

2025

Standards and Regulatory Board Annual Report



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CHAIRPERSON'S STATEMENT

On behalf of the Standards and Regulatory Board, it is my pleasure to present to you the Board's Annual Report for 2025. The Board's activities in relation to regulation and compliance continue to be consistent with the vision of the Zambia Institute of Chartered Accountants ("ZICA or "the Institute") namely "a reputable leader in developing competent and ethical professionals". Working with the Institute, the Board ensured that Accountants were adhering to the provisions of the Accountants Act Chapter 390 of the Laws of Zambia, other Professional Standards and Codes, and relevant Laws and Regulations that hinge on the existence of the profession. Accountants are also subject to other Acts such as the Financial Intelligence Centre Act Chapter 384 of the Laws of Zambia ("FIC Act").

ZICA through the Directorate of Standards and Regulation has been working with the Financial Intelligence Centre (FIC) to ensure compliance with Anti-Money Laundering/Financing of Terrorism (AML/CFT) Regulations as stipulated under the FIC Act. The Institute has noted that some Firms did not comply with requirements of the Financial Intelligence Centre Act to appoint AML Reporting Officers. The Institute also noted that the level of reporting suspicious transactions to the Financial Intelligence Centre by firms regulated by the Institute remains very low with only two (2) suspicious transaction reports submitted to the Financial Intelligence Centre consisting of a small proportion of the ninety-two (92) reports that were submitted from the Designated Non-Financial Businesses and Professions (DNFBPs) sector under which practitioners fall. I wish to take this opportunity to urge all practitioners to ensure that they adhere to the requirements of the Financial Intelligence

Centre for the Designated Non-Financial Businesses and Professions (DNFBPs) sector.

The Institute held a virtual Practitioners Forum to build the capacity of firms that had previously obtained unsatisfactory reviews. The Forum was held on 8th May 2025 and a total of ninety two (92) practitioners attended the Forum. The Institute also held a virtual forum on the ISSA5000 Standard on Assurance for Sustainability Reports on 18th September 2025 and the forum was attended by eighty five (85) practitioners.

The Institute adopted a new Framework for conducting practice reviews and the framework was rolled out at the beginning of 2026. The framework was developed by the Pan African Federation of Accountants (PAFA). The institute also changed their review system from a cycle-based review system to a risk based approach for conducting reviews.

Let me take opportunity on behalf of the Board to commend ZICA and the profession for the continued improvement in quality of audits. This has resulted in more satisfactory outcomes recorded from the audit monitoring reviews. The Board however, noted the areas of challenge in terms of compliance with Professional Standards. One of the main challenges is for Auditors to clearly identify the risks in the Financial Statement balances and how the Auditor has responded to the identified risks. During 2025, the Institute achieved its target of carrying out 29 Practice Reviews. Out of the twenty-nine (29) monitoring reviews conducted, nineteen (19) were satisfactory while ten (10) were unsatisfactory. For 2026, the Institute targets to undertake 33 Practice Reviews. The

Adoption Readiness Working Group (ARWG) for the Sustainability Standards continued to promote the implementation of the Sustainability Standards IFRS S1 and S2. The ARWG arranged several webinars to build capacity of Members on the Sustainability Standards and also held a workshop on sustainability issues in November 2025 which was attended by one hundred and thirty-eight (138) Members.

During the year under review, the various committees that submit reports to the Board namely the Technical Committee, the Taxation Committee and the Public Sector Committee and the Practice Review Committee which is a sub-committee of the Board deliberated on several pertinent issues and had wide collaboration with different stakeholders. I want to take this opportunity to thank the Chairpersons of these Committees for their unwavering support in ensuring that the Board achieved its mandate. Let me also thank the Members of my Board who have given time to serve on this Board. Their input is invaluable and expertise across various sectors of the economy has added value to the Board deliberations.

To all Members of ZICA, I wish to thank you for your resolute stance in the year 2025. I urge you to continue providing the necessary expertise to the people you serve in order to lift the name of the profession. The call on all ZICA Members is not only to strive for high standards of conduct, but to ensure in so doing, Members are generating solutions to the challenges currently faced by the country. We are all reminded that our mandate among others is to serve public interest.

I, Thank you.



NONDE SICHILIMA
CHAIRPERSON

“ We remain committed to building a profession defined by competence, ethical conduct, and unwavering accountability to the public we serve. ”

MANDATE OF THE BOARD

The primary purpose of the Standards and Regulatory Board is to promote and maintain the integrity of the Accountancy profession by overseeing compliance with relevant Standards and Regulations governing the profession. The Board receives reports of the audit monitoring reviews from the Practice Review Committee (PRC) and makes determination on the Decisions by the PRC, with the Decisions of the Board being final. In addition, the Board approves the results of the Competence Practice Examinations (CPE) for individuals wishing to set up in public Accounting or Audit practice. The Board also handles reports on complaints from the public regarding alleged or actual professional misconduct by the Members of the Institute. Further, the Board receives quarterly reports from the Taxation Committee, Public Sector and Technical Committees for necessary action. .

COMPOSITION OF THE BOARD

The Board comprises representatives from the following institutions:

1. Securities and Exchange Commission (SEC);
2. Pensions and Insurance Authority (PIA);
3. Bank of Zambia (BOZ);
4. Competition Consumer Protection Commission (CCPC);
5. Accountant General's Office (AG);
6. Chairperson - Practice Review Committee (PRC) - Ex-officio;
7. Chairperson - Technical Committee (TEC)- Ex-officio;
8. Chairperson - Public Sector Committee (PSC) - Ex-officio;
9. Chairperson - Taxation Committee (TAC)- Ex-officio.

Membership and Attendance 2025

No.	Name	Institution	Meetings Held	Meetings Eligible to attend	Meetings Attended
1.	Mr. Nonde Sichilima <i>Chairperson</i>	SEC	3	3	3
2.	Ms. Natasha Zimba	PIA	3	2	2
3.	Ms. Naomie Pilula (<i>Replaced Ms Zimba</i>)	PIA	3	1	1
4.	Mr. Vestus Chungu	CCPC	3	3	3
5.	Ms. Lyness Mambo	BOZ	3	3	3
6.	Ms. Nsandi Manza	AG	3	3	3
7.	Mr. Andrew Sikwanda	TEC	3	2	2
8.	Mr. Nathan Mutale	TAC	3	2	2
9.	Mr. Susiku Nasinda	PSC	3	2	1
10.	Ms. Rabeca Hichilo	PRC	3	2	2

ACTIVITIES DURING THE YEAR

The Board received reports from the Practice Review, Technical, Taxation and Public Sector Committees during its three (3) sittings held in the year.

The following were the main deliberations of the Board:

Practice Review Reports considered during the Year

The Practice Review Department conducted twenty-nine (29) audit monitoring reviews. The Practice Review Committee deliberated on the twenty-nine (29) audit monitoring reports and submitted its Resolutions to the Board. The reports of the Practice Review Committee regarding the twenty-nine (29) audit monitoring review reports was considered by the Board. Of the twenty-nine (29) monitoring visits, two (2) were to large firms while twenty-seven (27) were to Small and Medium Practitioners (SMPs).

The two (2) reviews of the large firms were both Satisfactory. The twenty-seven (27) SMP reviews consisted of ten (10) Unsatisfactory and seventeen (17) Satisfactory outcomes.

Practitioners' forums

On recommendation of the Practice Review Committee, a Practitioners' Forum was held to detail the areas of deficiency that were identified during audit practice reviews in order to assist these Practitioners take remedial action. The forum was held on 8th May 2025 and a total of ninety two (92) Practitioners attended the Forum.

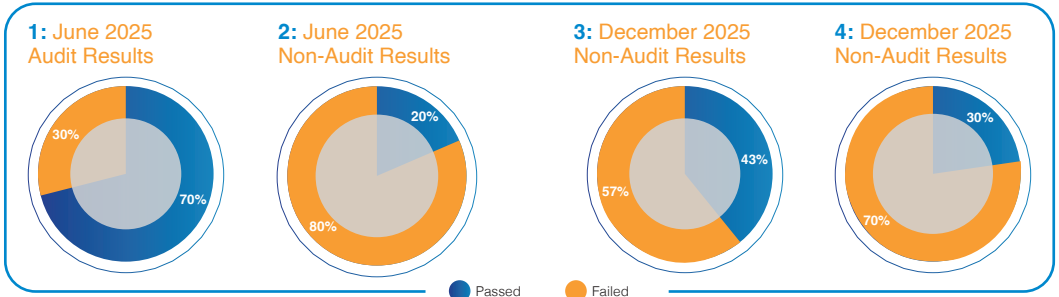
The institute also held a virtual forum on the ISSA5000 Standard on Assurance for Sustainability Reports on 18th September 2025 and the Forum was attended by eighty five (85) Practitioners.

Adoption of new practice review framework

Based on the recommendation of the Practice Review Committee, the Institute adopted a new Framework for Conducting Practice Reviews and the framework would be rolled out at the beginning of 2026. The framework was developed by the Pan African Federation of Accountants (PAFA). The Institute also changed their review system from a cycle based review system to a risk based approach for conducting audit practice reviews.

Competence Practice Examinations

During the year under review, the Board approved the results of the Competence Practice Examinations for June 2025 and December 2025 Examination Diets. A total of fifteen (15) candidates attempted the June 2025 examinations out of which ten (10) were for audit and five (5) for non-audit. While for December, a total of twenty-four (24) candidates attempted the examinations out of which fourteen (14) were for audit and ten (10) were for non-audit. The pass rate was 70% (7) for audit (see chart 1 below) and 20% (1) for non-audit (see chart 2 below) for the June 2025 exams, whereas for the December 2025 exams the pass rate was 43% (6) for audit (see chart 3 below) and 30% (3) (see chart 4 below) for non-audit for the December 2025 exams.



The number of candidates (39) that sat for the CPE exams in 2025 was above the target number for 2025 (30).

APPENDIX I: PRACTICE REVIEW COMMITTEE

The overall purpose of the Practice Review Committee is to ensure that audit work carried out by Practising Members is of high standard and is in compliance with International Standards on Auditing, International Standards on Quality Management 1 & 2 and the Code of Ethics for Professional Accountants.

The Committee comprises representatives from the following:

1. Zambia Revenue Authority (ZRA);
2. Lusaka Securities Exchange (LuSE);
3. Bank of Zambia (BoZ);
4. Energy Regulation Board (ERB);
5. One Representative from users of Financial Statements;
6. One Representative from the big audit firms;
7. One Representative from small to medium audit firms;

The Committee receives reports of the audit monitoring reviews carried out by the Practice Review Department of the Institute. The decisions of the Committee are presented to the Standards and Regulatory Board.

During the period under review, the Committee considered twenty-nine (29) audit monitoring visit reports. Two (2) visits were to large firms while twenty-seven (27) were to Small and Medium Practitioners.

Membership and Attendance 2025

No.	Name	Institution	Meetings Held	Meetings Eligible to attend	Meetings Attended
1.	Ms. Rabecca Hichilo Chairperson	No. 5 above	4	4	3
2.	Mr. Daniel Katongo	No. 7 above	4	4	2
3.	Mr. Chiya Mwape	ZRA	4	1	1
4.	Mr. Chrispin Hatimba	LUSE	4	4	3
5.	Ms. Brenda Phiri	BOZ	4	4	4
6.	Ms. Mwenya Kababa Chama	ERB	4	4	2
7.	Ms. Kantu Hachongo	No. 6 above	4	4	4



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