



ZiCA

Competence, Integrity and Virtue

Zambia Institute of Chartered Accountants

**PRESIDENT'S ANNUAL
REPORT FOR 2020**



36th Annual General Meeting
Falls Park Mall, Livingstone
9th October 2021



OUTLINE

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INTRODUCTION

HIGHLIGHTS ON THE ACTIVITIES UNDERTAKEN IN LINE WITH THE 2019-2023 STRATEGIC PLAN.

ECONOMIC PERFORMANCE

Domestic
Inflationary
Pressure

Copper prices at
all time high but
down by about
14% from
January to
December due to
Covid-19

The COVID-19
pandemic
worsened
Zambia's
macroeconomic
vulnerabilities

The Kwacha
depreciated by
30% in 2020
increasing
external debt
servicing costs

Real GDP
contracted by an
estimated 4.9% in
2020

OPERATIONAL HIGHLIGHTS

FINANCIAL

INCOME

- **2020:** ZMW 49.963
- **2019:** ZMW 48.301

EXPENDITURE

- **2020:** ZMW 43.707
- **2019:** ZMW 44.373

SURPLUS

- **2020:** ZMW 6.256
- **2019:** ZMW 3.928

OPERATIONAL HIGHLIGHTS

MEMBERSHIP

Members Retained for 2020: 5,362

Retention Rate: 78% of 6,908 in 2019

Number of Registered Members: 7,258

Group Life Assurance Plan for Members with Prudential Life Zambia

Public Practicing Members 2020: 141 for Audit and 37 for Non-Audit compared to 145 for Audit and 32 for Non-Audit in 2019

OPERATIONAL HIGHLIGHTS

PARLIAMENTARY SUBMISSIONS

2020 submissions included the following among others:

- ❖ The Role of Financial Intelligence Centre (FIC) in the fight against corruption and other Financial Crimes,
- ❖ The National Planning and Budgeting Bill of 2019,
- ❖ The Corporate Insolvency ACT No.9 of 2017,
- ❖ The 2021 estimates of revenue and expenditure,

OPERATIONAL HIGHLIGHTS

PARLIAMENTARY SUBMISSIONS CONTD...

2020 submissions included the following among others:

- ❖ The Financial Intelligence Centre (Amendment) No. 11 of 2020,
- ❖ The Companies Act (Amendment) Bill No.12 of 2020,
- ❖ The Property Transfer Tax, Value Added Tax, Income Tax, Customs and Excise Tax, Skills Development Levy and Zambia Revenue Authority Amendment Bills.

OPERATIONAL HIGHLIGHTS

CONTINUOUS PROFESSIONAL DEVELOPMENT WORKSHOPS

Tax update, IFRS, IPSAS workshops

Accountants and Practitioners Forums

Corporate Insolvency Practitioners workshop

Internal Auditors Conference

Chief Finance Officers Forum

OPERATIONAL HIGHLIGHTS

EDUCATION AND TRAINING

- 145 CA Zambia trainees admitted under the CA practical training programme with 4 being discharged,
- Introduced E-books for CA Zambia and DA,
- Introduced Examination Technique Videos,
- Introduced Short Courses i.e. Financial Modelling Valuation Analyst (FMVA),



OPERATIONAL HIGHLIGHTS

EDUCATION AND TRAINING

- Accreditation and Registration of the CA Zambia Exit Qualifications by ZAQA.
- Held the first virtual Graduation Ceremony on 11th December 2020.
- Introduced Quarterly Examinations.



OPERATIONAL HIGHLIGHTS

STRENGTHENING THE ZICA BRAND

- Awarded 3 CA Zambia programme Scholarships to 3 University graduates.
- Promoted all the ZICA qualifications through the Print, Television, Radio and social media platforms including face to face stakeholder engagements,
- Held 1 Quarterly Press Briefing on Matters of National Interest.



OPERATIONAL HIGHLIGHTS

DEVELOPMENT OF STANDARDS

- The Institute issued a guidance note to the public and the general membership on Exemptions for Small Companies from having an external audit in line with the provisions of Section 263(1) of the Companies Act No. 10 of 2017; Circular 1/5 March 2020.
- The Institute issued a guidance note on Extension of the Filing Period for Financial Statements with Financial Sector Regulators due to the COVID-19 pandemic; which brought disruptions to the operations of many organisations. This was Circular 2/27 March 2020.

OPERATIONAL HIGHLIGHTS

EMPLOYER SENSITISATION

- A total of 43 employer visitations and offsite inspections were conducted in the year under review. The trend is that most employers are not compliant.
- It must be noted that we still have a lot of accountants working without ZICA membership in the Public and Private sector.

OPERATIONAL HIGHLIGHTS



INVESTMENTS

The Institute renewed the development agreement with Time Projects Property (Zambia) Limited for the development of a multi-facility at the Accountants Park.

OPERATIONAL HIGHLIGHTS

INVESTMENTS CONT'D

- The Institute further engaged a consultant to update the market reports for the SNICC and the Multi-use facility at the Accountants Park.
- Council approved that projects should be undertaken based on the favourable market studies and subject to positive viability reports.



COLLABORATION WITH STAKEHOLDERS

STAKEHOLDER ENGAGEMENT

Some of the notable strategic partnership the Institute signed in the year under review included:

- Memorandum of Understanding with Securities and Exchange Commission (SEC)
- Institute was involved with the formation of the Business Coalition Council Emergency Taskforce (BCCET), a taskforce consisting of private sector players united to provide support to the Government and citizens on the fight against COVID-19.

COLLABORATION WITH STAKEHOLDERS

STAKEHOLDER ENGAGEMENT CONT'D

Partnership with Industry on Practical Training

- The Institute signed forty eight (48) MoUs with employers

International collaborations

- The Institute continued to be a member CAW, IFAC and PAFA

CORPORATE GOVERNANCE REPORT

- The new Council and Disciplinary Committee members were elected into office.
- The Institute followed the good tenants of Corporate Governance.
- The Council and its Committees met quarterly.
- Council continued to make policy decisions on the affairs of the Institute.
- The day-to-day running of the Institute was delegated to Management.
- Subsequent to the year end, an appraisal of the Council's performance was conducted, facilitated by an independent consultant.

ACKNOWLEDGEMENTS

The tenure of office for one (1) Council member Mr Julius Zyambo and one (1) Disciplinary Committee member Mr. Mukelebai Wambulawae comes to an end at this AGM.

I would like to thank Mr Julius Zyambo for having served on Council as Chairperson of the Taxation and Public Sector Committees during his tenure of office.

I also extend my gratitude to Mr. Mukelebai Wambulawae for having served as Disciplinary Committee member.

I wish to inform you that the Secretary and Chief Executive Mr. Bonna Kashingas' contract comes to an end on 31st October 2021. I would like to take this opportunity to thank him for his contribution to the Institute and I wish him well in his future endeavours.

CONCLUSION

Lastly, I would like to sincerely thank the former ZICA Presidents, Council members, senior members, Management and Staff, the general membership and indeed all other stakeholders for the unwavering commitment and support rendered to the Institute in the period under review.

THANK YOU