

**The South Africa Institute of Chartered Accountants**

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2196

**Independent Assurance Report of the Independent Auditor on the actual performance information used to evaluate performance over the strategic objectives**

*To the Directors of the South African Institute of Chartered Accountants*

We have undertaken our limited assurance engagement on the actual performance information used to evaluate performance over the strategic objectives (“selected key performance indicators (KPIs)”), in accordance with the South African Institute of Chartered Accountants (“SAICA”) reporting criteria, presented in the Annual Integrated Report (“The Report”) of SAICA for the year ended 31 December 2022.

**Subject matter**

We are required to provide limited assurance on the following selected KPIs published in The Report and prepared in accordance with SAICA’s reporting criteria in the table below:

Strategic Objective	KPI measures
<p><b>1. Member value:</b></p> <ul style="list-style-type: none"> <li>- Deliver member value by promoting the premiership status and enhancing the member value proposition</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- PHI Report indices target of <math>\geq 60</math> and <math>&lt; 85</math> respondents are above neutral:               <ul style="list-style-type: none"> <li>o Attractiveness Index</li> <li>o Leadership index</li> <li>o Inspirational Index</li> <li>o Brand Admiration Index</li> <li>o Member Satisfaction Index</li> </ul> </li> </ul>
<p><b>2. Member value:</b></p> <ul style="list-style-type: none"> <li>- Promote common interest and professional competence of members and associates nationally and internationally</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- PHI Report indices target of <math>\geq 60</math> and <math>&lt; 85</math> respondents are above neutral:               <ul style="list-style-type: none"> <li>o Employability Index</li> <li>o Competency Index</li> </ul> </li> </ul>

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222

Partners: MV Ninan (CEO), C Abrahamse, SJ Adlam, JM Barnard, AK Batt, T Beukes, WI Blake, HL Burger, MJ Cassan, JC Combrink, JR Comley, GJ De Beer, TVDL De Vries, G Deva, Y Dockrat, DS Dollman, S Doolabh, A Driscoll, CP Du Plessis, J Du Plessis, M Edelberg, JJ Eloff, T Erasmus, B Ferreira, Y Ferreira, MH Fisher, T Gangen, M Groenewald, J Heathcote-Hacker, K Hoosain, MY Ismail, B Jansen, J Kasan, D Keeve, CN Kelton, J Marais, N Mayat, B Mbunge, FN Miller, G Molyneux, A Moruck, R Murugan, S Naidoo, GJ Oberholster, MG Odendaal, MC Olckers, W Olivier, MV Patel, M Pieterse, E Pretorius, W Rabe, N Ravele, D Resnick, L Roeloffze, M Saayman, MA Salee, E Sibanda, MR Snow, SM Solomon, W Sterley, EM Steyn, HH Swanepoel, AL Swartz, DM Tekie, MJA Teuchert, N Thelander, S Truter, PC van der Merwe, L van Jaarsveldt, R van Molendorff, JC Van Tubbergh, N Volschenk, S Vorster, J Watkins-Baker

Our offices: Bloemfontein, Cape Town, Durban, George, Gqeberha, Johannesburg, Paarl, Plettenberg Bay, Pretoria

<p><b>3. Relevance and reputation:</b></p> <ul style="list-style-type: none"> <li>- Enhance trust, ethical conduct, and credibility of the profession in the economy and society</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- Pathways to Relevance &amp; CA 2025 project score of 3.</li> <li>- Positive media exposures target of 1350-1400.</li> <li>- SAICA Social media followers               <ul style="list-style-type: none"> <li>o Annual cumulative growth in SAICA social media reach between 5.1%-8% per annum.</li> </ul> </li> <li>- PHI Report indices target of &gt;=60 and &lt;85 respondents are above neutral:               <ul style="list-style-type: none"> <li>o Integrity Index</li> <li>o Market Trust Index</li> <li>o Social Contribution Index</li> </ul> </li> <li>- PHI Report indices target of 3:               <ul style="list-style-type: none"> <li>o Thought Leadership Index</li> <li>o Advocacy index</li> </ul> </li> <li>- Thought leadership:               <ul style="list-style-type: none"> <li>o 3 exposures or more per article.</li> </ul> </li> </ul>
<p><b>4. Growth and transformation:</b></p> <ul style="list-style-type: none"> <li>- Grow and transform the accountancy profession</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- AGA(SA) and AT(SA) numbers based on new registrations.               <ul style="list-style-type: none"> <li>o AGA(SA) targets:                   <ul style="list-style-type: none"> <li>Q1: 169-191</li> <li>Q2: 338-382</li> <li>Q3: 506-573</li> <li>Q4: 675-764</li> </ul> </li> <li>o AT(SA) targets:                   <ul style="list-style-type: none"> <li>Q1: 15-23</li> <li>Q2: 31-45</li> <li>Q3: 46-68</li> <li>Q4: 61-90</li> </ul> </li> </ul> </li> <li>- CA(SA) Conversion rate target:               <ul style="list-style-type: none"> <li>o 75% - 85% conversion from eligible member to member (CA).</li> </ul> </li> </ul>
<p><b>5. Organisation sustainability:</b></p> <ul style="list-style-type: none"> <li>- Achieve financial sustainability</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- Deficit for the year of R 6 126 000.00</li> <li>- Net cash from operations target of R 28 370 000.00</li> <li>- Reserves R 256 748 236.00</li> <li>- Diversified Revenue R 453 369 997.00</li> </ul>

<p><b>6. Organisation sustainability:</b></p> <ul style="list-style-type: none"> <li>- Digitise operational processes to work quicker and qualitatively better and accelerate strategic benefits</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- Efficient and effective implementation of digital environment as per the Ushintsho scorecard on scope, stage costs, quality and time:               <ul style="list-style-type: none"> <li>o Scope - between 91% and 95% of the original Stage 2 project scope delivered.</li> <li>o Stage costs - actual Variance &gt;5 and &lt;10% of budget.</li> <li>o Schedule - project delivery is &lt;2 weeks ahead of schedule or within schedule.</li> <li>o Quality - between 4 and 5 P1 or P2 defects released to Production environment.</li> </ul> </li> </ul>
<p><b>7. Organisation sustainability:</b></p> <ul style="list-style-type: none"> <li>- Empower human capital to enhance innovation and engage employees to create an engaged organisation</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- Employee engagement data based on organisational culture, change management, effective leadership target of &gt;=60 and &lt;85% respondents are engaged.</li> <li>- Vacancies as a percentage of staff establishment &lt;8%, where staff Vacancies are less than 8%</li> <li>- Voluntary Employee Turnover (ETO) is less than 12%</li> <li>- ERM maturity level 4</li> <li>- Outcome of the external audits:               <ul style="list-style-type: none"> <li>o Achieve unqualified audit outcome without significant and material audit findings.</li> </ul> </li> </ul>
<p><b>8. Organisation sustainability:</b></p> <ul style="list-style-type: none"> <li>- Transform the organisation</li> </ul>	<p>Specific indices used to measure this KPI:</p> <ul style="list-style-type: none"> <li>- SAICA BBBEE level 5 – 6.</li> </ul>

**Responsibilities of the Directors**

The Directors are responsible for the selection, preparation and presentation of the selected KPIs in accordance with SAICA’s reporting criteria as noted in the table above, and for ensuring that the reporting criteria in support of the selected KPIs subject to assurance is made available to the users in on pages 92 to 99 of The Integrated Report. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal controls relevant to the preparation of The Report that is free from material misstatement, whether due to fraud or error. The



Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the users of The Report.

### [Our Independence and Quality Control](#)

We have complied with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Mazars applies the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### [Responsibilities of the assurance practitioner](#)

Our responsibility is to perform our limited assurance engagement so that we are able to express our limited assurance conclusion on whether anything has come to our attention that causes us to believe that the selected KPIs are not prepared, in all material respects, in accordance with SAICA's reporting criteria. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than the Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires us to plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of SAICA's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures that will be performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, performing analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing to or reconciling with underlying records.

The procedures we performed in our limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance we obtained in our limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. We do not express a reasonable assurance opinion about whether SAICA's selected KPIs have been prepared, in all material respects, in accordance with SAICA's reporting criteria.



## Summary of work performed

Given the circumstances of the engagement, the procedures we performed included the following, but were not necessarily limited to:

- Interviewing management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspecting documentation to corroborate the statements of management and senior executives in our interviews;
- Testing the processes and systems to generate, collate, aggregate, monitor and report the selected KPIs;
- Inspecting supporting documentation;
- Performing analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluating the reasonableness and appropriateness of significant estimates and judgements made by the Directors in the preparation of the selected KPIs; and
- Evaluating whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at SAICA.

## Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected KPIs as set out in the subject matter paragraph (of this report) for the year ended 31 December 2022 are not prepared, in all material respects, in accordance with SAICA's reporting criteria.

## Other matters

The maintenance and integrity of SAICA's website is the responsibility of SAICA. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may occur after the initial date of its presentation on SAICA's website.

## Restriction of liability

Without modifying our conclusion we emphasise that our work has been undertaken to enable us to express a limited assurance conclusion on the selected KPIs to the Directors of SAICA in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Directors of SAICA, for our work, for this report, or for the conclusion that we have reached.

**Mazars**

**Partner: Bongiwe Mbunge**

**Registered Auditor**

**Date: 02 May 2023**

**Cape Town**