ambitious transformation efforts,” says Nomvalo.

“In the broader context, it is important for institutions to review the overall numbers of the candidates they produce in order to get an optimal balance between the numbers of candidates in the pipeline and their institution’s qualification pass rate.”

“SAICA continuously engages with all accredited education providers through its accreditation and ongoing monitoring processes. SAICA has also commissioned Independent Research, due to be completed this year, to further unpack the issues within the education landscape (from school level right through to the end of the CA(SA) qualification journey). This research aims to find impactful solutions that SAICA, together with its key stakeholders, can implement to support as many aspiring CAs(SA) as possible in order to meet the continued demands of the public and private sector,” Nomvalo adds.

### **Congratulations to the June 2022 candidates**

“I would like to acknowledge all those candidates who wrote the ITC and extend a special note of congratulations to those who passed this second sitting – particularly as many have had to overcome significant challenges to do so. I trust that these candidates will hold themselves to the same high standards of excellence as they progress towards their final qualifying exam, the Assessment of Professional Competence. To those who were unsuccessful in this sitting, I encourage you to continue to work hard and not to give up. As prospective CAs(SA) you have several opportunities to pass this exam and there are support programmes available to assist you,” concludes Nomvalo.

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#### **Notes to Editor**

## **About SAICA**

SAICA, South Africa's pre-eminent accountancy body, is widely recognised as one of the world's leading accounting institutes. The Institute provides a wide range of support services to more than 46 000 members and associates who are chartered accountants [CAs(SA)], as well as associate general accountants [AGAs(SA)] and accounting technicians [ATs(SA)], who hold positions as CEOs, MDs, board directors, business owners, chief financial officers, auditors and leaders in every sphere of commerce and industry, and who play a significant role in the nation's highly dynamic business sector and economic development.

What is the ITC and what does it measure?

The ITC is the first of two SAICA professional Qualifying Examinations that university graduates must pass to become a CA(SA). Offered twice a year, the ITC tests the integrated application of technical competence that candidates develop during the academic programme (which consists of an accredited undergraduate programme and a postgraduate programme). The ITC assesses how well a candidate evaluates the underlying problems in each scenario and, through logical thinking, applies the theoretical knowledge they have gained at university.

To pass, candidates must obtain an overall pass mark of 50% and must get a sub-minimum of at least 40% in three of the four professional papers.

## **About SAICA's transformation initiatives:**

One of SAICA's prime goals is to contribute towards strengthening the country's economy by playing a significant and leading role in transformation and skills development. Through Thuthuka, a pioneering initiative to promote transformation in the profession, SAICA launched its transformation efforts in the Eastern Cape in 2002 and has grown this into a national project that includes various interventions across the education value chain as well as the highly successful Thuthuka Bursary Fund.

Thuthuka's objective is to transform the demographics of the profession to reflect those of the country in terms of race and gender, and provide educational support to African learners and students for the benefit of the profession, while simultaneously helping to uplift communities. Therefore, SAICA prides itself in leading the chartered accountancy profession as a socially responsible driver of business and skills development by supporting and encouraging enterprise development initiatives.