



THUTHUKA – A SUCCESSFUL MODEL FOR TRANSFORMING THE CHARTERED ACCOUNTANCY PROFESSION

The Thuthuka Education Upliftment Project, a business and transformation organisation of the South African Institute of Chartered Accountants' (SAICA) is geared towards transforming the membership demographics of the Chartered Accountancy profession to reflect the country's population demographics in terms of race and gender. 'Thuthuka' means 'to develop' in Zulu.

THUTHUKA UPLIFTMENT PROJECT

The Thuthuka project was first launched in May 2002 in the Eastern Cape and funded by the Department of Labour's National Skills Fund through the Seta for Finance, Accounting, Management Consulting and Other Financial Services (Fasset). The project was then rolled out into KwaZulu-Natal and Limpopo, followed soon thereafter by Gauteng and now has programmes in eight provinces. This has been achieved with the support of the Department of Labour's National Skills Fund, Fasset, the Department of Science and Technology and Emperors Palace, who form the base, along with numerous others, of the exciting public-private partnerships.

In 2007 the first group of 26 Thuthuka students sat for the Qualifying Examinations (QE1) towards qualifying as Chartered Accountants – CAs (SA). Nineteen passed, raising the pass rate to 73%, which beats the first-time African average by 21%. The pass rate for first-time African candidates was 52% (excluding the Thuthuka group).

In May 2007, Thuthuka celebrated the graduation of 69 students from the first two years of intake into the Thuthuka project at the University of Fort Hare.

THUTHUKA BURSARY FUND

Thuthuka Bursary Fund is aimed at increasing the entry numbers and improving the pass percentages of black students at tertiary level.

The year 2007 saw the first group of 43 Thuthuka Bursary Fund students graduating and are now at honours level. An overview of the 2007 university pass rates of Thuthuka-sponsored students

reveals that an impressive 88% got through their first year examinations, 82% passed second year.

More than 270 learners from historically disadvantaged backgrounds were awarded The Thuthuka Bursary Fund in 2008. The number of Thuthuka Bursary Fund learners to have benefited from the fund since its inception currently totals 703, versus 502 a year ago.

Thuthuka Bursary Students are placed in following universities: Nelson Mandela Metropolitan University, University of the Witwatersrand, University of Johannesburg, University of Cape Town and Stellenbosch University.

Financial publications such as *FinWeek* have supported the Thuthuka Bursary Fund through auctions at their quarterly breakfasts. The proceeds raised at these breakfasts are donated to the Thuthuka Bursary Fund.

SIGNIFICANT RESULTS

An overview of the 2007 university pass rates of Thuthuka-sponsored students reveals that an impressive 88% got through their first year examinations, 82% passed second year and 67% for 3rd years. Thuthuka Bursary Fund students' success is also illustrated through the outstanding 2007 pass rate per university with 100% from Stellenbosch, 99% from Nelson Mandela Metropolitan University (NMMU), 84% from University of Cape Town (UCT), followed by University of Johannesburg (UJ) with 78% and 64% from Wits University.

Thuthuka Bursary Fund-supported students' in participating universities achieved a 90% overall pass rate for 2005 from the 1st year student, 76% in 2006 from the 1st and 2nd year students and 79% in 2007 from 1st, 2nd and 3rd year students.

At the end of 2002, the Grade 12 Thuthuka-supported learners did remarkably well in the exams, with 64% passing mathematics and 77% passing accounting. Also, in 2002, a total of 142 first year students enrolled in the Thuthuka tertiary education programme at Fort Hare University, with 83% of these students passing at the end of 2002. In 2003, at least 75% of the first-year students who enrolled for a BCom degree made it into the second year and at least 70% of the second-year students made it to their third year of studies at the University of Fort Hare.

In 2004, an outstanding 96% of the first intake of first-year students passed at the University of Limpopo – amazingly, this was eclipsed by the second intake of first-year students who achieved a 98% pass rate.

CONTINUING GROWTH – THUTHUKA SMALL PRACTICES CTA PROJECT

In October 2007, another exciting new project, the Thuthuka Small Practices CTA Project was launched. This project is in partnership with Fasset and the Department of Labour (DoL), and will facilitate the qualification as well as the skills development of previously disadvantaged learners

who do not have the correct entry level qualifications to continue their studies towards qualifying as Chartered Accountants [CAs(SA)].

The project also responds to the skills shortage of African CAs(SA) by enabling SAICA members practicing in small and medium-sized accounting firms to attract these graduates.

THE PRIMARY OBJECTIVES

Ensure that students obtain knowledge and understanding of the academic subjects covered in the CTA post-graduate programme;
Subsequently prepare them for SAICA's Qualifying Examinations (QE);
Provide work readiness skills training; and
Offer them a four-year learnership employment contract at a small and medium-sized accounting practice.

SAICA expects the CTA programme to achieve a 60% pass rate at the CTA level. It is confident that the pass rate at QE level will be equivalent to the national average of African candidates in 2009, when these students write their QE 1.

UNWAVERING SUPPORT

By 2005, the Thuthuka secondary schools programme had exposed some 16 000 learners to Thuthuka. This programme has been swelled from the initial R62-million-grant by a further R75 million from the Department of Labour's National Skills Fund for the rollout to Limpopo and KwaZulu-Natal, a further R50 million from Emperors Palace for the five-year Thuthuka Gauteng roll-out and R28 million from the Department of Science and Technology (DST) as well as more than R20 million in support from Fasset for various other programmes. However, the national roll out of Thuthuka still requires additional funding from national and international organisations.

AIMING HIGH

Within the eight provinces, Thuthuka skills interventions have assisted and continue to assist over 1 100 BCom undergraduates from the Universities of Fort Hare and Limpopo to pursue a career in Chartered Accountancy through extra interventions in partnership with the University of Johannesburg.

More than 7 200 Grade 11 and 12 learners in schools are receiving extra tuition in mathematics, science, accounting and English, through the DST / Thuthuka Maths and Science Development Camps, and the Thuthuka Gauteng Schools project to help prepare them for entry into university programmes in financial accounting and other financial management fields.

In excess of 16 000 Educators received capacity building courses to improve their teaching skills in the area of mathematics, English, Science and accounting.

Thuthuka has proven to be a successful model for skills development, but its national rollout still requires additional funding from committed companies.

Thuthuka aims to discover the wealth of talent and skills in previously disadvantaged communities to sustain profound growth in business leadership, and assure a prospering and diverse Chartered Accountancy profession equipped for the future of South Africa's economy.