



**INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
OF UGANDA**

**20  
22**

**Annual**  
**Integrated**  
**Report**





Artistic impression of the  
proposed redevelopment  
of Plot 42, Bukoto Street



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# Acronyms / Abbreviations

<b>AAT(U)</b>	Association of Accounting Technicians of Uganda
<b>AAU</b>	Associate Accountant of Uganda
<b>ACOA</b>	Africa Congress of Accountants
<b>CGO</b>	Career Guidance Outreach
<b>CPA</b>	Certified Public Accountant
<b>CPD</b>	Continuing Professional Development
<b>EACIAs</b>	East African Community Institutes of Accountants
<b>EACOA</b>	East African Congress of Accountants
<b>ERM</b>	Enterprise Risk Management
<b>ICAEW</b>	Institute of Chartered Accountants in England and Wales
<b>ICPAK</b>	Institute of Certified Public Accountants of Kenya
<b>ICPAR</b>	Institute of Certified Public Accountants of Rwanda
<b>ICPAU</b>	Institute of Certified Public Accountants of Uganda
<b>IFAC</b>	International Federation of Accountants
<b>Institute</b>	Institute of Certified Public Accountants of Uganda
<b>FiRe</b>	Financial Reporting
<b>NBAA</b>	National Board of Accountants and Auditors of Tanzania
<b>NSSF</b>	National Social Security Fund
<b>OPC</b>	Order of Professional Accountants of Burundi
<b>PAEB</b>	Public Accountants Examinations Board
<b>PAFA</b>	Pan African Federation of Accountants
<b>PAO</b>	Professional Accountancy Organisation
<b>PAYE</b>	Pay As You Earn
<b>RBS</b>	Retirement Benefits Scheme
<b>SMO</b>	Statements of Membership Obligations
<b>UAQF</b>	Uganda Accountancy Qualification Framework
<b>URA</b>	Uganda Revenue Authority
<b>UShs</b>	Uganda Shillings

# 01 | Background information

## 1.1 About ICPAU

The Institute of Certified Public Accountants of Uganda (ICPAU) is the national Professional Accountancy Organisation (PAO), established by the Accountants Act in 1992, amended in 2013. The functions of the Institute, as prescribed by the Accountants Act, 2013 are:

- (i) To regulate and maintain the Standard of Accountancy in Uganda;
- (ii) To prescribe and regulate the conduct of accountants and practising accountants in Uganda.

## 1.2 Vision

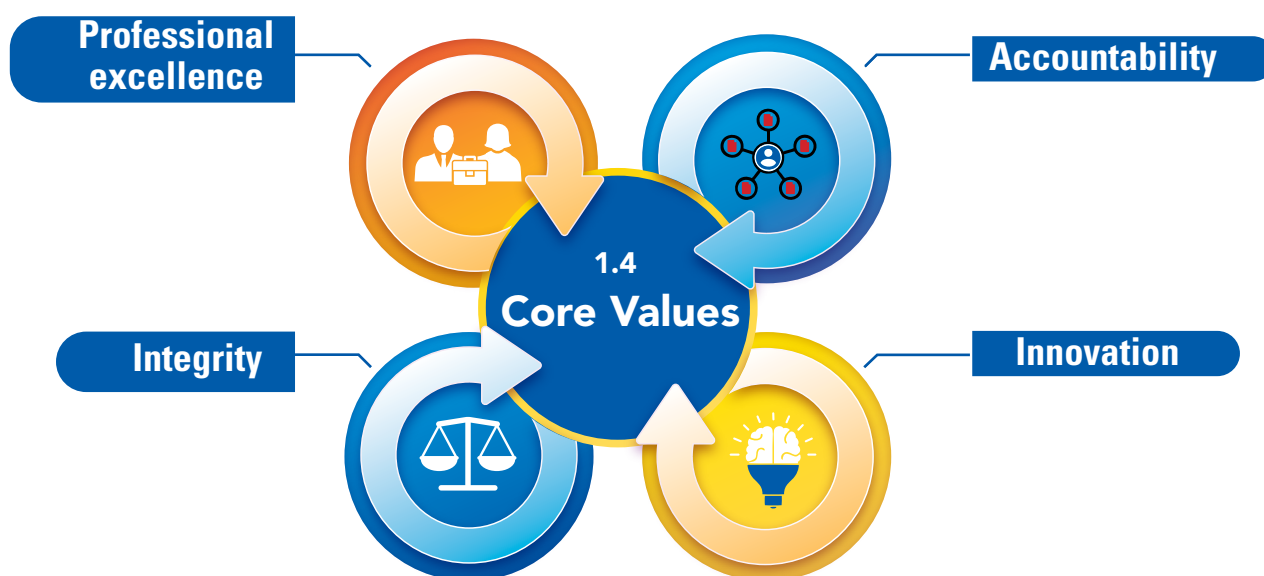


To be a world-class professional accountancy Institute.

## 1.3 Mission



To develop, promote and regulate the accountancy profession in Uganda and beyond, in public interest.



## 1.5 Affiliations

ICPAU is a member of;

- (a) The International Federation of Accountants (IFAC).
- (b) The Pan African Federation of Accountants (PAFA).
- (c) The Association for Educational Assessment in Africa (AEAA).
- (d) Private Sector Foundation Uganda (PSFU).
- (e) The Institute of Corporate Governance of Uganda (ICGU).
- (f) The Federation of Uganda Employers (FUE).

## 1.6 Mutual Recognition Agreement Under the East African Community - Common Market Protocol (EAC-CMP)

The Institute has a mutual recognition agreement (MRA) with the East African Community Institutes of Accountants (EACIAs) in line with the EAC Common Market Protocol. The EACIA MRA members are ICPAU, OPC, ICPAK, ICPAR and NBAA. CPA(U)s are eligible for membership of the EACIAs and can attend their activities like CPDs at member rates.

## 02 | Institute's information

### 2.1 Registered office and principal place of business

42 Bukoto Street, Kololo  
P. O. Box 12464  
Kampala, Uganda  
Tel: 041-4540125  
Email: [icpau@icpau.co.ug](mailto:icpau@icpau.co.ug), Website: [www.icpau.co.ug](http://www.icpau.co.ug)

### 2.2 Council

The following served on Council for the year 2022

	Name		Designation
1	CPA Constant Othieno Mayende	:	President
2	CPA Josephine O. Okui Ossiya	:	Vice President
3	CPA Laura Aseru Orobia	:	Member
4	CPA Gloria Tuhaise Wakooba	:	Member
5	CPA Geoffrey Byamugisha	:	Member
6	CPA Stephen Ineget	:	Member
7	CPA Ronald Mutumba	:	Member
8	Eng. Jackson Mubangizi	:	Ministerial appointee
9	CPA Stephen Ojiambo	:	Accountant General's representative
10	CPA Edward Akol	:	Auditor General's representative
11	Ms. Sarah Namuli Tamale (January to May)	:	Ministry of Education and Sports representative

#### Gender



7



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### 2.3 Senior Management

The senior management team at the Institute as at 31 December 2022 comprised of

	Name		Title
1	CPA Derick Nkajja	:	Secretary/Chief Executive Officer
2	CPA Simon P. O. Oola	:	Director, Corporate Services
3	Mr. John Bosco Ntangaare	:	Director, Education

## COUNCIL MEMBERS FOR THE PERIOD 2022



CPA Constant Othieno Mayende  
**PRESIDENT**



CPA Josephine O. Okui Ossiya  
**VICE PRESIDENT**



CPA Prof. Laura Aseru Orobia  
**MEMBER**



CPA Gloria Tuhaise Wakooba  
**MEMBER**



CPA Geoffrey Byamugisha  
**MEMBER**



CPA Stephen Ineget  
**MEMBER**



CPA Ronald Mutumba  
**MEMBER**



Eng. Jackson Mubangizi  
**MINISTERIAL APPOINTEE**



CPA Stephen Ojiambo  
**ACCOUNTANT GENERAL'S  
REPRESENTATIVE**



CPA Edward Akol  
**AUDITOR GENERAL'S  
REPRESENTATIVE**



Ms. Sarah Namuli Tamale  
**MINISTRY OF EDUCATION &  
SPORTS REPRESENTATIVE**



CPA Derick Nkajja  
**SECRETARY TO COUNCIL**

## THE SENIOR MANAGEMENT TEAM AT THE INSTITUTE AS AT 31 DECEMBER 2022



CPA Derick Nkajja  
**SECRETARY/CHIEF EXECUTIVE OFFICER**








CPA Simon P. O. Oola  
**DIRECTOR, CORPORATE SERVICES**



Mr. John Bosco Ntangaare  
**DIRECTOR, EDUCATION**

### 2.4 Bankers

<p>(a) Stanbic Bank Uganda Limited Forest Mall Branch Sports Lane, Lugogo P. O. Box 7131 Kampala, Uganda</p> 	<p>(b) Housing Finance Bank (U) Limited Kololo Branch Lower Kololo Terrace P. O. Box 1539 Kampala, Uganda</p> 
<p>(c) Absa Bank Uganda Limited Hannington Road P. O. Box 7101 Kampala, Uganda</p> 	<p>(d) Centenary Rural Development Bank Limited Lugogo Service Centre Sports Lane, Forest Mall P. O. Box 1892 Kampala, Uganda</p> 
<p>(e) United Bank for Africa (UBA) Jinja Road P. O. Box 7396 Kampala, Uganda</p> 	

### 2.5 Lawyers

**Ligomarc**  
ADVOCATES

Ligomarc Advocates  
4 Jinja Road  
5<sup>th</sup> Floor, Social Security House  
P. O. Box 8230  
Kampala, Uganda

### 2.6 Auditor

**mazars**

Mazars BRJ  
Certified Public Accountants  
24 Henlon Close  
Luthuli Avenue Bugolobi  
P. O. Box 35263  
Kampala, Uganda

## Statement of Council's responsibilities for the year ended 31 December 2022

The Accountants Act, 2013 requires the Council to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Institute as at the end of the financial year and of its operating results for that year. It also requires Council to ensure that the Institute keeps proper accounting records, which disclose with reasonable accuracy, the financial position of the Institute. The Council is also responsible for safeguarding the assets of the Institute.

The Council is ultimately responsible for the internal controls. The Council delegates responsibility for internal control to management. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the Institute's assets. Appropriate accounting policies supported by reasonable and prudent judgments and estimates, are applied on a consistent and going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

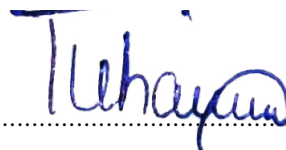
The Council accepts responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in conformity with International Financial Reporting Standards. The Council is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Institute and of its operating results. The Council further accepts responsibility for the maintenance of the accounting records, which were relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Council to indicate that the Institute will not remain a going concern for at least the next twelve months from the date of this statement.



**CPA Constant Othieno Mayende**  
**President**

Date: 11 May 2023



**CPA Gloria Tuhaise Wakooba**  
**Council Member / Chairperson**  
**Finance, Planning & Administration Committee**

Date: 11 May 2023

## 04 | President's message



CPA Constant Othieno  
Mayende  
**PRESIDENT**

After almost two years of an intense pandemic, normality returned to Uganda with the full re-opening of the economy and the removal of COVID-19 restrictions in January 2022. Our relief was short-lived, however, when inflation struck in March 2022, and reaching as high as 10.6% in December 2022. Skyrocketing fuel and commodity prices exacerbated by the increased demand for commodities on account of the resumption of large-scale trade, as well as the political unrest in Russia and Ukraine stirred up an atmosphere of gloom, with many pleas for government's intervention. Real recovery started towards the end of the year, with the easing of fuel and commodity prices.

Although economic experts predict a slow economic recovery, the outlook for 2023 is positive with the Ministry of Finance, Planning and Economic Development predicting an economic growth rate of 5.3% and a reduction to single-digit inflation at 5% in the medium term.

### Financial Performance

Although the aforementioned shocks affected the Institute's revenue and expenditure projections, the Institute emerged strong. For the first time since COVID-19 struck in 2020, we saw a near return to pre-pandemic financial performance levels. Total income also increased to Shs 12.3 billion, from Shs 9.8 billion in 2021, (Shs 9.8 billion in 2019), while total expenditure increased to Shs 10.7 billion in 2022, from Shs 8.6 billion in 2021, (Shs 8.1 in 2019).

The Institute recorded a surplus of Shs 1.6 billion, up from Shs 1.2 billion in 2021, (Shs 1.7 in 2019). The positive movement in total income and the surplus is attributed to the full resumption of the Institute's operations. The increase in income is also attributed to the investment of funds in unit trusts, fixed deposits and treasury bonds which earned the Institute investment income of Shs. 1.37 billion in 2022. The plan is to maintain the upward trend.

### Education

Education forms the core of the Institute's operations, in line with the IFAC Statements of Membership Obligations 2, *International Education Standards for Professional Accountants*. Therefore, substantial effort is placed here.

To ensure a relevant learning framework for professional accountancy education, in response to the rapidly evolving environment, the review of the CPA, CTA and ATD syllabuses was finalised in 2022. The CPA and ATD



syllabuses were duly accredited by the NCHE while the CTA syllabus was accredited in January 2023. The syllabuses are examinable starting May 2023, and students have been sensitised about the updates.

In 2022, for the first time in the history of the Institute's examinations calendar, and to facilitate students' progression, PAEB held four examinations diets, March, June, September and December. 17,294 candidates registered for the examinations, compared to 12,965 in 2021. As a result, the completion rate increased by 22%, from 395 candidates completing their studies (ATD, CPA and CTA) in 2021 to 482 in 2022.

The Institute, in conjunction with the NCHE, developed a Uganda Accountancy Qualifications Framework (UAQF) in 2022, as a subset of the Uganda Higher Education Qualifications Framework of NCHE. The aim of the UAQF is to standardise the process through which aspiring professional accountants can obtain accountancy qualifications in Uganda, and provide progression pathways. Sensitisation on the UAQF is underway and stakeholders are encouraged to acquaint themselves with the basis for assessment, recognition and equating of accountancy qualifications.

In June 2022, the Accountants (Examinations) Rules 2022 were gazetted to enhance their authority and validity. Students and stakeholders in the Institute's examinations process are advised to take note of this development.

Continuing Professional Development is integral to the growth and advancement of ICPAU members. To facilitate the achievement of members' CPD goals, the Institute held online and in-person CPD sessions on a broad range of topics, covering both the technical and the non-technical aspects of professional development. To enrich the CPD experience, ICPAU took on a collaborative approach in the delivery of CPDs, partnering with sector regulators like IRA, URSB and PAFA. However, the Institute has noted with concern, the low levels of compliance with CPD requirements. A survey conducted during the year to ascertain the level of CPD compliance among members revealed that less than 50% of members were compliant with CPD requirements. Continuing Professional Development is important if accountants are to remain relevant in today's fast-paced environment, therefore, members are advised to take the CPD requirement seriously. Moreover, non-compliance with CPD requirements is a disciplinary matter, as per the Accountants Regulations, 2016.

### Membership Enrolment and Studentship Registration

Our membership and studentship numbers grew steadily as a result of sensitisation initiatives. In May 2022, the Council implemented the requirement for full membership applicants to submit their Practical Experience Training (PET) logbooks. Applicants responded positively, and in this regard, we enrolled 175 full members. 25 of these were joining the Institute from the EACIAs. 2,625 students were registered in 2022.

### Inspections and Licensing of accounting firms

2022 was the first year of operationalisation of the new licensing regime where Certificates of Practice are issued in two categories namely, provision of all accountancy services, and provision of non-assurance services only. 282 firms were licensed to offer accountancy services in 2022. 442 Certificates of Practice were issued, 9 of which in the non-assurance services only category.



### Quality Assurance Programme

In 2022, the fifth cycle of the quality assurance programme entered its second year, having commenced in 2021. Emphasis was placed on the impact of the COVID-19 pandemic and enhanced awareness, Compliance with Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Requirements, and the new Quality Management Standards. 74 accounting firms were reviewed. The performance of accounting firms in the quality assurance reviews remains a challenge, with 50% of the firms falling in the category of those requiring significant improvement. It should be noted that unsatisfactory performance in the audit quality reviews affects the perception of services provided and is a disciplinary matter, and, therefore, firms are advised to promptly address the issues raised during the engagement file review.



### Members' Resources

ICPAU continued to develop resources and tools to offer guidance to SMPs. Notable resources were the guidelines on professional fees, auditing of culture and integrity, and data analytics for internal auditors. Practitioners are encouraged to utilise the resources for guidance.



### Standards Development

The Institute participated in the IAESB, IPSASB, IAASB, IESBA, and IASB standards development process, submitting comments on 10 exposure drafts. Notable were the exposure drafts on proposed technology-related revisions to the Code, the general requirements for disclosure of sustainability-related financial information, and climate-related disclosures. We await the publication of the International Sustainability Reporting Standards.

### ICT

To improve service delivery to our stakeholders, the Institute continues to innovate online platforms and automate manual processes. A survey conducted in December 2022 reveals that 96% of members and 89% of students are satisfied with the Institute's efforts in improving processes. In 2022, we implemented the following projects: application for Certificates of Practice and licences for new practitioners and new firms, inspection checklist for firms to enable issuance of real-time reports, online examinations marking platform, the electronic recruitment portal, and the case management platform to enable online filing of complaints and responses defence, as well as electronic access to the final reports.

### Corporate Social Responsibility

For a while now, it has been observed that MSMEs struggle with financial reporting. To assist MSMEs to appreciate the role of prudent financial management in business growth and development, ICPAU and PSFU, conducted financial literacy trainings for MSMEs in four regions of Uganda. Over 240 MSMEs benefited from this programme. We have also paired over 30 MSMEs with ICPAU members to provide specified pro bono services. Other CSR activities were in education and sports, through the award of CPA scholarships to university graduates, and sponsorship of the ICPAU Juniors Woodball Championships, respectively. ICPAU also partners with Katalemwa Cheshire Home through the support of improving the livelihoods of the disadvantaged students.



## Achievements of the outgoing Council

The term of office of the 2020-2022 Council of the Institute expires in June 2023.

We experienced setbacks in the beginning, as our inauguration was delayed by the legal matters that surrounded the 2020 elections, delaying the start of our term of office, by nearly one year. The impact of COVID-19 was severe. The Institute's operations, were disrupted. The examinations calendar was disrupted, as examinations diets had to be reduced and subsequently increased to cope up.

Nonetheless, we served diligently, and we are happy to report progress in the following areas.

Our tenure commenced in the second year of implementation of the Institute's five year strategic plan (2019 – 2023). Therefore, we set out to progress the realisation of the 7 strategic goals.

From 2021, we began the process of stabilising the Institute's finances, in line with strategic goal 7, *ensure the financial sustainability of the Institute*. Complying with the Standard Operating Procedures of the Ministry of Health, we increased the examinations diets to 3 in 2021, and 4 in 2022 to give opportunities to aspiring accountants to finish their courses and as a consequence a boost to income as well. To control expenses, items of capital expenditure were deferred and internal measures put in place to control operating expenses. Our efforts bore fruit, as we managed to restore the financial performance, as observed in the 2021 and 2022 improvements.

The Council oversaw the completion of the 4<sup>th</sup> cycle of the Quality Assurance programme, with 244 firms reviewed. As a measure to address audit quality matters, the Council introduced a new licensing regime where Certificates of Practice are issued in two categories, all accounting services, and only non-assurance services, based on the performance in the audit quality reviews.

Growth in membership and student numbers over the two years was realised, with the enrolment of 665 members and registration of 5,772 students. During this period, 999 students completed their studies, 887 of whom were for the CPA course.

In August 2022, the Institute made thirty years of existence and the Council oversaw the celebrations, to acknowledge the contribution of the Institute to the nation's development. CPAs from across the various regions participated in commemoration activities, including painting pedestrian crossings, tree planting, and band processions. ICPAU is grateful to those whose efforts contributed to the realisation of this milestone, especially the Ministry of Finance, Planning and Economic Development, Bank of Uganda, past presidents, secretaries, the fore members of the Institute and training institutions.

The Council also prides itself in guiding the review and approval of the updated syllabuses, overseeing the operationalisation of the Institute's research function with three studies completed, and hosting the third East African Congress of Accountants from 14 – 16 April 2021, under the theme, *Integration for accelerated economic growth and development*.

The Council proposed and supported our member CPA Keto Kayemba to vie for the position of Vice President at PAFA and has now been voted President of PAFA.



## The Future

In 2024, the Institute will introduce a new strategic plan. The Institute's focus remains to innovate new ways of effectively serving its stakeholders. Members and students will be updated regarding the details of the new strategic plan.

In education, the Institute will roll out computer-based examinations once the appropriate modalities are finalised, to enhance the Institute's preparedness for uncertainties that could disrupt the examinations calendar.

The International Quality Management Standards became effective in December 2022. The Institute will provide support to practitioners through professional guidance and CPD sessions, as we monitor compliance through the Quality Assurance programme.

Regarding Public Financial Management, the Institute is looking to strengthen its support to the government through consolidating efforts and measures that support various PFM activities for a harmonized dialogue on PFM matters.

Plans are in the final stages to actualise the development of the Institute's properties. Development of Plot 42, Bukoto Street is set to commence in 2024. Most of the necessary approvals have been granted by the authorities, and we now await the final green light. The Institute also called for partners for the development of the 5 acres of high-value freehold land in Lubowa, through a Build, Operate and Transfer partnership.

The future of the profession looks bright. Despite the continuous development of technology and where AI is starting to drive a number of functions; several global services indicate that the jobs for accountants will continue to grow by approximately 4% throughout to 2030, and with the support of members and other stakeholders a lot can be achieved.

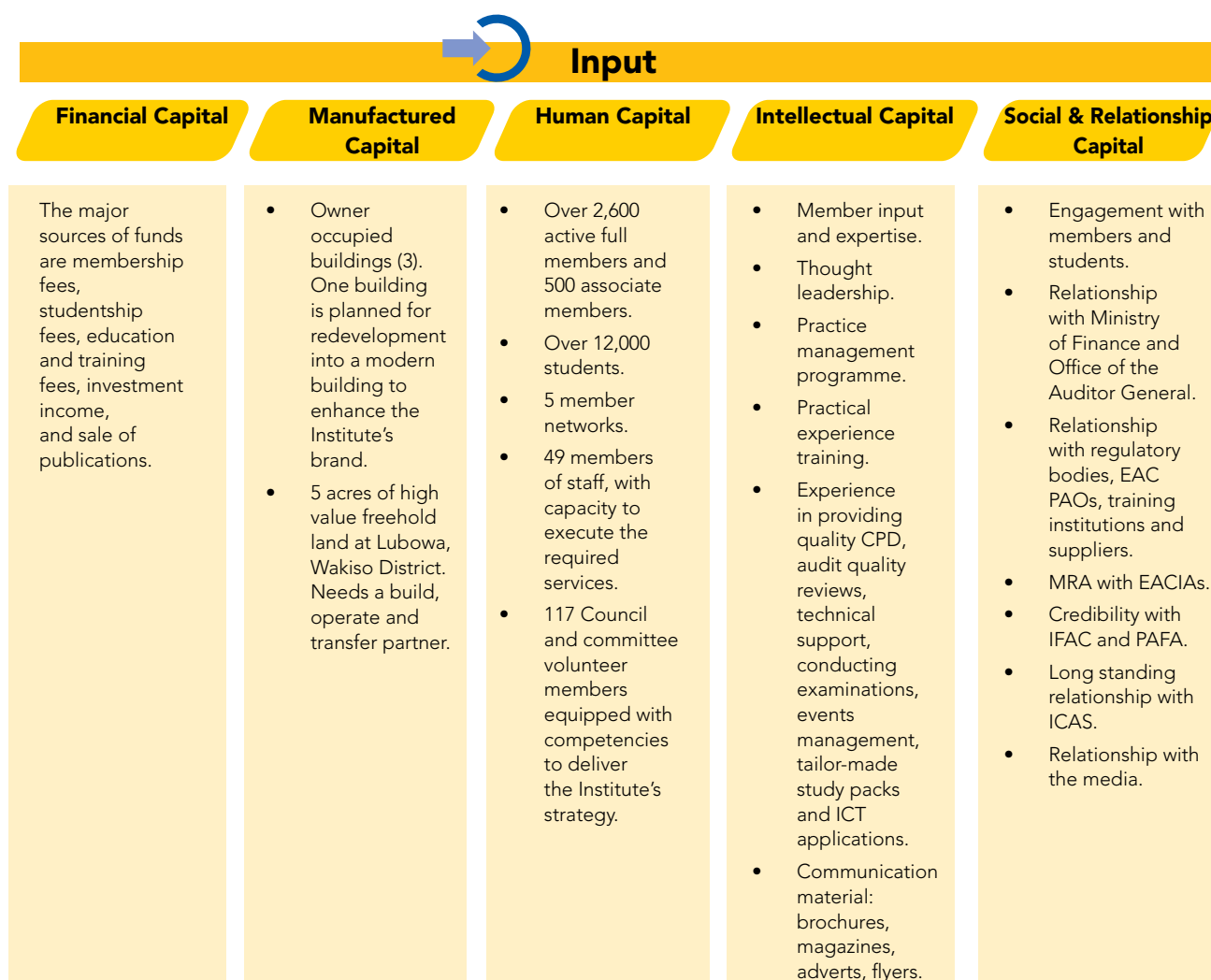
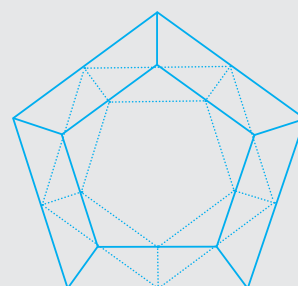
We are grateful to members, who gave us the mandate to serve, the government for technical support, the Institute's partners for financial and technical support, and the Secretariat for implementing the work plans. We wish the incoming Council a fruitful tenure and we commit to offering guidance to them, along the way.

Promoting professionalism in accountancy.

**CPA Constant Othieno Mayende**  
President

## 05 | Business model

The Institute uses the Network Italiano Business Reporting (NIBR) framework to demonstrate how it creates and preserves value over time. The model transforms inputs (capitals) through processes (activities) into outputs and outcomes. Being an office-based professional organisation, the Institute has limited impact on natural capital and hence, it is not used to propel its activities. As such, natural capital is not considered for our business model. Below is the Institute's business model for value creation;





## Processes

Prospects	Students	Trainees	Members	Institute
<ul style="list-style-type: none"><li>• Career guidance outreaches to learners at universities, other tertiary institutions and secondary schools.</li><li>• Media communications about opportunities in the accountancy profession.</li></ul>	<ul style="list-style-type: none"><li>• Provide study packs, examinations solutions, examiners reports, students' engagement seminars to guide on preparations for examinations.</li><li>• Training of trainers' courses for tuition providers to help them support our students.</li></ul>	<p>Provide practical experience training guidelines and an online documentation platform to track / document trainees' experience.</p>	<p>Support members to maintain and enhance their competence through our CPD programme. Competence enhances quality thereby maintaining the value of the CPA brand.</p>	<p>By increasing members and students, resources are generated to ensure sustainability, improved service delivery and increase in activities.</p>



## Output/Outcome

Government	Business	Society
<ul style="list-style-type: none"><li>• Providing advice to Government on policy matters and public finance management.</li><li>• Our members and students enhance public finance management and accountability.</li><li>• Improved financial reporting in the country.</li><li>• Feedback reports through FiRe Awards evaluation, enhancing the quality of financial reporting.</li></ul>	<ul style="list-style-type: none"><li>• We produce competent professionals who support organisations, businesses, and national economies.</li><li>• Feedback reports through FiRe Awards evaluation, enhancing the quality of financial reporting.</li></ul>	<ul style="list-style-type: none"><li>• Our members and students act as role models in society.</li><li>• Participate in Corporate Social Responsibilities (CSR) activities.</li></ul>

## 06 | Risk management



### 6.0 Risk and opportunity management

Enterprise Risk Management (ERM) at ICPAU integrates strategy and risk with the intention of creating value through enhanced performance and focuses on the creation and preservation of value as a key driver of risk management. Oversight of the Institute's ERM direction, processes and outcomes is provided by the Audit Committee, which in turn reports to the Council. The ultimate objective of our ERM is to manage all matters that are of significant impact on the ICPAU strategic delivery and ability to create value over the short, medium, and long term.



### 6.1 Our approach to risk management

Our overall objective of ERM approach is to help link our strategy, risks and opportunities so that our decision making is transparent, both internally and externally. Our ERM direction ensures that there is a wholesome approach to the risks and opportunities facing the Institute taking cognizance of our internal and external environment.



### 6.2 Risk appetite

The Institute has an approved risk appetite statement that articulates the amount of risk we are prepared to accept or avoid in pursuit of our strategy and the approach taken to meet risk appetite. The risk appetite statement enables the Council to ensure that risk management is aligned with the achievement



of objectives within our 2019-23 strategic plan. The statement provides guidelines for monitoring of Key Risk Indicators (KRIs) which provide an early warning signal of increasing risk exposures and enable management to intervene in a timely manner by appropriately mitigating risk.

### 6.3 Risk governance

The ICPAU Council is ultimately accountable for the oversight of enterprise-wide risk. The Council ensures that assurance services and functions enable an effective control environment and support the integrity of information for both internal and external stakeholders. Risk management and opportunity identification form part of the periodical discussions of Council, management, and directorates. Material risks are reported on and approved at Audit Committee meetings and reported to Council. Internal audit and other appointed assurance providers are contracted to provide independent assurance to assist the Council and management in ensuring that the control environment improves, and that the overall strategic goals of the ICPAU are achieved.



### 6.4 Material risks

ICPAU's material risks are those that have the most significant impact on strategic delivery and the ICPAU's ability to create value over the short, medium, and long term. While our selection of material risks represents those risks that are vital to fulfilment of the ICPAU's mandate, the potential for such risks to create damage on the ICPAU's reputation or loss of resources may not necessarily be monetised - Key in our consideration of what risks matter or require ultimate monitoring depends on the scope and effect if the risk materialises. The table below highlights the key risks and opportunities for the year ended 31 December 2022;



RISK	STRATEGIC GOAL AFFECTED	OPPORTUNITY	RISK RESPONSE
Non-compliance with IFAC Statements of Membership Obligations (SMOs).	<ul style="list-style-type: none"> <li>Protect the value and reputation of the CPA Uganda Brand.</li> <li>Enhance relationships with other stakeholders.</li> <li>Ensure financial sustainability of the Institute.</li> </ul>	Continued compliance with IFAC SMOs as a mechanism to maintain and enhance credibility of ICPAU and that of its members.	<ul style="list-style-type: none"> <li>Identify areas of potential non-compliance and implement corrective action.</li> <li>Conduct staff training and grow knowledge on SMOs.</li> <li>Conduct annual self-assessment to identify any gaps.</li> <li>Sensitize members on obligations under the respective SMOs.</li> <li>Continue strengthening quality assurance among practitioners.</li> </ul>

RISK	STRATEGIC GOAL AFFECTED	OPPORTUNITY	RISK RESPONSE
Declining value of ICPAU designations resulting in a decline in membership.	<ul style="list-style-type: none"> <li>Enhance Quality of Service to Members.</li> <li>Enhance Quality of Service to students.</li> </ul>	Adding value to members and prospective members by identifying the necessary skills required to meet future needs.	<ul style="list-style-type: none"> <li>Monitoring of initiatives to enhance member value and review of members' feedback.</li> <li>Implementation and monitoring of member services through periodical independent surveys and timely intervention on negative trends.</li> <li>Investment in regional member networks.</li> <li>Enhance the policy and advocacy initiatives for the benefit of members.</li> <li>Improve member experience through segmented communications.</li> <li>Improve value for money, relevance and flexibility of CPD.</li> <li>Invest in tools required to support members' duties.</li> </ul>
Loss of confidence in ICPAU's educational programmes, if they do not produce students with the requisite competencies for the market.	<ul style="list-style-type: none"> <li>Enhance Quality of Service to students.</li> <li>Protect the value and reputation of the CPA Uganda Brand.</li> <li>Ensure Financial Sustainability of the Institute.</li> <li>Strengthen the ICPAU Secretariat.</li> </ul>	Adopt a differentiation approach in marketing, communication and public relations campaigns to the wider public.	<ul style="list-style-type: none"> <li>Continuous publicity of the competency framework and the Uganda Accountancy Qualification framework.</li> <li>Continuous review of the ICPAU's training syllabi.</li> <li>Sensitising employers on the value of ICPAU qualifications.</li> <li>Continue strengthening the investigation and disciplinary processes.</li> <li>Strengthen internal quality assurance and risk framework to ensure integrity and transparency.</li> </ul>
Decline in intake of learners to attract into the profession.	<ul style="list-style-type: none"> <li>Enhance Quality of Service to students.</li> <li>Protect the value and reputation of the CPA Uganda Brand.</li> <li>Ensure Financial Sustainability of the Institute.</li> </ul>	Enhanced promotion of the accountancy profession in education institutions and the general public.	<ul style="list-style-type: none"> <li>Increased national-wide career guidance outreaches.</li> <li>Continuously recognize excelling members through programmes like the Accountancy Services' Awards.</li> <li>Enhanced stakeholder engagements.</li> </ul>
Decline of strategic stakeholder (government and funders) confidence and inability to attract funding for growth and transformation initiatives.	<ul style="list-style-type: none"> <li>Protect the value and reputation of the CPA Uganda Brand.</li> <li>Ensure Financial Sustainability of the Institute.</li> </ul>	Profile members' contribution to the Ugandan economy and input on the regional and global front.	<ul style="list-style-type: none"> <li>Establish collaborative approach with Government Ministries, Departments and Agencies.</li> <li>Highlight intentional relationships with the donor community, regional and international accountancy bodies.</li> </ul>

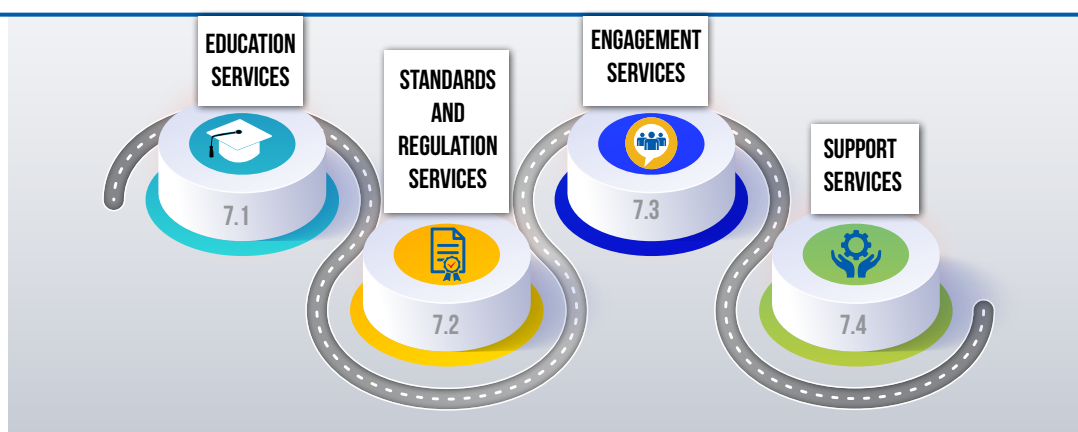


## Our future

Our key initiatives in advancing risk management focus on benchmarking and adopting risk management practices within the ICPAU operational culture. In particular, we seek to:



## 07 | Operations review



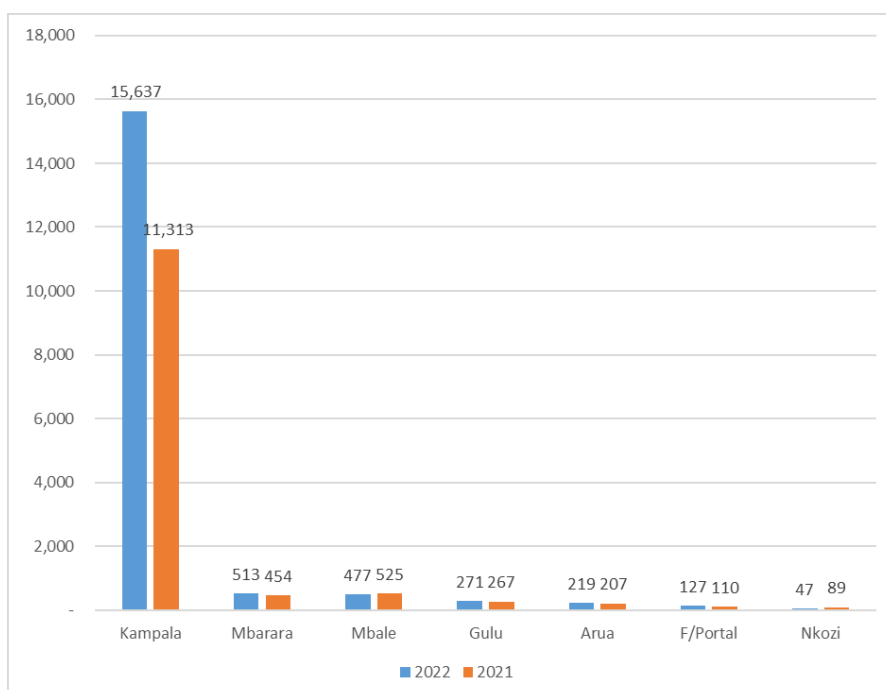
### 7.1 Education services

IFAC Statement of Membership Obligation 2: International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB provides guidance to professional accountancy organisations on matters of initial professional development (IPD) and continuing professional development (CPD). The Institute's education services are geared towards supporting students and members in IPD and CPD to enable them to serve in public interest.

#### 7.1.1 Conducting examinations

The Institute conducted examinations for three courses namely; Accounting Technicians Diploma (ATD), Certified Tax Advisor (CTA) and Certified Public Accountants (CPA) in 2022. Four examinations sessions were held in 2022 compared to three in 2021, to mitigate the impact of COVID-19 pandemic. A total of 17,294 candidates, compared to 12,965 in 2021, registered for the examinations. The examinations were conducted at seven (7) examinations centres, namely: Arua, Fort Portal, Gulu, Kampala, Mbale, Mbarara and Nkozi.

The number of candidates per examinations centre in 2022, compared to 2021 were as follows:



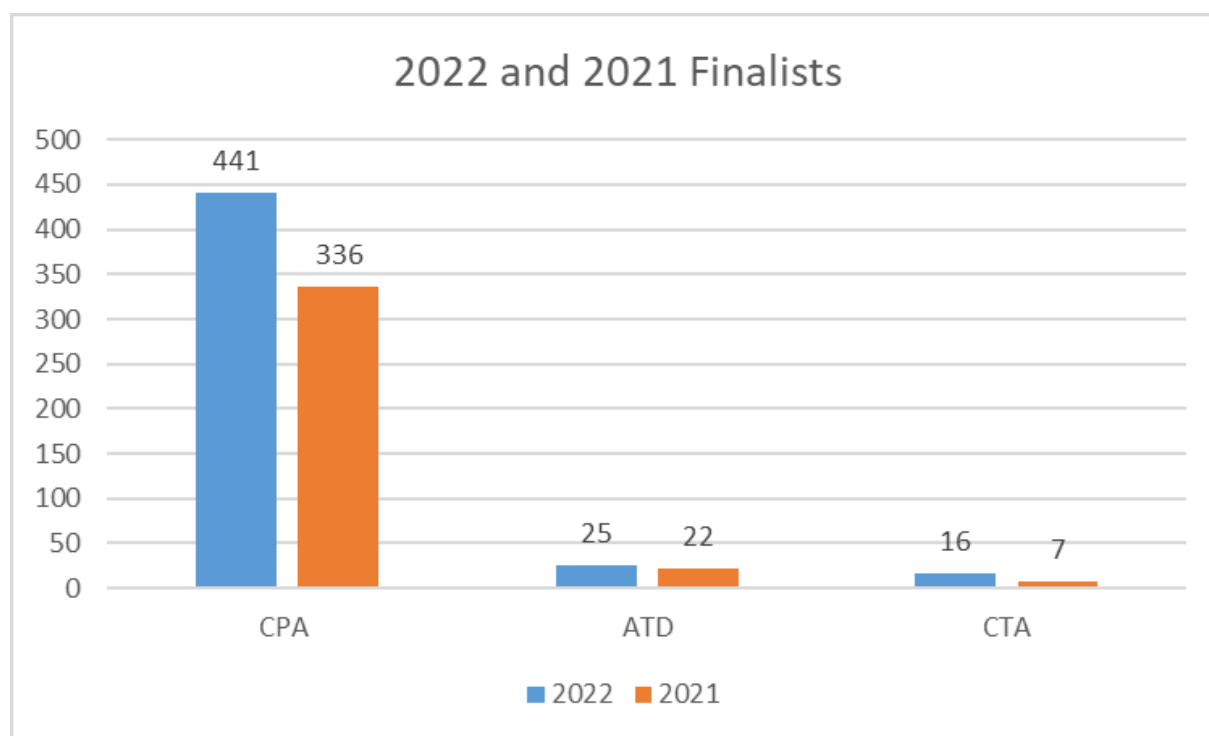
ICPAU examinations scheme provided for both written and hands-on examinations as demonstrated below:



The PAEB and management ensured that there was a safe examinations environment for candidates and examinations officials. Each examinations centre had a medical team to enforce COVID-19 and Ebola standard operating procedures as well as manage any health emergency cases.



The number of students who completed their courses for the year ended 31 December 2022 compared to 2021 were as follows:



### 7.1.2 Engagement with students

The Institute conducted 35 students' engagement webinars in April, August and November 2022. Staff and experienced professionals made presentations on preparations for examinations in specific CPA subjects.

The education team provided free counselling services to 23 students who sought help to overcome challenges in progressing with their CPA and CTA courses. Majority of the students who sought this service were able to overcome their challenges and pass the examinations.

### 7.1.3 Continuing Professional Development (CPD) Programme

All Members have an obligation of due care to their clients, employers and relevant stakeholders. They are expected to demonstrate their ability to competently discharge this responsibility.

In order to help members meet their CPD obligation and remain relevant, 39 CPD events were conducted during the year against a target of 43. Of the 39 events, 33 were purely virtual, 2 were hybrid (10<sup>th</sup> CPA Economic Forum and 27<sup>th</sup> Annual Seminar) and 4 were physical. There were 7 free CPD events while the rest were paid for.

The 39 CPD events were facilitated by 124 presenters with a cumulative total attendance of 10,165 participants.

The CPD programme focused on the practical application of IFRS, IFRS for SMEs, ISAs, ISQC1, IPSASs, and the Code of Ethics for Professional Accountants as well as the non-technical and emerging skills.

ICPAU partnered with the following entities to provide CPD to members.

SN	Partner	Event
1.	Pan African Federation of Accountants	(a) ISQM 1: Quality Management for firms that perform audits or reviews of financial statements, or other Assurance or Related Services Engagements (b) ISQM 2: Engagement Quality Reviews (c) ISA 220 (Revised): Quality Management for an Audit of Financial Statements
2.	The Insurance Regulatory Authority, Insurance Training College, and Uganda Insurers Association	IFRS 17: Insurance Contracts
3.	Uganda Registration Services Bureau	Training of accountants on Insolvency Law

ICPAU accredited the following CPD events:

SN	Event	Organisation
1.	IFRS 17: Insurance Contracts	KPMG
2.	IFRS Conference	PricewaterhouseCoopers
3.	Public Expenditure and Public Financial Accountability assessment training	Ministry of Finance, Planning and Economic Development

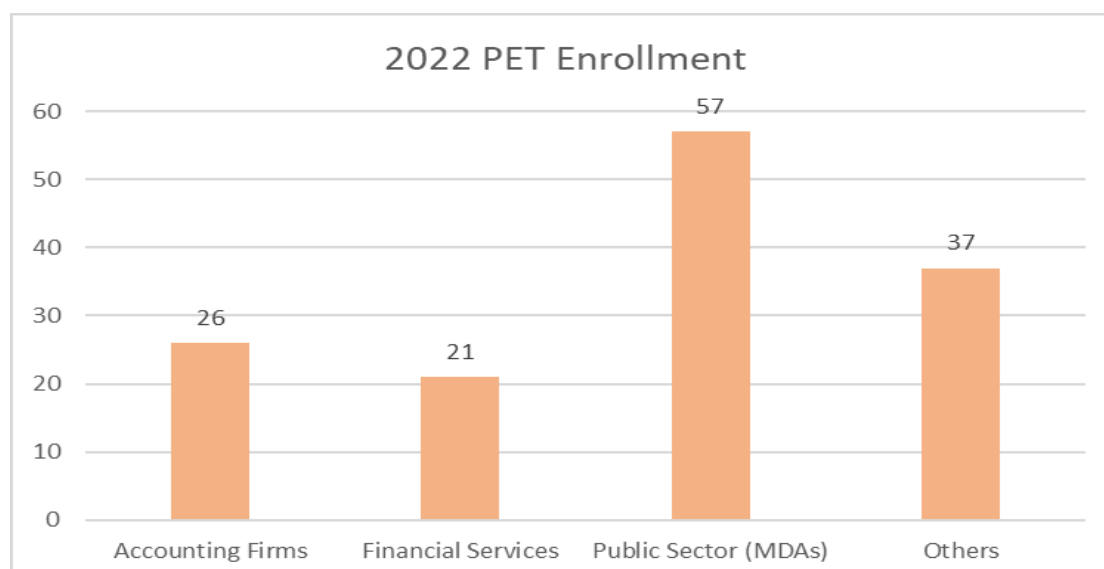
#### 7.1.4 Practical Experience Training (PET) Programme

The Accountants Act, 2013 and Accountants Regulations, 2016 require students and CPA graduates to demonstrate their PET prior to attaining full membership of ICPAU. All students and graduates have access to PET guidelines, online logbook and related information via the ICPAU website.

The education team sent 7 reminders to all students to register for PET and document their experience. There were 2 online engagements with students about PET and 60 supervisors were engaged on PET review and supervision.

Two engagement webinars aimed at increasing awareness and participation in the PET programme were held. Consequently, 141 trainees (145 in 2021) enrolled for PET during the year. Cumulatively, there were 750 trainees undertaking PET as at 31 December 2022.

The 141 trainee accountants were placed in the following sectors:



### 7.1.5 CPA study packs

The Institute provides tailor-made CPA study materials to facilitate students in their pursuit for a professional qualification.

The following study packs were reprinted during the year:

S/N	Subject	Qty
1.	CPA 1: Financial Accounting	700
2.	CPA 2: Quantitative Techniques	600
3.	CPA 4: Business Law	250
4.	CPA 7: Cost and Management Accounting	250
5.	CPA 10: Management Decision and Control	100
6.	CPA 12: Auditing and Professional Ethics and Values	150

A total of 3,808 study packs were bought by students as at 31 December 2022.

Considering that a new CPA syllabus would be rolled in 2023, the Institute commissioned 19 writers for CPA study packs. They would be finalized in 2023.

### 7.1.6 ICPAU students' scholarship scheme

The process for the fourth cohort of ICPAU students' scholarship scheme for the CPA course was rolled out during the year. The scheme attracted a total of 489 (196 in 2021) applicants from 32 (18 in 2021) universities and 3 from other tertiary institutions. 12 applicants from 19 universities were shortlisted.

After a rigorous evaluation process, 10 beneficiaries (3 female and 7 male) from 9 universities were identified. They were drawn from the following academic disciplines:

S/N	Course	No
a)	Bachelor of Business Administration	7
b)	Bachelor of Commerce	1
c)	Bachelor of Mechanical Engineering	1
d)	Bachelor of Science in Civil Engineering	1
	<b>Total</b>	<b>10</b>

The scholarship covers registration fees, studentship renewal fees, study packs, exemptions fees and examinations fees but does not cater for fees for re-sitting papers and tuition.

The beneficiaries of the 3 cohorts were able to sit for examinations. Four recognized tuition providers; MAT-Abacus Business School, Multitech Business School, Glory Consultants and Professional Trainers Limited, and RMA Resource Centre continued to provide them with complimentary tuition.

### 7.1.7 Accountancy research

The Research and Development Policy was revised to guide research operations. In order to strengthen the research function, the Council approved the establishment of the position of research officer to be recruited in 2023.

### 7.1.8 Recognised tuition providers

The total number of recognised institutions and study centres remained 17 as at 31 December 2022 (17 in 2021).

### 7.1.9 ICPAU syllabuses

The revision of the ATD, CPA and CTA syllabuses was completed and PAEB recommended them to the National Council for Higher Education (NCHE) for accreditation. The NCHE Council accredited the ATD and CPA syllabuses on 22 August 2022 and the CTA syllabus on 20 January 2023.

### 7.1.10 Uganda Accountancy Qualifications Framework

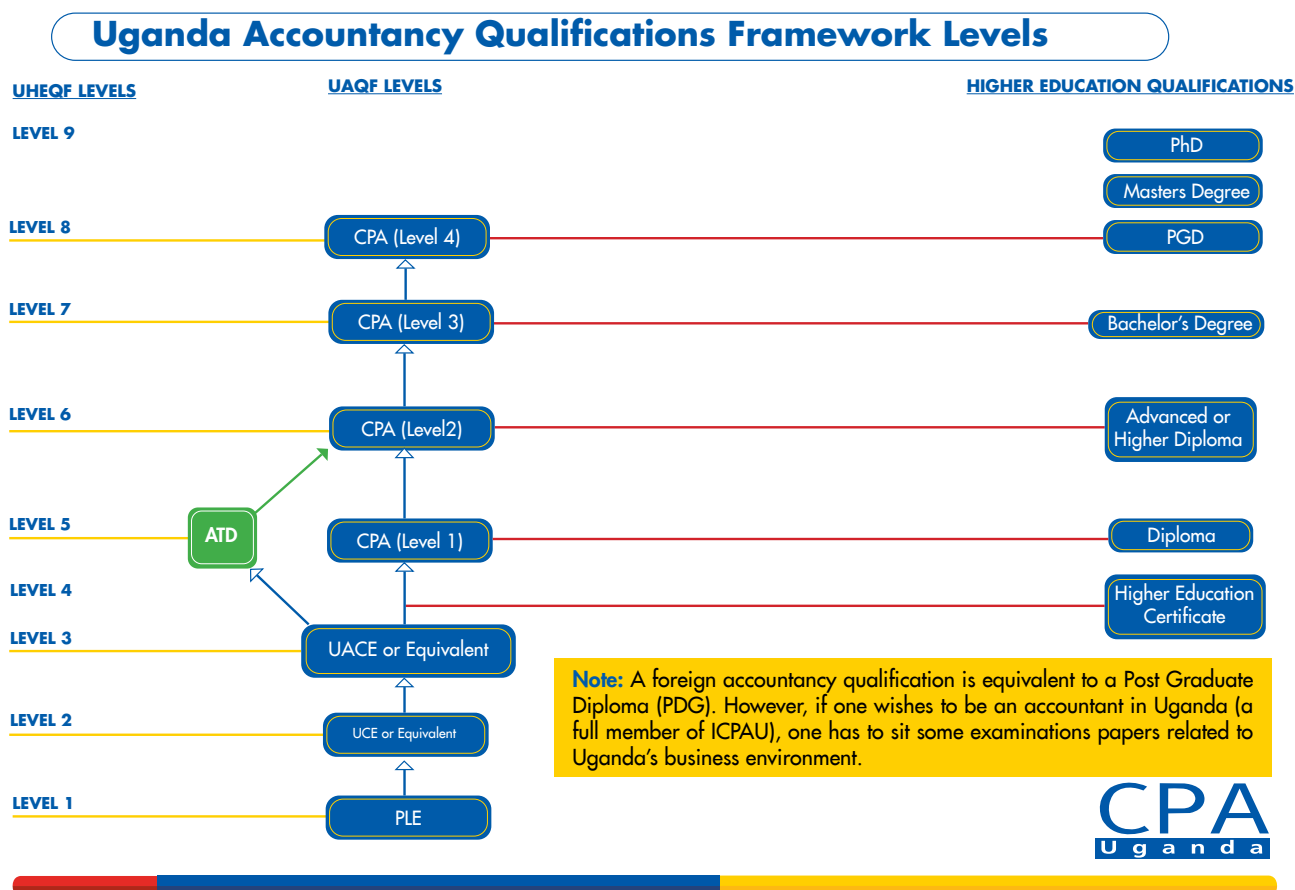
The Institute, in conjunction with the NCHE, developed a Uganda Accountancy Qualifications Framework (UAQF) as a subset of the Uganda Higher Education Qualifications Framework of NCHE.

The purpose was to:

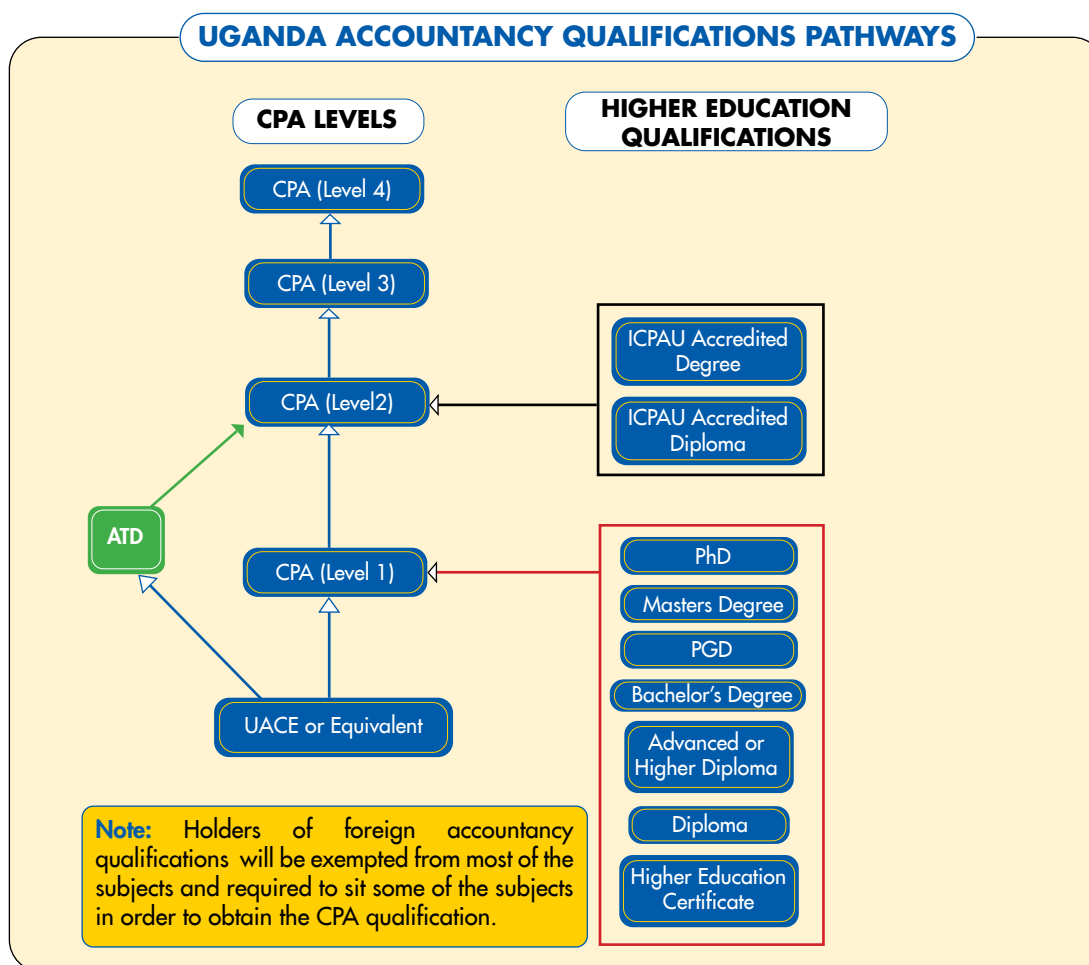
- Standardise the process through which individuals in Uganda can learn, train, and obtain accountancy qualifications.
- Provide progression pathways and show the different levels of accountancy qualifications.
- Provide a basis for assessment, recognition and equating of foreign accountancy qualifications.

A stakeholders' validation workshop was held on 16 December 2022. Subsequently, the UAQF was approved on 20 January 2023.

The UAQF levels are shown in the chart below:



The following are the UAQF pathways:



## 7.2 Standards and Regulation services

The Standards and Regulation Directorate (SRD) is responsible for the establishment and maintenance of a robust and effective professional standards and regulatory framework. We are delighted to report that SRD has continued to provide support and guidance to the entire membership and economy at large.

Our desire to enhance operations and optimize service delivery footprint remained atop our Standards and Regulation agenda.

### 7.2.1 Highlights of key achievements for the year 2022

The year 2022 was the fourth year of implementation of the ICPAU Strategic Plan 2019-2023. The key focus areas for the Directorate in 2022 were:

(a) Strengthening the licensing and

inspection process for practising accountants and accounting firms.

- (b) Commencing the Risk-based Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT) inspections.
- (c) Conducting Continuing Professional Development (CPD) compliance assessments.
- (d) Developing practice resources and tools to assist small and medium practitioners and members.
- (e) Actively participating in the standards development process.
- (f) Advocacy and thought leadership.
- (g) Capacity building and enhancement for the standards and regulation team.

### 7.2.2 The Licensing and Inspection process is continuously improved, effective, and operates in compliance with the Law

A total of 282 firms were licensed for the year 2022 (2021:273) and 441 (2021: 432) certificates of practice were issued.

During the year, we continued to enforce the provisions of the Accountants Act, 2013 and Accountants (Practice) Regulations, 2019 in respect to the licensing and inspection process.

A new licensing framework accommodating both provision of all accountancy services and provision of non-assurance services only, was operationalized. Most of the practicing accountants were licensed to provide all types of accountancy services (including audit and assurance services). Nine practising accountants were licensed to *provide non-assurance services* (these services exclude audit and assurance services).

### 7.2.3 Fifth cycle of the Quality Assurance Programme

The fifth cycle of the Quality Assurance Programme commenced in April 2022. In this cycle, emphasis was placed on: The Impact of the COVID-19 pandemic and enhanced awareness; Compliance with AML/CFT Requirements; and the new Quality Management Standards.

74 accounting firms (41: 2021) were subjected to Quality Assurance (QA) Reviews. Of these:

- a) 8 firms (10.8%) were satisfactory;
- b) 7 firms (9.5%) were generally acceptable (2021: 10 firms – 24%);
- c) 22 firms (29.7%) required improvement (2021: 20 firms – 49%); and
- d) 37 firms (50%) required significant improvement (2021: 11 firms – 27%).

As part of the continuous improvement and remediation process, the firms were required to promptly address any deficiencies identified during the engagement file review.

### 7.2.4 Continuing Professional Development (CPD) Compliance Assessment

Pursuant to the requirements of the Accountants Regulations, 2016, we assessed Members' compliance with CPD requirements during the year. A total of 200 Members (149:2021), comprising 100 practising accountants and 100 accountants, were assessed for CPD compliance.

Among the practising accountants assessed:

- a) 16% complied with the CPD requirements;
- b) 16% were partially compliant; while
- c) 68% were non-compliant (failed to obtain the minimum required CPD hours).

For the accountants assessed:

- a) 57% were compliant with the CPD requirements;
- b) 17% were partially compliant; while
- c) 26% were non-compliant (failed to obtain the minimum required CPD hours).

### 7.2.5 Practical resources and tools developed to assist Small and Medium Practitioners (SMPs)

The following guidance tools and resources were developed to support our members:

- (a) Data Analytics for Internal auditors.
- (b) Auditing of Culture and Integrity.
- (c) Information Paper: Transfer pricing and aggressive tax planning by Multinationals.
- (d) Information Paper: Evaluation of the economic impacts of the COVID-19 policy initiatives.
- (e) Guidelines on Professional fees.
- (f) Root cause analysis guidance for auditors.
- (g) Competency Framework for Local Government accountants and auditors.

- (h) Information Paper on the valuation of public sector assets.
- (i) Financial Reporting guidance for Islamic Insurance (takaful) Institutions.
- (j) Financial Reporting guidance for Islamic Banking Institutions.
- (k) Cybersecurity guidelines for Internal Auditors.
- (l) ESG considerations – The Role of Internal Auditors.
- (m) Continuous auditing and monitoring.
- (n) Guidance on Money Laundering assessment.

Additionally, the following articles were published in the Institute's magazines:

- (a) IFRS for SMEs second comprehensive update.
- (b) Brief on IPSAS 43: Leases.
- (c) Enhancing public trust in tax through taxpayer education.
- (d) ICPAU position on the Tax (Amendment) bills, 2022.
- (e) Data Analytics for Internal Auditors.
- (f) Fraud and Money Laundering – The Role of Internal Auditors.
- (g) Cybersecurity, Data risks, and protection.
- (h) The Modernised Group Audits Standard.

#### 7.2.6 Actively Participated in the Standards Development Process by the IAESB, IPSASB, IAASB, IESBA, and IASB

During the year, we submitted comment letters on the following Exposure Drafts, Consultation Papers, and Surveys:

S/N	Exposure Drafts / Discussion Papers / Consultation Papers / Surveys	BODY	SUBMITTED
1.	Less Complex Entities Consultation Survey	IAASB/ IFAC	14 Jan 2022
2.	Exposure Draft: Subsidiaries without public accountability disclosures	IASB	31 Jan 2022
3.	ISA for Audits of financial statements of Less Complex Entities (LCEs)	IAASB	20 Jan 2022
4.	Exposure Draft: Non-current Liabilities with Covenants	IASB	18 Mar 2022
5.	Exposure Draft: Supplier Finance Arrangements	IASB	21 Mar 2022
6.	Proposed Revisions to the Code relating to the definition of the engagement team and group audits	IESBA	23 May 2022
7.	Proposed Technology- Related Revisions to the Code	IESBA	20 June 2022
8.	IPSASB Consultation Paper, Natural Resources	IPSASB	17 Oct 2022
9.	Exposure Draft General Requirements for Disclosure of Sustainability-related Financial Information	ISSB	31 July 2022
10.	Exposure Draft Climate-related Disclosures	ISSB	29 July 2022

All comment letters are available on [www.icpau.co.ug](http://www.icpau.co.ug) under the technical resources menu.

The following consultations and responses were issued to other bodies and authorities during the year:

S/N	CONSULTATIONS	BODY	SUBMITTED
1.	Stakeholder Survey of IFAC Performance 2021	IFAC	6 Jan 2022
2.	Response to Ministry of Local Government on Peer Review Request of the Concept Note on Sub-National Public Expenditure and Financial Accountability (PEFA) Assessment	MoLG	13 Jan 2022
3.	Responses to the African Regional Partnership on Sustainability and SDG reporting - Launch Survey	UNCTAD-ISAR	13 Jan 2022
4.	IFAC/ IAASB survey about the proposed ISA for audits of financial statements of Less Complex Entities	IFAC/ IAASB	14 Jan
5.	IFRS Foundation's survey for national standard-setters on sustainability disclosure standards	IFRS Foundation	9 Mar 2022
6.	ICPAU Comments to Ministry of Public Service on the Guidelines for Professionalization of Cadres in the Public Service	MoPS	15 Mar 2022
7.	Consultation on the Uganda e-Accounting Tool		1 April 2022
8.	World Standard Setters pre-conference survey	IFRS Foundation	31 Mar 2022
9.	Survey Responses on the AfCFTA and the role of the accountancy profession in pan-African trade	PAFA	11 May 2022
10.	Sponsor Request for IFAC Membership	OCAM	15 June 2022
11.	Input on the Draft IFAC Strategic Plan 2023	IFAC	28 July 2022

#### 7.2.7 Enhanced advocacy and thought leadership

Resonating with the Institute's mandate of advising the Government on matters of financial accountability and management in all sectors of the economy as enshrined in the Accountants Act, 2013, the Institute continues to make comments on major issues, policies, and regulations that affect the markets in which accountants serve.

During the year 2022, comments were raised and submitted on the following:

S/N	CONSULTATIONS	BODY/ AUTHORITY	SUBMISSION DATE
1.	The redrafted Value Added Tax Act	MoFPED	January 2022
2.	Draft Capital Markets Authority (Corporate Governance) Regulations 2022	CMA	April 2022
3.	Income Tax (Amendment) Bill, 2022.	Parliament	May 2022
4.	Value Added Tax (Amendment) Bill, 2022.	Parliament	May 2022
5.	Excise (Amendment) Bill, 2022.	Parliament	May 2022
6.	Tax Procedures Code (Amendment) Bill, 2022.	Parliament	May 2022
7.	Draft Collective Investments Schemes (Conduct of Business Miscellaneous Provisions) Amendment Regulations, 2022	CMA	May 2022
8.	Draft Collective Investment Schemes (Licensing) Amendment Regulations, 2022	CMA	May 2022
9.	Consultation on Tax Proposals for FY 2023/24 Budget	MoFPED	October 2022
10.	Economic Forum Proposals - ICPAU Economic Policy Proposals for the FY 2023/24 Budget	MoFPED	October 2022

S/N	CONSULTATIONS	BODY/ AUTHORITY	SUBMISSION DATE
11.	Anti-Money Laundering (Amendment) Regulations, 2022	MoFPED	November 2022
12.	Draft Takaful and Retakaful Regulations, 2019	IRA	November 2022

Public submissions are available on the Institute's website at [www.icpau.co.ug](http://www.icpau.co.ug).

Further, in a bid to support human capital development through skills enhancement and vocational development as premised in the NDP III, the Institute, together with the Private Sector Foundation Uganda (PSFU), conducted Financial Literacy Trainings on Financial Management Systems for Micro, Small and Medium-sized Entities (MSMEs) in four regions of Uganda. The trainings were intended to grow awareness among MSMEs on the prudent financial management systems that would enable them utilise their full capacity and contribution to the development of the national economy. Over 240 MSMEs benefited from this programme.

The SRD has continuously carried on the Pro Bono Accountancy Services Programme which was re-engineered in the wake of the COVID-19 Pandemic, and it has registered tremendous success with over 30 MSMEs directly paired under the guidance of members to provide specified services. For 2023, we believe to widen awareness around this programme with continued support from the Institute's membership.

### 7.2.8 Capacity building and enhancement for the Standards and Regulation team

In line with the Institute's strategic goal of strengthening the Institute's Secretariat to be able to deliver sustainable value, our focus for the year aimed at reskilling the staff of SRD to ensure aspirational transformation. In particular, the staff were subjected to several trainings on the new quality management standards and conducting Anti Money Laundering reviews.

In total, the staff of SRD attended 132 locally and internationally organised training courses via online and hybrid platforms. Some of the areas of training were: IFRSs; IFRS for SMEs; ISAs; IPSAS and Public Finance Management; Communication Skills; Mental Health; Cyber Security; the new Quality Management Standards and the conduct of AML reviews.

In 2023, the Directorate intends to continue growing staff competences on international accounting and auditing standards and emerging practices of climate risk reporting and Environmental, Social and Governance (ESG) Reporting as a whole. It is envisaged that this will rejuvenate our mission of not only being relevant, but also acting in the public interest.

## 7.3 Engagement services

Engagement services set out to grow, retain and support the Institute's members and students as well as organise events.

The engagement function has continued to boost its programmes so as to grow and continually improve the retention rate for students and members.

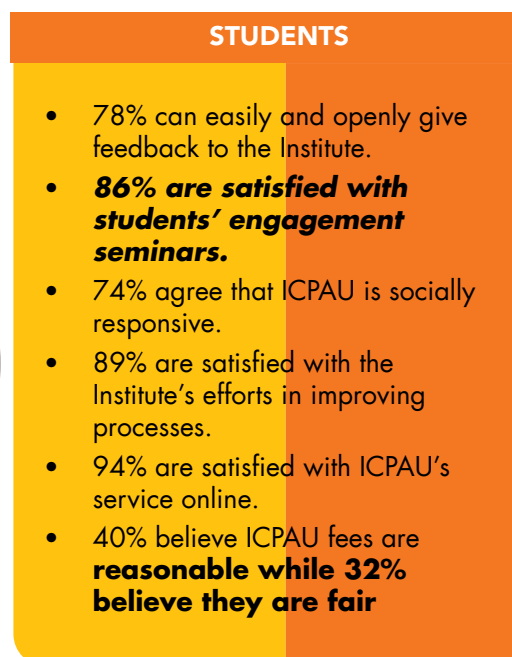
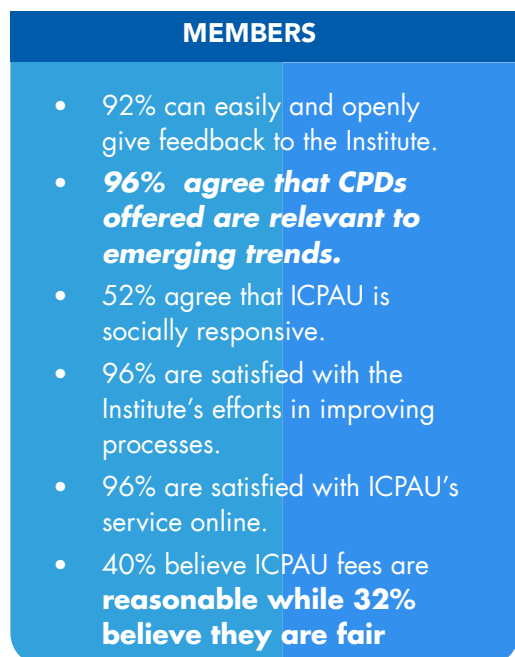
### 7.3.1 Membership enrolment and studentship registration

In 2022, 175 full members were enrolled by Council. From May 2022, all applicants for full membership were required to present a documented log of their Practical Experience Training (PET). Of these, over 150 complied with the requirement, the rest being members of EAC professional accountancy organisations.

2,625 students were registered, 97% of whom, were CPA students.

### 7.3.2 Feedback

Through surveys conducted at the close of the year, students and members rated the Institute's performance through 2022.



### 7.3.3 Career guidance outreaches

23 outreaches were conducted in secondary schools and universities and participated in five (5) exhibitions.



Career Guidance Outreach at St. Mary's College Kitende

### 7.3.4 Member engagements

In 2022, an engagement programme with employers and recruitment agencies was reconstituted. The programme focuses on engaging employers to ensure compliance with Section 34(2) of the Accountants Act, 2013 while recruiting Heads of Accounts, Finance, and Internal Audit in public and private sector entities. Through the programme, ICPAU engaged 12 employers to support employees on meeting financial needs for students' tuition and members' training costs.

### 7.3.5 Communication

The Institute uses multiple communication channels to reach its stakeholders. The aim is to keep them abreast of developments at the Institute and within the profession, so that they can make informed decisions pertaining to their career progression.

The Institute's communication comprises informational and promotional communication.

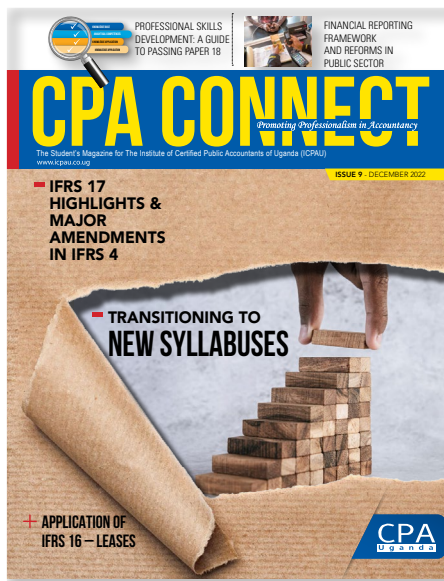
#### 7.3.4.1 Informational communication

The Institute deploys a multi-pronged approach in the use of communication platforms and tools. Platforms include email, Short Messaging Service (SMS), telephone, the noticeboard, digital, Post Office Box, meetings, the database, and mass media channels. Tools include magazines, letters, press releases, memos, e-news bulletins, brochures, magazines, adverts, photographs, videos and reports.

Magazines: The Council has a statutory mandate to publish a journal (Accountants Act, 2013, Section 12). There are two categories of magazines, the CPA Connect for students, and Today's Accountant magazine for members. In particular, the CPA Connect assists students with their progression through providing Initial Professional Development content that is relevant to their syllabus coverage, as well as soft skills development, while Today's Accountant magazine addresses informational and Continuing Professional Development needs for members.

Content is largely provided by members of the Institute; therefore, the magazines do not only provide opportunities for members to grow their knowledge, but also build their personal brands and those of their practices. In 2022, we published the 9th edition of the CPA Connect magazine and the 22nd edition of Today's Accountant magazine.





Accountancy Practice messages: In compliance with Section 27 (8) of the Accountants Act, 2013, the Institute publishes the list of licensed accounting firms and practising accountants. In 2022, the lists were published in the New Vision and the Uganda Gazette. The list is also a formal public endorsement of the licensed practitioners, which aims at protecting the CPAs' space and the public from quacks.

#### 7.3.4.2 Promotional communication/advertising

Promotional communication is intended to create awareness and persuade stakeholders regarding the Institute's services and activities. The Institute uses mass media channels such as radio, television, print and online platforms to promote its courses and events. Advertising has the advantage that it contributes towards brand awareness.

Although, in 2022 we resumed the career guidance outreaches, it was on small scale, mainly in the Central region, as we monitored the recovery process from epidemics. Therefore, advertising played a big role in courses promotion. Radio took the biggest chunk of the advertising budget, as national audience measurement surveys reveal that it is the most widely consumed medium in Uganda. Online platforms came second, followed by print. Given the reduction in consumption of newspapers in favour of social media platforms, especially by the youth who are our target audience, we cut the print advertising budget significantly in favour of online. Online adverts yielded 11,757 clicks which were redirected to the ICPAU website, and 15,277,638 impressions. Television was mostly used for event promotion.

There was a 31% growth in student enrolment numbers from 1,824 in 2021 to 2,625 in 2022.

#### 7.3.5 Digital communication

With the increasing usage and accessibility of online platforms, the Institute continues to leverage social media platforms to increase the effectiveness of its communications function. The digital communications strategy aims at growth of content, community, reach, engagement, brand awareness, and improvement in Client Relationship Management (CRM).

Our 2022 social media performance is reported below:

	2022	2021	Variance
Content	2,597	2,274	14% growth
Fans	42,470	35,948	18% growth
Engagement	98,563	77,183	28% growth
Impressions	2,986,278	3,690,278	19% decline
Awareness	1,627	2,890	43% decline

### 7.3.6 Publicity

**Media appearances:** These enhance the brand identity and visibility. With a mission to act in the public interest, the media gives the Institute a platform to tell our stories to broad audiences who then pick an interest in the relevance of the profession.

Therefore, the Institute is keen on media relations and continuously seeks publicity opportunities. We leverage events and other activities of the Institute to generate publicity.

In 2022, we had 303 media appearances, with 90% of the Institute's media coverage arising from events and activities.

#### Media relations

The Institute recognises the significance of the media in promoting the profession. Media practitioners tell our stories, thus creating awareness and contributing towards a favourable reputation of the accountancy profession.

Our media engagement strategy is executed through strategic collaborations and financial literacy training sessions.

**Strategic collaborations:** We maintained the collaboration with The CEO East Africa and Uganda Radio Network (URN). Through the collaborations, our publicity has been positively impacted. For 2022, publicity from The CEO East Africa and URN contributed 5.9% of total publicity.



You've been logged in.

## Accountants Join Fight Against Climate Change, Environmental Degradation

Business and finance Environment Kampala, Uganda

Nebert Rugadya

14 Sep 2022 16:18

Audio 5

The Institute of Certified Public Accountants of Uganda-ICPAU is encouraging organisations to include environmental and climate accountability as part of their annual financial reporting.



**Financial literacy trainings:** We held training sessions to equip media practitioners with business and financial knowledge to help them to enhance their reporting. We held 4 financial literacy sessions which attracted 186 participants. The areas covered included taxation tips for media practitioners, tax implications of the national budget, Reporting for an Initial Public Offering (IPO), and bookkeeping for small business owners.

### 7.3.7 Thought leadership

Through the CPA thought leadership programme, accountants contribute to topical discussions which are of national importance. CPAs write opinion articles which are published in the mainstream media. The thought leadership programme not only offers a platform for accountants to share expert advice on topical matters, but it also offers a platform for CPAs to build and enhance their personal brands.

In 2022 we discussed four topics, namely, the Parish Development Model, Rising commodity prices, Tax and the national budget. There were 13 media appearances arising from the thought leadership discussions.

**18 Prosper personalfinance** Tuesday, May 3, 2022 Daily Monitor

## Coping with high commodity prices

Avoid the temptation of taking on more debt to cover the gap created by the increasing prices. This may prove difficult to execute but it is critical to avoid falling deeper into the debt trap.

**BY EDWARD MUKASA**

As the country battles with unprecedented hikes in prices of essential goods, households are at the frontline of dealing with the harsher realities of the price changes. The family may consider some of these ideas below as they deal with the challenging financial times.

**Family financial discussions**

The family (especially spouses) should have an open and candid money discussion on how the family is going to navigate the current challenging financial waters. Most changes the family needs to make shall be tough and will require consensus. This discussion may be uncomfortable (especially if it has not been happening) but it is necessary for the financial health of the household.

**No wastage, stretch pay-cheque**

Frugality is a natural response during challenging times. Family resources should be directed to basic needs like food and key family overheads like school fees. Having family buy-in is critical to identifying the leakages and take the difficult decisions to plug them. Amidst changing prices, it is prudent

**Stay debt-free.** In addition to saving and investing, try to stay debt-free. "You can't attain financial freedom if you are indebted. Debt imposes obligation and bondage, both of which clearly counter the notion of financial freedom."

**Set your life goals.** First, you need to set your life goals so that you know what drives you and measure progress towards the freedom you desire. Then you have to work hard and smart to generate the funds you need to achieve those goals.

to assume that a paycheck that could take you through one month can now only do two to three weeks, so you are going to have to stretch it.

**Engage lenders, avoid more debt**

Families with debt may struggle to repay amidst the increasing costs of living. In case you anticipate this to happen, don't consider hiding from your bank manager or lenders. Approach them and share with them your economic realities and look for a solution together. This may include rescheduling the loan or giving you an opportunity to liquidate your property on your own terms without excessive penalties. At the same time, avoid the temptation of taking on more debt to cover the gap

created by the increasing prices. This may prove difficult to execute but it is critical to avoid falling deeper into the debt trap.

**Go slow on capital intensive projects**

If your household has a capital intensive project like building a home that it is undertaking, it may prove helpful to slow down on the project to release cash-flows to cover the rising household bill. The desire to continue the project may push the household further into debt which may worsen the household's family health. It is sometimes okay to pause a project for a few months to allow the family to stabilise.

**Get economically active**

There is a limit to how far you can minimise the costs, therefore, the family should look to boost the income. If one of the spouses is out of work, this is a good time to consider how they can become more economically active which may include looking for part-time work or starting a business.

**Be generous**

During this period, you shall notice that many in your community are doing economically worse than you. This is a period to share and not to hoard. Such challenging times present an opportunity to bond as a community and generosity is the glue that can create and sustain this community bond.

The author's CPA Ronald Edward Mukasa, the director research, innovation and learning at Enterprise Uganda.

**Markets**  
Stephen Kaboyo

**T**he Uganda Shilling was on the back foot undermined by an upsurge in demand from importers and interbank. The unit lost its previous week momentum and traded at 1,559/60.

In global markets, the US dollar hit its highest in two decades against the major currencies while the British pound traded near a 21-month low amid growth concerns. US stocks also gained mainly on corporate earnings.

In energy markets, crude oil futures fell as news of China's mass testing for Covid-19 weighed on sentiment, overshadowing supply side concerns of modest US inventory build and looming risk of further Russian sanctions. Brent crude traded at 109.69 per barrel.

Outlook for the Shilling suggests that it will continue to lean on the weaker side with pockets of volatility expected mainly on energy demand and as market players take positions ahead of closure of the fiscal year ending June.

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CPA Ronald Edward Mukasa's insights on commodity prices.

## **7.4 Support services**

Support services of the Institute cover; human resources, administration, information and communication technology, and finance functions of the Institute.

### **7.4.1 Treasury and working capital activities**

The Institute continued to invest funds in unit trusts, fixed deposits, and treasury bonds, earning investment income of Shs. 1.37 billion in 2022 (2021:Shs. 1.2 billion).

### **7.4.2 New ICT applications**

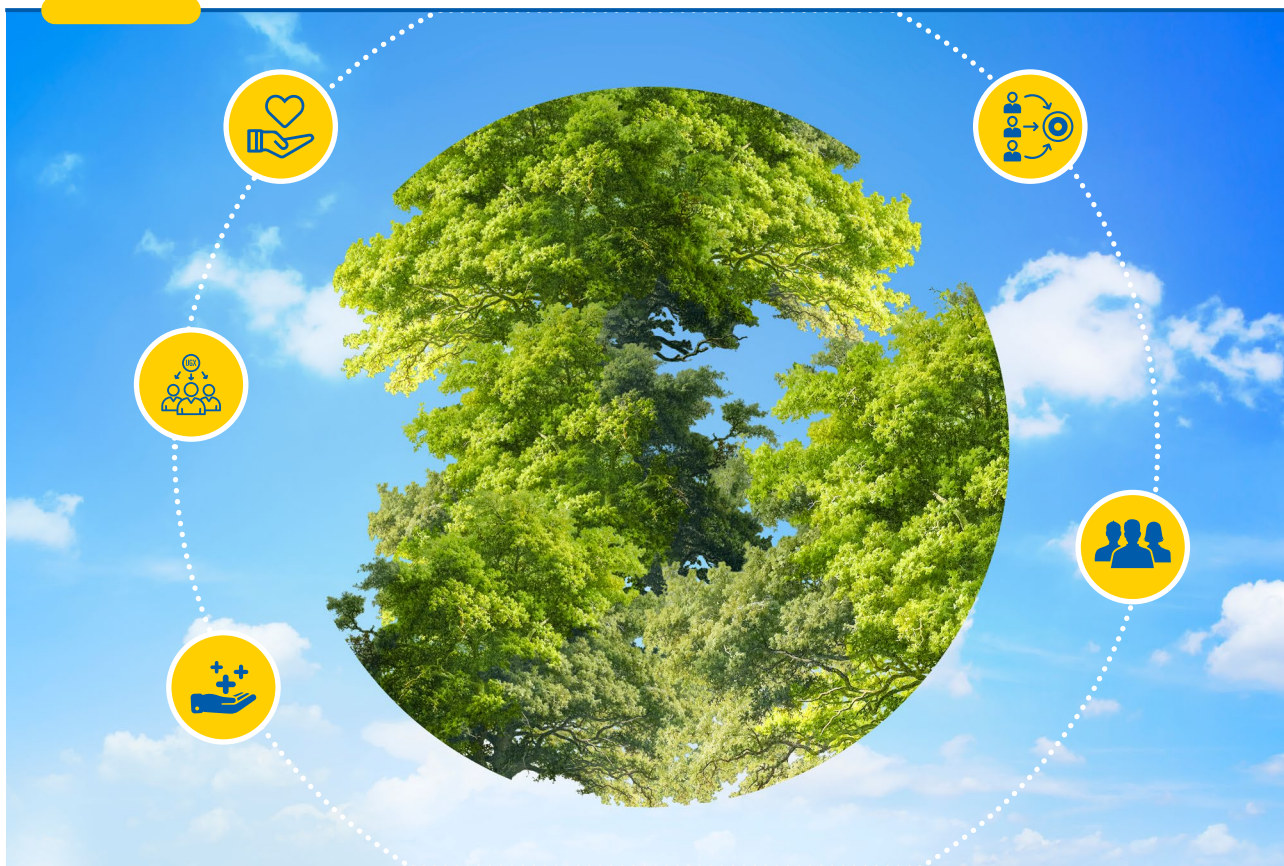
The Secretariat developed and deployed online;

- Application for practicing certificates and licences for new practitioners and new firms.
- Inspection checklist which enables the inspectors to issue reports before leaving a firm's premise.
- Examinations marking platform.
- Case management platform: When deployed, it will enable complainants file disciplinary cases online, a member or student to file a defense online, stakeholders to check on the status of a case and access the final report.
- Recruitment portal to enable job applicants to apply online.

### **7.4.3 Redevelopment of Plot 42 Bukoto Street**

- Conducted a traffic impact assessment. Its report was approved by Kampala Capital City Authority (KCCA).
- Conducted an environmental impact assessment, awaiting approval by the National Environment Management Authority.
- Applied for development permission to KCCA for Plot 42, Bukoto Street. The application was deferred by KCCA in December 2022, pending addressing some structural issues.

## 08 | Sustainability report



This report provides an objective analysis of the Institute's sustainability which is critical to its wellbeing and operations. Our continuous engagement, evaluation and the value we deliver to the stakeholders addresses our sustainability concerns, interests and link into our strategic interests.

### 8.1 Value added statement

A value added statement is a financial statement that depicts wealth created by the Institute and how that wealth is distributed among the various stakeholders.

		2022		2021	
	Wealth creation	Shs (000s)	Percentage	Shs (000s)	Percentage
1	Income received from membership	2,144,426	17.4	2,104,366	21.5
2	Income received from studentship	4,531,443	36.8	3,452,626	35.3
3	Income received from CPD	3,877,380	31.5	2,770,192	28.3
4	Income received from investments	1,373,951	11.1	1,200,988	12.2
5	Other Income	391,265	3.2	262,289	2.7
	<b>Wealth created</b>	<b>12,318,465</b>	<b>100</b>	<b>9,790,461</b>	<b>100</b>

		2022		2021	
	Wealth creation	Shs (000s)	Percentage	Shs (000s)	Percentage
	<b>Wealth distribution</b>				
1	Employees – staff costs	3,530,780	28.6	3,843,009	39.2
2	Standards and regulation	860,273	7.0	379,979	3.9
3	Education and examinations	4,668,120	37.9	2,881,710	29.4
4	Media and other stakeholders	1,349,823	11	1,200,750	12.3
5	Re-investment for the Institute	<u>1,909,469</u>	<u>15.5</u>	<u>1,485,513</u>	<u>15.2</u>
	<b>Wealth distributed</b>	<b><u>12,318,465</u></b>	<b><u>100</u></b>	<b><u>9,790,461</u></b>	<b><u>100</u></b>

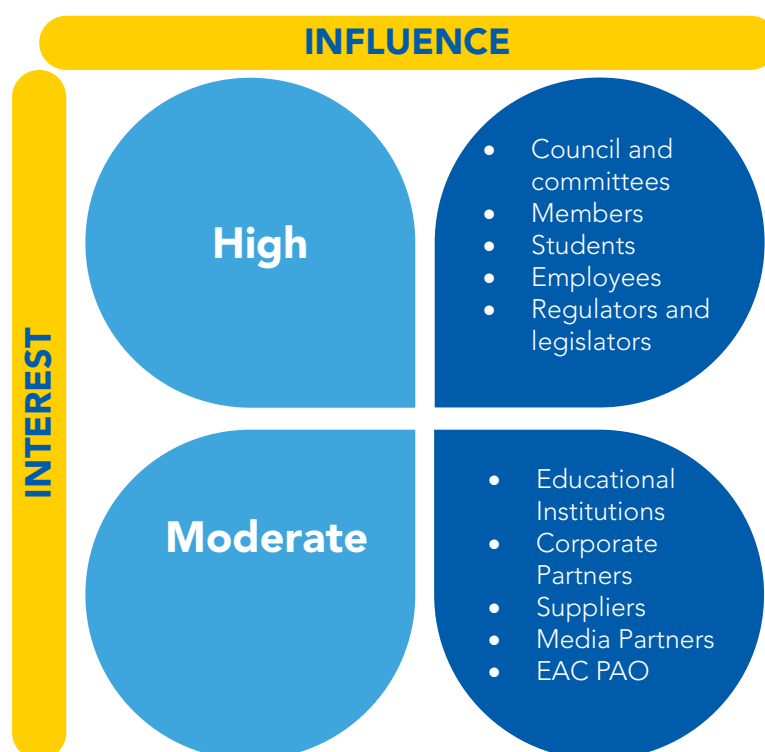
#### Re-investment for the Institute

1	Depreciation and amortisation	277,602		307,891	
2	Net surplus	<u>1,631,867</u>		<u>1,177,622</u>	
		<b><u>1,909,469</u></b>		<b><u>1,485,513</u></b>	

## 8.2 Key stakeholders

The Institute has a diversified range of stakeholders it engages continuously to drive its agenda. We have a programme of regular proactive engagements with key stakeholders to listen to one another and set parameters for robust relationships.

#### Stakeholder interest and influence matrix



The table below details discussions on the contribution of various stakeholders, their impact, risks as well as mitigating factors on the Institute's value.

Our Stakeholders	Why we engage	Our commitment	Engagement activities
Members	<ul style="list-style-type: none"> <li>Members propel the growth of the profession as they represent it in executing accountancy services and voicing national policy matters.</li> <li>Categorised under associate and full members, they majorly support the sustainability of the Institute through annual membership fees.</li> <li>They participate in the activities of the Institute like education, seminars and public engagements, acting as ambassadors of the profession.</li> </ul>	<ul style="list-style-type: none"> <li>Excellent customer service.</li> <li>Timely response to feedback.</li> <li>Trust and responsibility.</li> <li>Efficiency through digital innovations.</li> <li>Complaints resolution.</li> <li>Convenience.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct surveys on key areas.</li> <li>Hold Annual General meetings.</li> <li>Receive and adopt the annual report from Council.</li> <li>Receive an audit opinion from the external auditors.</li> <li>Receive financial performance overview.</li> <li>Participate in CPD framework compliance.</li> <li>Elect members of Council.</li> <li>Serve on committees of Council.</li> <li>Participate in regional member networks.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Limited value-added services to members.</li> <li>Limited appreciation of the CPA brand.</li> <li>Non-compliance with the Accountants Act, Sec (34) by employers.</li> </ul>		
Mitigating Factors Opportunities	<ul style="list-style-type: none"> <li>Improved usage of e-client support services.</li> <li>Increased partnerships with stakeholders on value-added services to members.</li> <li>Improved promotion and advocacy for adoption of accountancy services.</li> <li>Increased engagements with employers and stakeholders on uptake of accountancy services.</li> </ul>		
2022 Delivery Highlights	<ul style="list-style-type: none"> <li>Council approved:</li> <li>Bereavement Support to members</li> <li>Subscription waivers to members in good standing.</li> </ul>		
Council and Committees	<ul style="list-style-type: none"> <li>Council is responsible for the strategic direction of ICPAU.</li> <li>Implementation of sound internal control systems.</li> <li>Approval of policies, work plans and budgets.</li> </ul>	<ul style="list-style-type: none"> <li>Schedule meetings.</li> <li>Prepare agenda and working documents.</li> <li>Send mails for meetings.</li> <li>Write minutes.</li> <li>Follow up actions.</li> </ul>	<ul style="list-style-type: none"> <li>Council sits at least four times a year to review the Institute's operations and performance, internal audit and risk management and other reports.</li> <li>On an annual basis, Council holds strategy review sessions attended by Senior Management.</li> <li>Review and advise on financial matters</li> <li>Monitor CPD compliance.</li> </ul>
Risk	<ul style="list-style-type: none"> <li>Inability to provide strategy as envisioned, leading to fiduciary failure, conflict of interest and inconsistent decisions for the future of the Institute.</li> </ul>		

Our Stakeholders	Why we engage	Our commitment	Engagement activities
Mitigating Factors /Opportunities	<ul style="list-style-type: none"> <li>Council provides and/or approves strategic direction, oversight and risk management measures, policies, accountability and sustainability for the Institute.</li> <li>Practice of ethical culture, good performance and effective controls.</li> </ul>		
2022 Delivery highlights	<ul style="list-style-type: none"> <li>The Institute focused on delivery of priorities that enhance sustainability of operations amid the COVID-19 pandemic and achievement of set objectives. The Council and committee members acted with integrity.</li> </ul>		
Students	<ul style="list-style-type: none"> <li>Students are the core foundation of the profession and its sustainability.</li> <li>They contribute to the wealth creation in form of registration, exemption and examination fees.</li> <li>Participate in promoting the Institute and its activities.</li> </ul>	<ul style="list-style-type: none"> <li>Mobilise students for the Institute's courses.</li> <li>Register students.</li> <li>Regularly communicate and guide them.</li> <li>Provide career guidance.</li> <li>Examine and qualify the students.</li> </ul>	<ul style="list-style-type: none"> <li>Students sit for PAEB examinations, three times a year.</li> <li>Conduct surveys on key areas.</li> <li>Student Engagement Seminars are carried out to ensure students understand the requirements of the syllabi.</li> <li>Career Guidance Outreaches are carried out in different regions of Uganda annually.</li> </ul>
Risk	<ul style="list-style-type: none"> <li>Examination malpractices resulting in low caliber graduates and half baked accountants.</li> </ul>		
Mitigating factors/ opportunities	<ul style="list-style-type: none"> <li>The Institute operates a robust registration, documentation, system check, and examination rules that prohibit students from examination malpractices.</li> </ul>		
2022 Delivery highlights	<ul style="list-style-type: none"> <li>The Institute's examinations were free from any malpractices.</li> <li>Two student engagement seminars were held, virtually.</li> </ul>		
Employees	<ul style="list-style-type: none"> <li>The Institute had 48 dedicated staff as at 31 December 2022 offering services to the members, students and other stakeholders.</li> <li>We engage with staff to provide excellent services to our stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Ethical, customer focused service.</li> <li>Open and straight forward communication.</li> <li>Reward and benefits.</li> <li>Employee engagement and development.</li> <li>Health, safety and well being.</li> </ul>	<ul style="list-style-type: none"> <li>The Institute trains its staff to deliver valuable services.</li> <li>Organises and encourages staff to work in teams.</li> <li>Enhanced work experience.</li> <li>Coaching, mentoring and on job training.</li> </ul>
Risk	<ul style="list-style-type: none"> <li>Failure to attract and retain the right skills to execute the Institute's mandate and strategy, impacting service delivery and continuity of operations.</li> </ul>		
Mitigating factors/ opportunities	<ul style="list-style-type: none"> <li>The Institute's recruitment safety net is strong enough to attract exceptional talent into our employment ranks.</li> <li>Service standards are focused on results and are reviewed periodically.</li> <li>A performance culture is promoted among all staff.</li> <li>Staff are developed with requisite training and skills.</li> </ul>		

Our Stakeholders	Why we engage	Our commitment	Engagement activities
2022 Delivery highlights	<p>According to the Satisfaction Survey 2022, the Institute;</p> <ul style="list-style-type: none"> <li>• Staff team exercised professionalism in service at 95.3%.</li> <li>• Staff team issued feedback in reasonable time at 88.2%.</li> <li>• Members felt valued accessing ICPAU services from staff at 93.8%.</li> <li>• Received positive feedback regarding staff working from home.</li> </ul>		
Regulators and Legislators	<ul style="list-style-type: none"> <li>• ICPAU to comply with all the legal and regulatory requirements.</li> <li>• For the regulators and legislators to fully appreciate the role we play in contributing to building Uganda's economy.</li> <li>• Compliance with professional standards.</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance.</li> <li>• Contribution to shared regulatory areas like education.</li> </ul>	<ul style="list-style-type: none"> <li>• ICPAU worked closely with all regulatory bodies as stipulated in law.</li> <li>• ICPAU supports other regulators to handle reporting matters in accordance with the desired Accountancy Standards.</li> <li>• ICPAU supports other regulators to handle reporting matters in accordance with the applicable professional standards.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• Lack of awareness of legal and regulatory requirements by various stakeholders leading to inability to comply/respond.</li> </ul>		
Mitigating Factors/ Opportunities	<ul style="list-style-type: none"> <li>• Educating the stakeholders on compliance as well as sensitisation through meetings, constant communication and media.</li> </ul>		
2022 Delivery Highlights	<ul style="list-style-type: none"> <li>• ICPAU engaged a number of partners and stakeholders on the need to employ qualified accountants per Section 34(2) of the Accountants Act.</li> </ul>		
Media Partners	Disseminate, educate and inform members, stakeholders and the wider publics providing relevant information about the Institute, its activities and the accountancy profession.	<ul style="list-style-type: none"> <li>• Engage media partners.</li> <li>• Provide them with relevant educational information for the stakeholders and the publics.</li> <li>• Receive feedback.</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting on regulatory function.</li> <li>• Publications and contribution to thought leadership.</li> <li>• Reporting on events like the Economic Forum and the Annual Seminar.</li> <li>• Reporting on professional training (CPA course and CPDs).</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• Lack of awareness of accountancy related information often leads to the media misinforming the public.</li> </ul>		
Mitigating Factors / Opportunities	<ul style="list-style-type: none"> <li>• A commitment strategy to provide the media with the right information to disseminate to the public.</li> <li>• Organizing media sensitization workshops.</li> <li>• ICPAU has a good working relationship with media partners</li> </ul>		
2022 Delivery Highlights	<p>Achieved marked growth in information dissemination through newspapers, televisions, radios, online and social media.</p>		

Our Stakeholders	Why we engage	Our commitment	Engagement activities
Tertiary Educational Institutions	Collaboration on training for professional education.	<ul style="list-style-type: none"> <li>• Arrange meetings.</li> <li>• Pro-active engagements.</li> <li>• Monitoring MOUs.</li> </ul>	Sign MOUs for partnership in; a) joint promotional initiatives. b) training and career guidance of students.
Risks	<ul style="list-style-type: none"> <li>• Lack of commitment from some stakeholders on agreed parameters of collaboration.</li> </ul>		
Mitigating Factors / Opportunities	<ul style="list-style-type: none"> <li>• Periodic engagement with stakeholders for review, commitment and implementation of agreed terms of MOUs.</li> </ul>		
2022 Delivery Highlights	Maintained 6 MOUs with no new one signed due to the COVID-19 pandemic.		
Suppliers	Maintain steady and timely supply of products, services and accessories to support smooth operations of the Institute. All suppliers are given equal opportunity to compete for contracts for goods and services.	<ul style="list-style-type: none"> <li>• Responsible procurement.</li> <li>• Competitive fairness.</li> <li>• Open communication.</li> <li>• Prompt payment schedules.</li> </ul>	Procure and provide; <ul style="list-style-type: none"> <li>• Staff Health insurance and welfare.</li> <li>• Venues, promotional materials, transport, meals etc.</li> <li>• Marketing and branding items e.g. brochures, pens, banners, t-shirts etc.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• Engaging unscrupulous suppliers could lead to poor service/product delivery, bribery and corruption impacting negatively on the Institute's reputation.</li> </ul>		
Mitigating Factors / Opportunities	<ul style="list-style-type: none"> <li>• The supplier selection process is handled cautiously including checking on compliance with statutory regulations.</li> <li>• We engage internal teams and members, where necessary, in the procurement process for transparency.</li> </ul>		
2022 Delivery Highlights	<ul style="list-style-type: none"> <li>• All suppliers were paid on time.</li> </ul>		
Other Professional Accountancy Organisations (PAOs).	<ul style="list-style-type: none"> <li>• Work with other PAOs on strategic interests of the profession within EAC.</li> <li>• Promote relevant professional accountancy training in the region.</li> <li>• Link with IFAC and PAFA for updates on current professional issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage other PAOs.</li> <li>• Harmonise frameworks (Education, Audit, Accountancy).</li> <li>• Make comments on exposure drafts.</li> <li>• Attend each other's Annual Seminars.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Mutual Recognition Agreement (MRA).</li> <li>• Harmonise the framework for accountancy education in the EAC region.</li> <li>• Receive and disseminate exposure drafts and developments in the profession.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• Emergence of differing opinions on strategies for implementation of harmonized frameworks arising out of statutory requirements of each country.</li> </ul>		
Mitigating Factors / Opportunities	<ul style="list-style-type: none"> <li>• Provision of mechanisms for engagement through EACIAs' Joint Governance Council.</li> <li>• Provision for advocacy of the relevant authorities in the region.</li> <li>• Engagement online which makes communication and decision making faster and easy.</li> </ul>		
2022 Delivery Highlights	<ul style="list-style-type: none"> <li>• There were harmonious relationships between EACIAs.</li> </ul>		

### 8.3 Social responsiveness

Through 2022, the Institute's social responsiveness focused on education, health, community and environmental initiatives.

<b>Education</b>	<b>Student Scholarship Programme</b> The 3 <sup>rd</sup> Cohort of the Student Scholarship Programme was unveiled with 10 beneficiaries. These are entitled to free registration and examination fees. The Institute also mobilized tuition provision for these beneficiaries from MAT Abacus and Glory Professional Trainers.	<b>Uganda Mathematical Society</b> The Institute partnered with Uganda Mathematical Society by sponsoring the Mathematics Bonanza and Teachers' Conference with medals, trophies, banners, magazines, pens and notebooks for over 500 students.
<b>Health</b>	<b>Blood Donation</b> The Institute partnered with Uganda Re-Insurance Company and conducted a blood donation campaign during the 27 <sup>th</sup> Annual Seminar.	<b>Medical Camps</b> The Institute also partnered with Entebbe Hospital to offer free medical services (HIV testing/ counselling, diabetes testing, hepatitis B testing/screening, blood pressure testing, blood sugar screening, malaria testing, general medical consultation and first aid operations) to participants of the 10 <sup>th</sup> CPA Economic Forum and 27 <sup>th</sup> Annual Seminar.
<b>Community</b>	<b>Arua Zebra Cross Painting</b> The Institute led initiatives of repainting a zebra crossing in Arua City during the ICPAU@30 regional celebrations.	<b>ICPAU Junior Woodball Championships</b> The Institute partnered with Uganda Woodball Federation by sponsoring the Junior Woodball Championships with medals, certificates, trophies and branded shirts for over 700 students.
	<b>Katalemwa Cheshire Home</b> The Institute conducted a charity walk in 2010 to raise funds to construct a 40-bed dormitory for children with disabilities at Katalemwa Cheshire Home. When the Institute wanted to embark on the construction, it was discovered that the land had been registered in the name of a former trustee of the Home and he could not be traced. The Home managed to have the land registered in its name in 2022.  With passage of time, the Home changed its concept from building a dormitory to building an early learning centre and a hostel, due to changes in their governance framework. These will be income generating facilities, aimed at ensuring sustainability.  At 31 December 2022, the Katalemwa charity fund stood at Shs. 602 million. The Fund has been built from charity walk collections, members' annual contributions and investment income.  The Home expects to finalise its building plans in 2023 and embark on construction.	
<b>Environmental</b>	<b>Regional Tree Planting</b> Through regional networks, the Institute during the ICPAU@30 celebratory activities conducted tree planting exercise in three (3) regions (West Nile, Western and Eastern networks).	



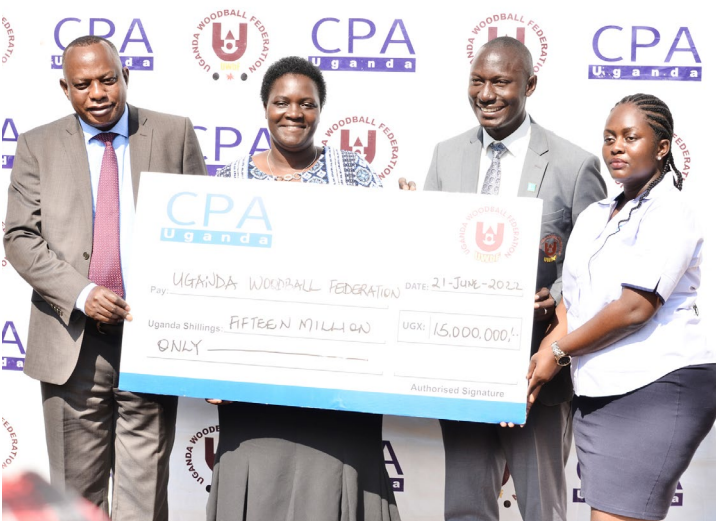
ICPAU representative CPA Charles Lutimba participating in repainting a zebra crossing in Arua during the regional ICPAU@30 celebrations.



Zebra road sign installed by the Arua regional network during the ICPAU@30 Celebrations.



Uganda Accountancy Qualification Validation Workshop held at Imperial Royale Hotel on 14th December 2022.



ICPAU Representative Mrs. Julian Namale Muweesi(Right) handing over a cheque to the Uganda Woodball organisers.



Medical camp at the 27th Annual Seminar 31 August to 2 September 2022 offered by Entebbe Hospital.

## ACCOUNTANCY SERVICE AWARDS - 2022



1. CPA John F.S. Muwanga — Auditor General of Uganda (Left) received a *Gold Service Award*.
2. Bank of Uganda Deputy Governor, Dr Michael Atingi-Ego. Bank of Uganda won a *Long-Term Institutional Partner Award*.
3. CPA Brenda Abalo (Left) receiving a Gold Service Award on behalf of her father, CPA Gustavo Orach Lujwero Bwoch.
4. Ms Josephine Mayanja Nkangi (Left) receiving a Gold Service Award on behalf of her father, the Late Jehoash Mayanja Nkangi.
5. CPA Aggrey Samuel Mankaati (Centre) accompanied by his wife. CPA Mankaati won a *Young Accountant of the Year Award*.

## 27<sup>th</sup> ANNUAL SEMINAR



CPA Fabian Kasi, the Managing Director of Centenary Bank delivered the keynote address.

1. CPA Sarah Chelangat hands gifts to CPA Julius Kakeeto. CPA Kakeeto delivered a presentation on Strategic Mindset Shift for Business Development.
2. Eye clinic services provided by Mengo Hospital.
3. A cross section of participants at the 27<sup>th</sup> Annual Seminar. Extreme right is ICPAU President, CPA Constant Othieno Mayende and 2<sup>nd</sup> right is Bank of Uganda Deputy Governor, Dr. Michael Atingi-Ego.
4. Sponsors of the 27<sup>th</sup> Annual Seminar, with ICPAU officials.



## 10<sup>th</sup> CPA ECONOMIC FORUM



1. Dr. Joseph Muvawala, the ED of the National Planning Authority was the keynote Speaker.
2. ICPAU 7<sup>th</sup> President CPA Protazio Begumisa (Right) handing gifts to presenters at the Economic Forum.
3. ICPAU Council members, 8<sup>th</sup> President CPA Frederick Kibbedi (2<sup>nd</sup> Right seated), and former chair of the Events Management Committee, CPA John Muhaise-Bikalemesa (Extreme Right seated).
4. A cross section of participants at the Forum.



## FiRe AWARDS 2022



1. National Social Security Fund won the *Integrated Report of the Year* Award-Gold. The Fund also won the *Public Sector* Award.

2. Stanbic Uganda Holdings Limited won the *Integrated Report of the Year* Award-Silver. They also won the:

- Corporate Governance Reporting Award
- Sustainability Reporting Award
- Best Listed Entity Award.



3. Centenary Rural Development Group Limited won the *Integrated Report of the Year* Award-Bronze. They also won the Banking Services Award.



## 8.4 Stakeholder experience

The Institute served an average of 30 stakeholders per day during the year. Most of these were prospects inquiring about enrollment for membership and registration for the courses and/or delivering application documents. The Institute also received an average of 10 phone calls on a daily basis on top of email inquiries and face to face interactions. These were attended to in good time. On the whole, the Institute had face to face interactions with 6,539 stakeholders in the year 2022.

A total of 175 members and 2,625 students used the online platforms to enrol for membership and register for studentship, respectively. This quickened the registration process and update of members' and students' information into the database.

Digital platforms were deployed/used for application for membership, studentship, practising certificates and licences of practice, examinations registration, CPD returns and payment processing. These reduced the back and forth movement by members and students to and from the Institute in search of services. Registration of students improved with an average turnaround time of 25 minutes and service time of between 2-5 minutes. The turnaround time for membership enrolment remained to an average of one month in 2022.

Additionally, members, students and other stakeholders were able to use online platforms to access the Institute's resources.

## 8.5 Our People

### 8.5.1 Success through our People

We recognize that ICPAU's greatest asset is its human resources hence the need for their zeal and commitment. Our team's strategic focus is to build a performance culture in all aspects of our work with tangible evidence of improved productivity. The Human Resources Section coordinates the strategic measurement process, which is aimed at

enabling the Institute meet its aspirations of being a world class accountancy Institute.

### 8.5.2 Workforce demographics

The Institute had 46 members of staff at 31 December 2022 spread in four directorates. We believe that a diverse workforce flourishes where there is a culture of inclusion thus we seek to create an inclusive working environment in which all staff feel valued and respected irrespective of differences and are enabled to perform at their very best.

We remain committed to attracting, retaining and developing a workforce that is diverse in the broadest sense not only in terms of gender but also in terms of age, religion, colour, ethnic origins, disability, marital status, political conviction as well as experience and skill set.

The average age for staff was 40 years at 31 December 2022 (41.5 years in 2021) while the average period of service was 7 years (7 years in 2021).

### 8.5.3 Learning and development

The Secretariat is committed to continuous learning and offers learning opportunities to all employees to enable them deliver an excellent service to our stakeholders and in public interest. COVID-19 availed an opportunity in innovation where we shifted to use of digital platforms. 36 ICPAU staff attended online trainings with an overall average of 50 training hours.

In 2022, three (3) members of staff sat for CPA examinations. The Secretariat supported them with annual renewal fees, examinations fees, study packs and accorded them time off for Examinations in the form of study leave on the days of writing examinations.

### 8.5.4 Employee recruitment and growth

The Secretariat prioritizes having the right employees in the right positions. Our recruitment, selection process is conducted in a fair and transparent manner to promote professional excellence. All appointments

and promotions are based on merit. One (1) staff member was recruited in 2022 to boost the ICT section.

We registered four (4) promotions in 2022.

Directorate	Promoted from	To
CEO's Office	Assistant Relations Officer	Engagement Officer
CEO's Office	Assistant Relations Officer	Engagement Officer
CEO's Office	Engagement Officer	Communications Officer
Standards & Regulation	Assistant Quality Assurance Officer	Quality Assurance Officer

At 31 December 2022, the Secretariat had 48 staff against a staffing budget of 64. Four (4) members of staff exited the Institute by resignation. Filling of the vacant positions is ongoing, and the replacements are expected to start work in January 2023.

#### 8.5.5 Performance management

ICPAU expects and requires high performance of its staff. It is committed to a performance management system in which individuals take responsibility and are held accountable for their performance; are recognized for their achievements; and are mentored to develop their potential.

Where performance does fall below expectations; areas for improvement are clearly identified that staff receive candid timely feedback and that appropriate improvement opportunities are provided. Supervisors bear a responsibility of fostering a culture of trust, transparency, honesty, dialogue, collaboration and innovation. The focus is building a high-performance culture and aligning it to our strategy. We are achieving this through implementation of our performance management policy to ensure objective measurement of targets.

#### 8.5.6 Staff health and welfare

We provide medical insurance to all employees and up to three dependents. We continue to provide life assurance cover to all our staff members in addition to the 60 working days maternity leave and 5 working days paternity leave for all mothers and fathers, respectively. In 2022, 2 staff members took maternity leave and 3 staff members took paternity leave.

#### 8.5.7 Staff Retirement Benefits Scheme

The Institute has a voluntary contributory retirement benefits scheme for all its non-executive staff as well as a gratuity scheme for Senior Management. The scheme is administered by Zamara Retirement Fund, an umbrella scheme. Each employee contributes 5% of his/her basic monthly salary and the Institute contributes a similar percentage.

#### 8.5.8 Collective responsibility

Achieving the goals of the Institute is a collective responsibility, an undertaking to be shared by the Council, Committees of Council, Senior Management and all staff members. To this end, we look to Senior Management as leaders, coaches, mentors and role models. They are responsible for facilitating the development and performance of their teams and for creating enabling environments.

## 09 | Governance report

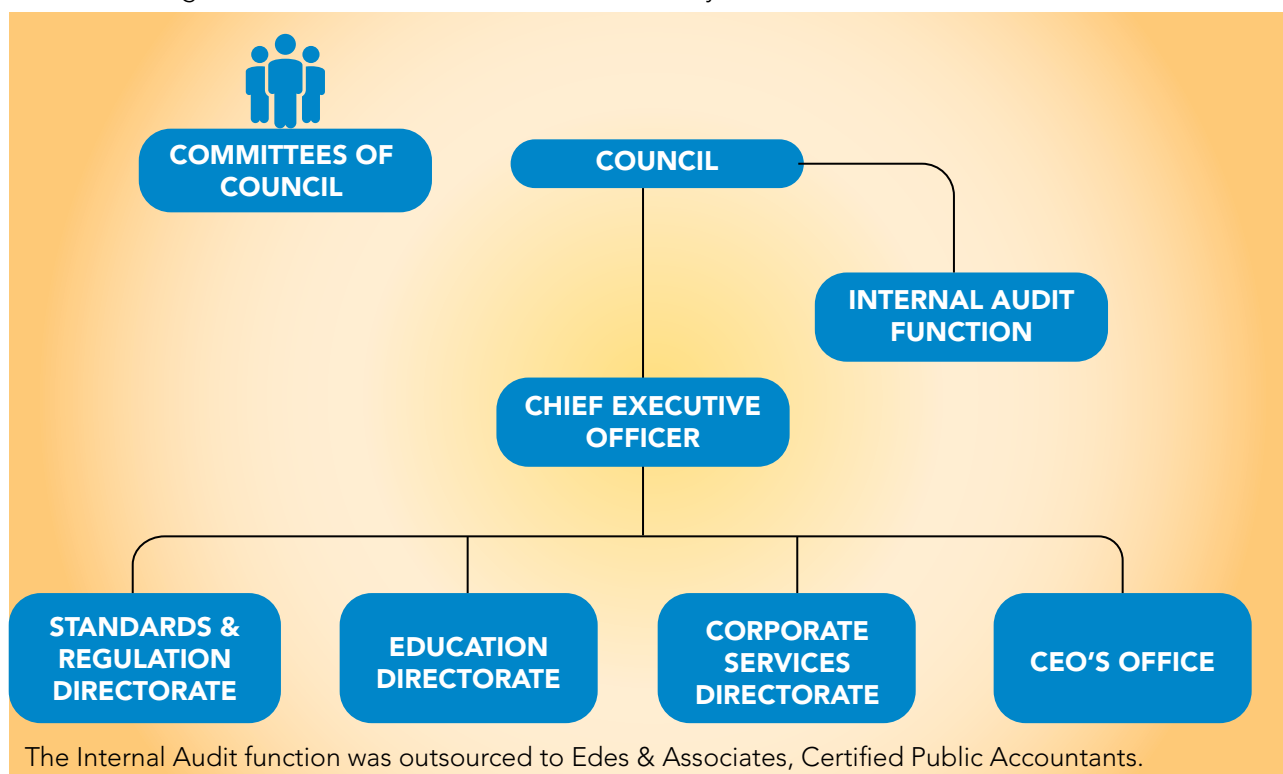


### 9.1 Introduction

The Council is the highest decision-making body, and it is ultimately responsible for governance of the Institute. The Council embraces best practice principles in its governance of the Institute. Sound governance practices are crucial in earning the trust of stakeholders. These practices aid in the success and sustainability of the Institute. The Institute's governance framework enables the Council to fulfil its role of providing oversight, strategic counsel and guidance in line with its responsibility of ensuring conformance with regulatory requirements. The day-to-day activities of the Institute are handled by a full-time secretariat which is headed by the Secretary/Chief Executive Officer.

### 9.2 Organisational structure

The organisational structure of the Institute for the year ended 31 December 2022 was as follows.



### 9.3 The Council

The Council comprises of eleven (11) members as follows;

- Seven (7) members were elected by full members of the Institute. Of the elected members of Council, at least five (5) must be practising accountants and at least three (3) must be women.
- One (1) member appointed by the Minister for Finance from a recognised professional or regulatory body established by an Act of Parliament.
- Three (3) ex-officio members, namely, the Accountant General, the Auditor General and the Officer responsible for higher education in the Ministry responsible for Education. An ex-officio member can appoint a person to represent him or her at a meeting of the Council.

The term of office for the elected Seven (7) members of Council will expire on 30 June 2023. New members of Council will be elected by full members of the Institute, online in 2023.

The Institute has a unitary Council structure, and the roles of the President and Secretary/ Chief Executive Officer are separate and distinct. The operations of the Council and its committees are governed by a Council Charter.

Members of committees of the Council serve for two years, except those on the Public Accountants Examinations Board (PAEB) and Disciplinary Committee (DC) who serve for a period of three years. The Accountants Act, 2013 gives Council the mandate to establish committees. Members of committees were last appointed in April 2021 for a two-year term. The committee has been reconstituted and new members will serve for a period of two years ending December 2024.

Members of Council or its Committees are required to attend an orientation seminar/workshop to appraise themselves with the activities of the Institute and procedures of Council and Committees, and operations of professional accountancy organisations. Each member is given an induction pack. All members of the Institute on Council or its Committees serve the profession on a voluntary basis.

### 9.4 Council meetings adjourned

Seven (7) regular meetings were held in 2022; ie on 22 February 2022, 11 April 2022, 6 June 2022, 19 July 2022, 30 August 2022, 28-29 October 2022 and 5 December 2022. Five (5) special meetings ie on 19 January 2022, 1 April 2022, 16 May 2022, 5 July 2022 and 4 October 2022

Out of the 12 meetings held, 4 were virtual and 8 were physical.

The attendance of Council meetings in 2022 was as follows:

	Name	Designation	Attendance / Number of meetings held	
			2022	2021
1	CPA Constant Othieno Mayende	President	12/12	9/9
2	CPA Josephine O. Okui Ossiya	Vice President	9/12	3/4
3	CPA Stephen Ojiambo	Member	3/12	9/9
4	CPA Edward Akol	Member	2/12	5/9
5	CPA Geoffrey Byamugisha	Member	10/12	8/9
6	CPA Stephen Ineget	Member	10/12	9/9
7	CPA Laura Aseru Orobia	Member	9/12	4/4
8	CPA Ronald Mutumba	Member	11/12	4/4
9	CPA Gloria Tuhaise Wakooba	Member	9/12	4/4
10	Eng. Jackson K. Mubangizi	Member	12/12	8/9
11	Ms. Sarah Namuli Tamale	Member	5/5	9/9
	<b>Secretary to Council</b>			
	CPA Derick Nkajja	Secretary/CEO, ICPAU	11/12	7/9

## 9.5 Boards and Committees

The Accountants Act, 2013 establishes The Public Accountants Examinations Board (PAEB), Quality Assurance Board (QAB), Disciplinary Committee (DC) and Disciplinary Appeals Committee (DAC). It also prescribes their composition and functions. The Elections Committee is established by the Accountants Regulations, 2016 to handle elections of the Council. The functional committees established by the Council majorly draw their membership from the Institute's members. Some public interest members (non-accountants), with specialised skills and knowledge are appointed to some committees to tap into their specialities.

The PAEB, QAB, DC and DAC draw their membership from the Institute's members and other public interest representatives. The members of Council and committees bring to the Institute vast skills, knowledge and experiences from their respective fields and backgrounds.

The Council exercises its oversight role through a governance structure comprising of committees. With the exception of the statutory committees, all committees operate on terms of reference (TORs) approved by the Council. The TORs spell out the role, responsibilities, composition, scope of authority, quorum for meetings, appointment, meeting dates and procedures for reporting to the Council.

### 9.5.1 Public Accountants Examinations Board (PAEB)

PAEB was established by the Accountants Act to govern the Institute's examinations. It is composed of seven members. Its chairperson is appointed by the Council from among the members of Council. The Secretary is also appointed by Council. All the members of the Board serve for a period of three years, except the members of Council or the Secretary, and are eligible for re-appointment.

### 9.5.2 Quality Assurance Board (QAB)

QAB was established by the Accountants Act, 2013. Its role is to monitor compliance with professional quality assurance and standards and enhance financial reporting. It is composed of seven members. Its chairperson is appointed by The Minister of Finance, Planning and Economic Development on the advice of Council.

### 9.5.3 Disciplinary Appeals Committee (DAC)

DAC was established by the Accountants Act, 2013. It is composed of 5 members and chaired by an advocate. The Committee's major role is to hear and determine appeals from the decisions of the Institute's Disciplinary Committee.

### 9.5.4 Elections Committee

The Elections Committee (EC) is established by the Accountants Regulations, 2016. It is composed of 5 members of the Institute appointed by the Council. It is chaired by a member of Council and its secretary is the Secretary of the Institute. It is mandated to conduct elections for the members of Council and the President and Vice President. Its term of service expires six months after conducting respective elections. The EC will be constituted and it will conduct Council elections in 2023.

### 9.5.5 Disciplinary Committee (DC)

DC was established by the Accountants Act, 2013. It is composed of 5 members; a member of Council who serves as chairperson, two members of ICPAU, and two eminent persons of good repute from the public, one of whom must be from a profession other than accountancy. This Committee is the custodian of the Institute's code of ethics and has a formal process of handling complaints raised against members of the Institute. The disciplinary process is guided by the principles of fairness (the right for a member

to put forward their case), confidentiality, independence, and the right to appeal.

The process takes into consideration the public interest as well as preservation of the rights of members and requirements of professional accountancy standards. The Committee's major roles are; to handle and deliver decisions on cases of professional misconduct; and to develop and issue guidance on the professional code of conduct.

#### **9.5.6 Education and Research Committee**

It handles issues related to the education and training of the Institute's students, provision of Continuing Professional Development (CPD) to members as well as coordinating research. It is comprised of 9 members.

#### **9.5.7 Finance, Planning and Administration Committee**

It handles finance, planning and administrative matters for the smooth running of the Institute. It is comprised of 9 members.

#### **9.5.8 Projects Management Committee**

The Committee is responsible for the development and utilisation of the Institute's properties. It is a sub-committee of the Finance, Planning and Administration Committee. It is comprised of 9 members.

#### **9.5.9 Members' Services Committee**

The Committee handles the Institute's members' interests; as well as oversees the development and implementation of the Institute's marketing and communication programmes. The Committee had 11 members.

#### **9.5.10 Events Management Committee**

The Events Management Committee comprised of 5 members. Its main role is to organize the Institute's events. It is a sub-committee of the Members Services Committee.

#### **9.5.11 Professional Standards Committee**

The Committee's main purpose is to promote and maintain compliance with professional standards, legal and other regulatory requirements. It is composed of 9 members. The committee had 5 sub-committees (panels) to cater for the increasing demands of the accountancy profession in Uganda and diversity of the Institute's membership, namely;

- ❖ Internal Audit.
- ❖ Industry and Business
- ❖ Public Practice.
- ❖ Public Sector.
- ❖ Taxation and Economic Policy.

Each panel is chaired by a member of the main committee.

#### **9.5.12 FiRe Awards Committee**

This is a special-purpose committee of the Institute under the professional standards committee. Its main role is to promote and organise Financial Reporting (FiRe) Awards and assess improvements in the quality of financial and business reporting in Uganda. It is comprised of 9 members.

#### **9.5.13 Audit Committee**

It provides oversight of the financial reporting process, the audit process, the system of internal controls, risk management process and compliance with laws and regulations. The Audit Committee draws its membership from Council. It is comprised of 3 members.

### **9.6 Remuneration to members of the Council and its Committees**

All members of the Institute on Council or its Committees serve the Profession on a voluntary basis. No member of Council or of its committees received any payment in respect of the services rendered to the Institute. They only received a partial refund of their transport or internet data costs whenever they attended meetings.

## 9.7 Attendance of meetings of Committees

### 9.7.1 Public Accountants Examinations Board (PAEB)

	Name	Number of meetings attended	
		2022	2021
1.	CPA Geoffrey Byamugisha	7/7	3/3
2.	CPA Prof. Laura Aseru Orobia	6/7	3/3
3.	CPA Arthur Mugizi Babu	6/7	5/7
4.	CPA Assoc. Prof. Charles T. Kazooba	4/7	6/7
5.	CPA Assoc. Prof. Twaha Kaawaase	5/7	5/7
6.	Ms. Mercy Mugowa Ntale	7/7	5/7
7.	Mr. James Turyatamba	7/7	7/7

### 9.7.2 Quality Assurance Board (QAB)

	Name	Number of meetings attended	
		2022	2021
1.	CPA Ben Patrick Kagoro	5/5	4/4
2.	CPA Jennifer Muhuruzi	2/5	2/4
3.	CPA Sheila Ssemugooma	0/5	0/4
4.	CPA Patrick Michael Ayota	3/5	3/3
5.	CPA Regina Kimera	3/5	2/3
6.	Mrs. Mariam Ekirapa Musaali	4/5	3/3
7.	CPA Derick Nkajja	5/5	3/4

### 9.7.3 Disciplinary Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Josephine Okwakol Okui Ossiya	4/6	2/2
2.	CPA Marie Solome Nassiwa-Martin	6/6	N/A
3.	CPA Gervase Ndyababo	5/6	2/2
4.	Adv. Agnes Tibayeita Isharaza	4/6	N/A
5.	Assoc. Prof. Yasin Olum	6/6	N/A

### 9.7.4 Disciplinary Appeals Committee

	Name	Number of meetings attended	
		2022	2021
1.	Harriet Diana Musoke	N/A	N/A
2.	Robert Kajoro	N/A	N/A
3.	Jacqueline B. Lutaya	N/A	N/A
4.	Justine Nnanyange Tumwesigye	N/A	N/A
5.	Frederick F.I.B Kayanja	N/A	N/A

### 9.7.5 Education and Research Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Prof. Laura Aseru Orobia	2/2	2/2
2.	Ms. Sarah Namuli Tamale	1/1	2/2
3.	CPA Michael Wanyama Opiema	1/2	1/2
4.	CPA Walter Yorac Nono	2/2	0/2
5.	CPA Albert Elasu Obongonyinge	2/2	2/2
6.	CPA Edson Serve Ashabahebwa	2/2	2/2
7.	CPA Sheila Carol Kasujja	1/2	2/2
8.	CPA Nancy Amuge Owino	2/2	2/2
9.	CPA Mary Maurice N. Mukokoma	1/2	2/2
10.	CPA Denis Legamoi	1/2	N/A

#### 9.7.6 Finance, Planning and Administration Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Gloria Tuhaise Wakooba	5/5	3/3
2.	CPA Sam Ntulume	5/5	4/5
3.	CPA Sylvia Naigaga	3/5	4/5
4.	CPA Samuel Fredrick Mwogeza	2/5	3/5
5.	CPA Paul Senyomo	4/5	5/5
6.	CPA Albert Richard Otete	3/5	4/5
7.	CPA Fiona Nazziwa Semanda Kanyike	5/5	4/5
8.	CPA James Okello Onyoin	3/5	3/5
9.	CPA Nightingale Mirembe Ssenoga	2/5	4/5

#### 9.7.7 Projects Management Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Gloria Tuhaise Wakooba	N/A	N/A
2.	Eng Jackson Mubangizi	N/A	N/A
3.	CPA Alfred Beitwababo Kabuchu	N/A	N/A
4.	CPA Godfrey Ssemugooma	N/A	N/A
5.	CPA Alice Nyangoma	N/A	N/A
6.	CPA Hassan B. Musinguzi	N/A	N/A
7.	CPA Kelvin Musana Mubanga	N/A	N/A
8.	CPA Elijah Tugume	N/A	N/A
9.	CPA Joseph Mukisa Lubega	N/A	N/A

#### 9.7.8 Members' Services Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Ronald Mutumba	11/11	7/8
2.	CPA Harriet N. Kiwanuka	5/11	5/8
3.	CPA Fawn E. Cousens	4/5	7/8
4.	CPA Dan Namwanza Badebye	4/11	3/8
5.	CPA David B. Sserebe	11/11	8/8
6.	CPA Allan Ssenkungu	11/11	5/7
7.	CPA Grace Jethro Kavuma	5/11	5/7
8.	CPA Diana Mwendha	2/11	3/7
9.	CPA David Kabale	8/11	7/7
10.	CPA Sylvia Byekwaso	8/11	3/7
11.	CPA Budalah Nsubuga	10/11	5/7

#### 9.7.9 Events Management Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA David B. Sserebe	8/8	9/9
2.	CPA Michael Owena	8/8	7/9
3.	CPA Sandra Nakibuule Batte	6/8	5/9
4.	CPA Anne Rose Namatovu	6/8	7/9
5.	CPA Joselyn Nakasi	8/8	8/9
6.	CPA David Timothy Ediomu	8/8	6/9

#### 9.7.10 Professional Standards Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Stephen Ineget	4/4	2/2
2.	CPA Clive Humphrey Mayombwe	4/4	2/2
3.	CPA Aggrey Samuel Mankaati	4/4	2/2
4.	CPA Nicholas Mushabenta	4/4	1/2
5.	CPA Silajji Kanyesigye Baguma	4/4	1/2
6.	CPA Betty Higinyi Naula	4/4	1/2
7.	CPA Julius Tumuhimbise	3/4	1/2
8.	CPA Edith Kakuba Nalyanti	3/4	1/2
9.	CPA Frederick Cliff Kato	4/4	2/2

#### 9.7.11 Internal Audit Panel

	Name	Number of meetings attended	
		2022	2021
1.	CPA Moses Bwire Nambale	3/3	1/2
2.	CPA Stephen Hamya	1/3	2/2
3.	CPA Ambrose Ekaju	2/3	1/2
4.	CPA Timothy Etoori	3/3	2/2
5.	CPA Sell Governor Joseph Vuzi	3/3	2/2
6.	CPA John Bosco Turyaheebwa	3/3	2/2
7.	CPA Carol Angella Kyomuhendo Lutalo	3/3	2/3
8.	CPA Catherine Asiimwe	3/3	2/3
9.	CPA Ida Pamela Nabatanzi	2/3	2/3

#### 9.7.12 Industry and Business Panel

	Name	Number of meetings attended	
		2022	2021
1.	CPA Joel Byaruhanga	2/2	2/2
2.	CPA Andrew Kawere	2/2	1/2
3.	CPA Bruno Muhindi	2/2	1/2
4.	CPA Michael Tugyetwena	2/2	2/2
5.	CPA Denis Kizito	1/2	1/2
6.	CPA Elizabeth Nyarobbo	1/2	2/2
7.	CPA Richard Asiimwe	2/2	0/2
8.	CPA Mary Matama Milly Maganda	2/2	2/2
9.	CPA Sylvia Adong	1/2	N/A

#### 9.7.13 Public Practice Panel

	Name	Number of meetings attended	
		2022	2021
1.	CPA Humphrey Mayombwe	2/3	2/2
2.	CPA Thomson Peter S. Kwizina	3/3	2/2
3.	CPA Nicholas Sekyali	2/3	2/2
4.	CPA Bernard Fred Ochan	2/3	2/2
5.	CPA James Okello	1/3	2/2
6.	CPA Desteo Mugabi	1/3	1/2
7.	CPA Freda Kaheru Agaba	1/3	2/2
8.	CPA Uday Chandubhai Bhalara	2/3	1/2
9.	CPA Edward Ssendiwala	3/3	2/2

#### 9.7.14 Public Sector Panel

	Name	Number of meetings attended	
		2022	2021
1.	CPA Cliff Frederick Kato	2/2	2/2
2.	CPA Edith Kakuba Nalyanti	1/2	1/2
3.	CPA Charles Aluma	2/2	2/2
4.	CPA Michael Ssekandi	2/2	2/2
5.	CPA Swalley Sully Ssenteza	2/2	1/1
6.	CPA Agnes Sukie Bainmugisha	0/1	0/1
7.	CPA Abdul Mubiru	1/2	0/1
8.	CPA Irene Guloba	2/2	1/1
9.	CPA Isaac Kyaligonza	0/2	0/1

#### 9.7.15 Taxation and Economic Policy Panel

	Name	Number of meetings attended	
		2022	2021
1.	CPA Silajji Kanyesigye Baguma	3/4	2/2
2.	CPA Joseph Gonzaga Kalinda	4/4	2/2
3.	CPA Sumesh Joseph D'Cruz	2/4	2/2
4.	CPA Florence Lawil Emojong	3/4	2/2
5.	CPA Charles Kabunga	3/4	1/2
6.	CPA Madina Nabutono	4/4	1/2
7.	CPA Martin Makumbi	4/4	2/2
8.	CPA Ronald Kaweesi Kayizzi	4/4	1/2
9.	CPA Sarah Muzungyo Chelangat	0/4	2/3

#### 9.7.16 Financial Reporting Awards Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Stephen Ineget	3/3	2/2
2.	Mr. Paul Busharizi	0/3	0/2
3.	CPA Sarah Mbabazi Barnuhigire	1/3	0/2
4.	CPA Edward Kasato Kangave	1/3	0/2
5.	CPA Noah Matovu	3/3	1/2
6.	CPA David Lubowa Kalyango	0/3	0/2
7.	CPA Moses Ediomu	2/3	2/2
8.	Mr. Edward Sserunjogi	3/3	1/2
9.	CPA Derick Nkajja	3/3	2/2

#### 9.7.17 Audit Committee

	Name	Number of meetings attended	
		2022	2021
1.	CPA Geoffrey Byamugisha	1/1	1/1
2.	CPA Edward Akol	1/1	N/A
3.	CPA Stephen Ojiambo	1/1	N/A

### 9.8 Code of ethics

Members, students, and staff of the Institute have the responsibility of maintaining high ethical standards and values. They have an obligation to conduct themselves in a manner that may not bring disrepute to themselves, the Institute, and the accountancy profession. Members must adhere to the Code of Ethics issued and/or adopted by ICPAU and laws of the country. Students must adhere to the students' Code of Ethics, and the Examinations Rules and Regulations issued by ICPAU, and the laws of the country.

## 9.9 Complaints against members and students

A strong accountancy organisation is an asset to the government, business community and society at large. There's thus a commitment to ensure that accountants perform to the highest standard expected of the profession if the broader agenda of serving in public interest is to be realised. For the year 2022, ICPAU's focus during the year was to maintain and protect its brand by concentrating efforts on strengthening the Investigation and Disciplinary procedures but also ensuring a speedy disposal of complaints.

The Disciplinary Committee commenced the year 2022 with thirty-seven (37) complaints involving members compared to forty (40) complaints in 2021 and thirty (30) complaints involving students compared to twenty-seven (27) complaints in 2021. Twelve (12) complaints involving members were concluded during the year. Here below is a summary of the complaints:

### Statistical summary of cases against members in 2022

Complaints as at January 2022 (A)		37
Complaints received during the year (B)		6
Cases concluded during the year (C)		(12)
(a) Sanctions imposed	5	
(b) Dismissed	7	
Complaints as at December 2022 (A+B-C)		31
(a) Cases pending hearing	6	
(b) Cases under investigation	13	
(c) Cases subject to Court process	12	

### Statistical summary of cases against students in 2022

Complaints as at January 2022 (A)		30
Complaints received during the year (B)		2
Cases concluded during the year (C)		(0)
Complaints as at December 2022 (A+B-C)		32
(a) Cases pending hearing	10	
(b) Cases under investigation	11	
(c) Cases subject to Court process	11	

## 9.10 Succession planning

Succession planning is a key focus of the Council. Council considers its composition and its committees to ensure continued effectiveness and efficiency. New members are brought on board at least every two years. The Council also ensures that there is effective management in place to implement the Institute's strategy. Management succession planning is an ongoing consideration. The Council is satisfied that the current pool of talent within the Institute and the work being done to strengthen the talent pool provides adequate succession depth for both the short- and long-term stability and sustainability of the Institute.

## 9.11 The Accountants Act, 2013

The Accountants Act, 2013 became operational on 13 December 2013. The Accountants Regulations, 2016 were gazetted on 1 April 2016, while Accountants (Practice) Regulations, 2019 were gazetted on 25 January 2019.

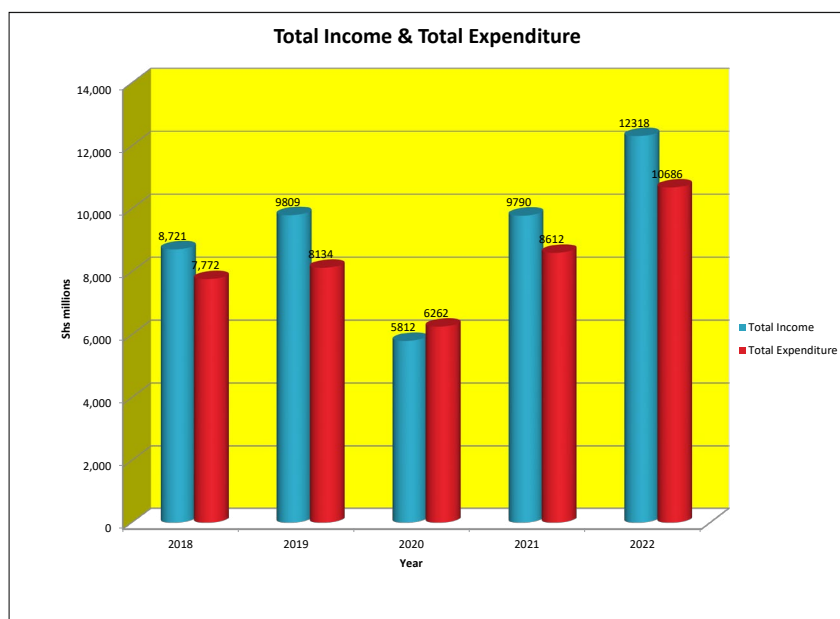
## 10.0 Financial performance overview

This overview depicts the performance of the financial year 2022 as compared to 2021. It focuses on the statement of financial performance and statement of financial position.

## 10.1 Total income and total expenditure

The total income comprising revenue and other income, increased by Ushs. 2.5 billion ( 25.8%); from Ushs. 9.8 billion to Ushs. 12.3 billion. This is mainly attributed to increase in major sources of income except for membership enrolment fees. Total expenditure increased by Ushs. 2.1 billion ( 24%); from Ushs. 8.6 billion in 2021 to Ushs. 10.7 billion in 2022. This is attributed to an increase in costs due to resumption of normal operations after the COVID19 disruptions like examinations diets (four diets in 2022 compared to three in 2021) and accountancy promotion activities under other operating expenses.

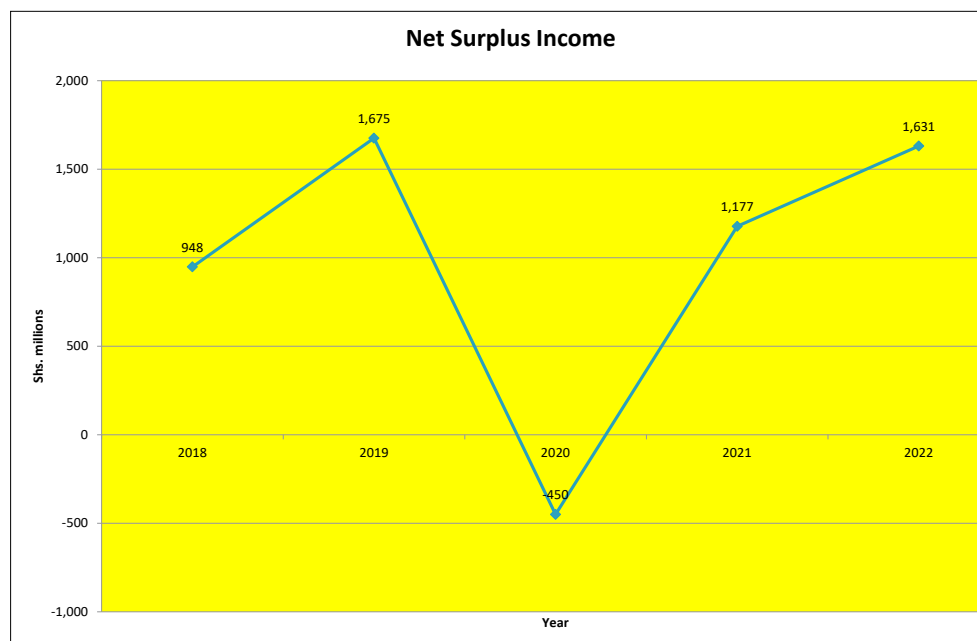
Below is a graph showing the total income and total expenditure over the years;



## 10.2 Net surplus/ (deficit)

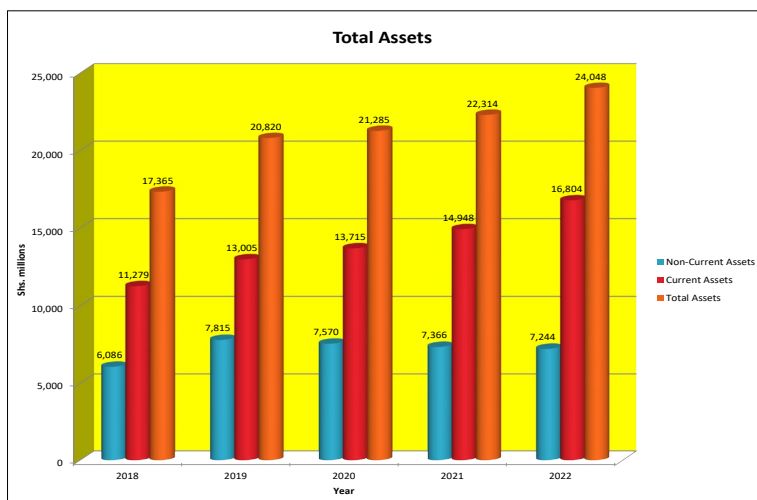
The Institute recorded a surplus of Shs 1.6 billion in 2022 compared to Shs. 1.2 billion in 2021. This is mainly attributed to an increase in revenue due to resumption of operations after the lifting of the COVID-19 restrictions which resulted in increased income from educational activities.

The net surplus/(deficit) for the last 5 years is shown below;



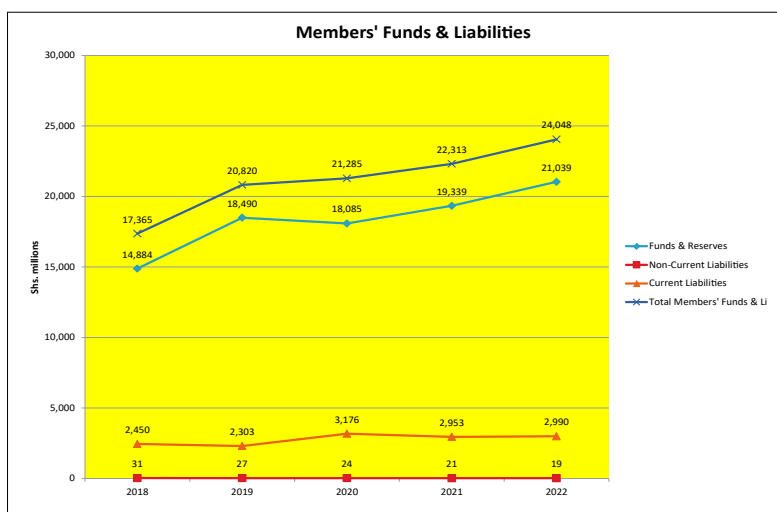
### 10.3 Total assets

Total assets increased by 7.6% (Ushs. 1.7 billion); from UShs. 22.3 billion to UShs. 24 billion; majorly due to increases in held to collect investments. Below is a graph showing the total assets for the years 2018-2022;



### 10.4 Members' funds and liabilities

The total members' funds and liabilities increased by 7.6%; from Ushs. 22.3 billion to Ushs. 24 billion. This is mainly attributed to an increase in accumulated fund due to better surplus and increase in deferred income, when compared to 2021. The members' funds and liabilities are depicted below;



### 10.5 Independent auditor

Mazars BRJ Certified Public Accountants were re-appointed as auditors of the Institute for the financial year ended 31 December 2022. They have expressed willingness to continue serving as external auditors of the Institute. Council recommends their re-appointment as external auditors of the Institute for the year 2023.

By Order of the Council

  
**CPA Derick Nkajja**  
**Secretary to Council**



## INDEPENDENT AUDITOR'S REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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## 11.0 Independent auditor's report to the members of the Institute of Certified Public Accountants of Uganda in respect of the financial statements for the year ended 31 December 2022

### Report on the financial statements

#### Opinion

We have audited the financial statements of the Institute of Certified Public Accountants of Uganda ("the Institute" or "ICPAU") which comprise the statement of financial position as at December 31, 2022, the statement of financial performance, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRS') and have been prepared in a manner required by the Accountants' Act, 2013.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

Council is responsible for the other information. The other information comprises the information included in the annual report, the message from the President, other value added reports and report of the Council, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Mazars BRJ

Certified Public Accountants

CPA Robert Busuulwa, LL.b, CPA, ACA, ATT | Practitioner PO184

CPA Innocent Muhangazi, Bsc Surv, CPA, FCCA, CISA, MBA | Practitioner PO432

The firm is regulated by the Institute of Certified Public Accountants of Uganda, under licence No. AF0277



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of management and the council for the financial statements**

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS and in the manner required by the Accountants Act, 2013, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there are intentions to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

The council members are responsible for overseeing the Institute's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on legal and other regulatory requirements**

As required by the Accountants Act, 2013, we report to you based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the Institute, so far as appears from our examination of those books; and
- iii) the Institute's statement of financial position and statement of financial performance are in agreement with the books of account.

The engagement practitioner on the audit resulting in this independent auditor's report is CPA Innocent Muhangazi whose practitioner number is P0432



Certified Public Accountants (Firm No. AF0277)  
24 Henlon Close, Luthuli Avenue, Bugolobi  
Kampala

30 May 2023



CPA Innocent Muhangazi FM2865





## 12.0

## Statement of financial position as at 31 December 2022

		2022	2021
Assets	Note	Ushs' 000	Ushs' 000
<b>Non-current assets</b>			
Intangible assets	16.3	19,886	31,470
Right of use assets	16.4	982,796	1,023,780
Property and equipment	16.5	6,241,684	6,311,006
<b>Total non-current assets</b>		<b>7,244,366</b>	<b>7,366,256</b>
<b>Current assets</b>			
Inventory	16.6	283,510	355,257
Receivables	16.7(a)	179,324	265,383
Prepayments	16.8	103,671	26,736
Held to collect investments	16.9(a)	16,054,738	13,887,530
Cash at bank and in hand	16.10	183,164	412,860
Total current assets		16,804,407	14,947,766
<b>Total assets</b>		<b>24,048,773</b>	<b>22,314,022</b>
<b>Members' funds, reserves and liabilities</b>			
<b>Members' funds and reserves</b>			
Accumulated fund	14.0	17,871,491	16,236,305
Revaluation surplus	14.0	1,952,160	1,955,479
Development fund	14.0	1,124,758	1,056,779
Research fund	14.0	90,982	90,982
<b>Total members' funds and reserves</b>		<b>21,039,391</b>	<b>19,339,545</b>
<b>Non-current liabilities</b>			
Capital grant	16.11(a)	10,808	14,408
Endowment fund	16.12	7,988	7,172
<b>Total non-current liabilities</b>		<b>18,796</b>	<b>21,580</b>
<b>Current liabilities</b>			
Payables and accrued expenses	16.13	1,307,901	1,361,632
Deferred income	16.14	1,679,085	1,587,665
Capital grant-current portion	16.11(b)	3,600	3,600
<b>Total current liabilities</b>		<b>2,990,586</b>	<b>2,952,897</b>
<b>Total liabilities</b>		<b>3,009,382</b>	<b>2,974,477</b>
<b>Total members' funds, reserves and liabilities</b>		<b>24,048,773</b>	<b>22,314,022</b>

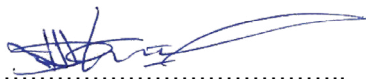
The accounting policies and notes set out on pages 67 to 82 form an integral part of these financial statements. The independent auditor's report is on pages 60 to 62. The financial statements were authorised and approved by the Council on-----11 May----- 2023 and signed on its behalf by:

CPA Constant Othieno Mayende  
President

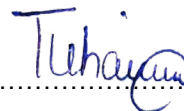
CPA Gloria Tuhaise Wakooba  
Chairperson, Finance Planning &  
Administration Committee

	Note	2022	2021
		Ushs' 000	Ushs' 000
<b>Income</b>			
Revenue	16.15	6,675,869	5,556,992
Other income	16.16	5,642,596	4,127,694
Decrease in impairment on financial assets	16.17	-	105,775
		<b>12,318,465</b>	<b>9,790,461</b>
<b>Expenditure</b>			
Employees costs	16.18	3,530,780	3,843,009
Students' examinations expenses	16.19	1,692,206	1,229,845
Administrative expenses	16.20	1,113,087	757,395
Operating expenses	16.21	4,049,713	2,469,418
Depreciation and amortization	16.3,16.4,16.5	277,602	307,891
Impairment loss on financial assets	16.17	23,210	5,280
<b>Total expenditure</b>		<b>10,686,598</b>	<b>8,612,838</b>
<b>Net surplus for the year</b>		<b>1,631,867</b>	<b>1,177,622</b>

The accounting policies and notes set out on pages 67 to 82 form an integral part of these financial statements. The independent auditor's report is on pages 60 to 62.



CPA Constant Othieno Mayende  
President



CPA Gloria Tuhaise Wakooba  
Chairperson, Finance, Planning & Administration  
Committee



## 14.0

### Statement of changes in members' funds for the year ended 31 December 2022

	Accumulated	Revaluation	Development	Research	Total
	Fund	Surplus	Fund*	Fund**	Funds
	Ushs '000	Ushs '000	Ushs '000	Ushs '000	Ushs '000
Balance at 1 January 2021	15,055,364	1,958,798	979,834	90,982	18,084,978
Net surplus for the year	1,177,622	-	-	-	1,177,622
Revaluation surplus release	3,319	(3,319)	-	-	-
Development fund receipts	-	-	76,945	-	76,945
<b>Balance at 31 December 2021</b>	<b><u>16,236,305</u></b>	<b><u>1,955,479</u></b>	<b><u>1,056,779</u></b>	<b><u>90,982</u></b>	<b><u>19,339,545</u></b>
Balance at 1 January 2022	16,236,305	1,955,479	1,056,779	90,982	19,339,545
Net surplus for the year	1,631,867	-	-	-	1,631,867
Revaluation surplus release	3,319	(3,319)	-	-	-
Development fund receipts	-	-	67,979	-	67,979
<b>Balance at 31 December 2022</b>	<b><u>17,871,491</u></b>	<b><u>1,952,160</u></b>	<b><u>1,124,758</u></b>	<b><u>90,982</u></b>	<b><u>21,039,391</u></b>

The accounting policies and notes set out on pages 67 to 82 form an integral part of these financial statements. The independent auditor's report is on pages 60 to 62.

\*Development fund relates to contributions from members towards improvement of the Institute's facilities.

\*\*Research fund relates to funds set aside to facilitate research in Accountancy.



	Note	2022	2021
		Ushs' 000	Ushs' 000
<b>Cash flows from operating activities</b>			
Net surplus for the year	13.0	1,631,867	1,177,622
<b>Adjustments:</b>			
Depreciation and amortization	16.3,16.4,16.5	277,602	307,891
Gain on disposal		(11,470)	(2,618)
Capital grant release	16.11(b)	(3,600)	(3,600)
<b>Operating income before working capital changes</b>		<b>1,894,399</b>	<b>1,479,295</b>
Decrease in inventory	16.6	71,747	318,532
Decrease/ (increase) in receivables	16.7	86,059	(27,004)
(Increase) /decrease in prepayments	16.8	(76,935)	103,485
(Decrease)/ increase in payables & accrued expenses	16.13	(53,731)	117,803
Increase / (decrease) in deferred income	16.14	91,420	(340,802)
<b>Net cash from operating activities</b>		<b>2,012,959</b>	<b>1,651,309</b>
<b>Cash flows from investing activities</b>			
Increase in held to collect investments	16.9(a)	(2,167,208)	(1,371,225)
Purchase of property and equipment	16.5	(155,712)	(104,088)
Proceeds from asset disposal		11,470	2,618
<b>Net cash used in investing activities</b>		<b>(2,311,450)</b>	<b>(1,472,695)</b>
<b>Cash flows from financing activities</b>			
Development fund contributions		67,979	76,945
Increase in endowment fund	16.12	816	768
<b>Net cash from financing activities</b>		<b>68,795</b>	<b>77,713</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>(229,696)</b>	<b>256,327</b>
Cash at bank and in hand at start of the year		412,860	2156,533
<b>Cash at bank and in hand at end of the year</b>		<b>183,164</b>	<b>412,860</b>
<b>Represented by:</b>			
<b>Cash at bank and in hand</b>	16.10	<b>183,164</b>	<b>412,860</b>

The accounting policies and notes set out on pages 67 to 82 form an integral part of these financial statements. The independent auditor's report is on page 60 to 62.



## 16.0 Notes to the financial statements

### 16.1 Accounting entity

The Institute of Certified Public Accountants of Uganda (ICPAU) is a professional accountancy body established by an Act of Parliament in 1992, now the Accountants Act 2013. Its major functions are to regulate and maintain the standard of accountancy in Uganda, and to prescribe and regulate the conduct of Accountants and practising accountants in Uganda.

The Institute is a member of the International Federation of Accountants (IFAC), the Pan African Federation of Accountants (PAFA), Association for Educational Assessment in Africa (AEAA), Private Sector Foundation Uganda (PSFU), Federation of Uganda Employers (FUE) and Institute of Corporate Governance of Uganda (ICGU).

### 16.2 Significant accounting policies

The principal accounting policies adopted in the preparation of these statements are set out as below;

#### a. Basis of preparation

The financial statements have been prepared under the historical cost convention and are in compliance with International Financial Reporting Standards (IFRS). The accounting policies adopted are consistent with those of the previous year.

The preparation of the financial statements in conformity with International Financial Reporting Standards requires estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although those estimates are based on the Council's best knowledge of current events and actions, actual results may ultimately

differ from those estimates. The Institute meets its day-to-day obligations with its current assets. On this basis, the Council considers it appropriate to prepare the financial statements on a going concern basis which assumes that the Institute will be in operational existence for the foreseeable future.

#### b. New standards, amendments and interpretations issued and now adopted by the Institute

On 1 January 2022, the Institute adopted the new or amended International Financial Reporting Standards (IFRS) that are mandatory for application for the financial year. Changes to the Institute's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRSs.

Such new or amended standards include

- Definition of Materiality (Amendment to IAS 1 and IAS 8);
- Amendments to references to the Conceptual Framework; and
- COVID-19-Related Rent Concessions (Amendments to IFRS 16).

The adoption of these new or amended IFRSs did not result in substantial changes to the Institute's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

#### c. New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Institute has decided not to adopt early. The following amendments are effective for the period beginning 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);



An onerous contract is a contract under which it is unavoidable to meet the obligations under the contract costs (i.e., the costs that the Institute cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments had no impact on the financial statements of the Institute as there were no contracts within the scope of these amendments that arose during the period.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Institute applies the amendments retrospectively only to items of property, plant and equipment made available for use on or after 1 January, 2022.

These amendments had no impact on the financial statements of the Institute as there were no sales of such items produced by property, plant and equipment made available for use on or after 1 January, 2022.

- Annual Improvements to IFRS Standards 2018-2021 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).
- The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the financial statements of the Institute as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

The following amendments are effective for the period beginning 1 January 2023:

#### **Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)**

- In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting



policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

#### **Definition of Accounting Estimates (Amendments to IAS 8)**

- In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.
- The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

#### **Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)**

- In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

#### **Amendments to IAS 1 – Classification of Liabilities as Current or Non-current**

- The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.
- The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
- The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

#### **d. Revenue recognition**

The Institute's source of revenue is mainly fees from membership and studentship. To determine whether to recognise revenue, the Institute follows a 5-step process:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) is/are satisfied.

Revenue represents the fair value of consideration received or receivable for the sale of goods and



services in the course of the Institute's activities. Revenue is recognised either at a point in time or over time, when (or as) the Institute satisfies performance obligations by transferring the promised goods or services to its customers. It is stated net of any rebates and discounts where applicable.

Sale of goods are recognised upon the delivery of the product and customer acceptance, while sale of services are recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided. Interest income is recognised on a time proportion basis using the effective interest method.

### Grant Income

Grants are recognised only when there is reasonable assurance that (a) the Institute will comply with the conditions attached to the grant and (b) the grant will be received. The grant is recognised as income over the period necessary to match it with the related costs, for which it is intended to compensate, on a systematic basis.

Non-monetary grants such as buildings and other resources are usually accounted for at fair value, although recording both the asset and the grant at a nominal amount is permitted. A grant received as compensation for costs already incurred or for immediate financial support with no future related costs, is recognised as income in the period in which it is receivable.

### Subscription income

Members' subscriptions including annual membership and licensing fees are taken to income in the year in which they relate. Unless receipt is certain, members fees are not recognised as income in accordance with IFRS 15.

### Development fund

All contributions to the development fund are recognised on a cash basis.

### Other income

Any other income is recognised when the right to receive the payment is established.

### e. IFRS 16 Leases.

At the inception of the contract, the Institute assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

### Right-of-use assets

The Institute recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the remaining life of the leases made up as follows;

	2022	2021
Plot 42	24 years	25 years
Plot 46	24 years	25 years
Plot 48	24 years	25 years

The Right-of-use assets are presented separately from property and equipment.

The Institute's leased land at Plots 42, 46, and 48 Bukoto Street, had been recognized on the statement of financial position in prior years under IAS 17 leases as pre-paid leases. The pre-paid leases relating to leased land were being amortized over the lease period. The Institute has presented the prepaid leases as "right of use assets" in the statement of financial position.

The Institute has therefore not recognized a lease obligation in respect of the right of use assets



presented in the financial statements of the year ended 31 December 2022 because the obligation to pay lease rentals was fully executed at inception of the lease.

### f. Financial instruments

#### Recognition and derecognition

Financial assets and financial liabilities are recognised when the Institute becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets are classified into one of the following categories:

- amortised cost,
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Institute does not have any financial assets categorised as FVOCI. Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value Through Other Comprehensive Income (FVOCI) or Fair Value Through Profit and Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and the contractual cash flow characteristics of the financial asset. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold the financial assets to collect contractual cash flows and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL;

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Receivables are classified at amortised cost. There were no changes in classification of financial liabilities, as all remained under "other financial liabilities".

#### Impairment of financial assets

- IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included trade receivables, cash and cash equivalents and receivables from Government.
- Under IFRS 9, loss allowances are measured on either of the following bases;
- 12 month ECLs; these are ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs; these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Institute measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12 month ECLs:



- Bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Receivables from Government entities for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Institute uses the simplified approach and records lifetime expected losses on all trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Institute considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Institute's historical experience and informed credit assessment and including forward-looking information.

The Institute assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Institute considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Institute in full.
- The financial asset is more than 360 days past due.

### Measuring of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Institute expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

### Credit-Impaired financial assets

At each reporting date, the Institute assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired'

when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### Classification and measurement of financial liabilities

The Institute's financial liabilities include borrowings, trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Institute designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

### Held to collect investment securities

All investment securities held by the Institute are classified as held to collect. Council determines the classification of its investment securities at initial recognition and re-evaluates this at every reporting date.

Held-to-collect financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. Marketable securities comprising treasury bonds are classified in this category and initially recognized at cost being the fair value of the consideration given, including transaction costs. They are subsequently carried at amortised cost using the effective yield method, less any provision for impairment.

### g. Property and equipment

All property and equipment are initially measured at cost and subsequently shown at historical cost or re-valued amounts less accumulated depreciation and any accumulated impairment losses. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use. Freehold and leasehold land are subsequently shown at market value based on subsequent periodic valuations less subsequent





depreciation. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined by using fair values at the end of each reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Freehold land is not depreciated. Other items of property and equipment are depreciated on a straight-line basis over their estimated useful lives using the following annual rates;

Item	Rate%
Freehold land	Nil
Buildings	5%
Motor vehicles	20%
Furniture	10%
Office equipment	20%
Computers	33.3%
Library books	20%

#### h. Intangible assets

Intangible assets are initially recognized at cost and subsequently at cost less accumulated amortization and any accumulated impairment losses. Intangible assets are amortised on straight line basis over three years.

#### i. Inventory

Inventory is stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) cost formula. The Institute's inventories are in form of items like bags, shirts, books for resale and others to be consumed in the process of rendering services.

#### j. Prepayments

Prepayments are recognized at fair value.

#### k. Payables and accrued expenses

Payables and accrued expenses are recognized at fair value.

#### l. Employee benefits

The Institute pays salaries and wages to its employees and contributes to the National Social Security Fund (NSSF), pays gratuity to staff employed on contract terms and contributes to a retirement

benefits scheme for staff on permanent terms. NSSF is a defined contribution scheme registered under the National Social Security Act (1985). The Institute's obligations under this scheme are limited to specific contribution regulated from time to time and currently stated at 10% of the employee's gross pay. The Institute also has a defined contributory Retirement Benefits Scheme for its staff to which it contributes 5% of the employee's monthly basic pay. The Institute's contributions are charged to the statement of financial performance in the year to which they relate.

#### m. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of; cash at hand and balance at bank. Investments with a maturity period of less than 3 months from the date of acquisition are also classified as cash and cash equivalents.

#### n. Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Ugandan shillings (the functional currency), at the rates ruling at the transaction dates. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. The resulting differences from conversion and translation are dealt with in the statement of financial performance in the year to which they relate.

#### o. Comparatives

Financial statements have been presented with comparative figures for the period ended 31 December, 2021. Whereas every effort has been made to match year on year figures, a few reclassifications have occurred that may affect the precise comparison of figures with the prior period.

#### p. Critical accounting estimates and judgements in applying accounting policies

The Institute makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition,



seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### 16.3 Intangible assets

	2022	2022	2022	2021	2021	2021
	Sophos	Internet Access Points	Total	Sophos	ERP	Total
Cost	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000	Ushs'000
At January	27,496	7,257	34,753	24,348	-	24,348
Additions	-	-	-	27,496	7,257	34,753
Fully amortised License	-	-	-	(24,348)	-	(24,348)
At 31 December	27,496	7,257	34,753	27,496	7,257	34,753
Amortization						
At 1 January	3,283	-	3,283	16,232	-	16,232
Charge for the year	9,165	2,419	11,584	11,399	-	11,399
Fully amortised License	-	-	-	(24,348)	-	(24,348)
At 31 December	12,448	2,419	14,867	3,283	-	3,283
<b>Net book value at 31 December</b>	<b>15,048</b>	<b>4,838</b>	<b>19,886</b>	<b>24,213</b>	<b>7,257</b>	<b>31,470</b>

The intangible assets relate to Sophos Software acquired in December 2018 and renewed in December 2022.

### 16.4 Right of Use Assets

	2022				2021
	Plot 42	Plot 46	Plot 48	Total	Total
Cost/ valuation	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000
At 1 January	40,404	621,918	621,918	1,284,240	1,284,240
<b>At 31 December</b>	<b>40,404</b>	<b>621,918</b>	<b>621,918</b>	<b>1,284,240</b>	<b>1,284,240</b>
Amortisation					
At 1 January	19,716	120,372	120,372	260,460	219,476
Charge for the year	860	20,062	20,062	40,984	40,984
<b>At 31 December</b>	<b>20,576</b>	<b>140,434</b>	<b>140,434</b>	<b>301,444</b>	<b>260,460</b>
Net book value					
<b>At 31 December</b>	<b>19,828</b>	<b>481,484</b>	<b>481,484</b>	<b>982,796</b>	<b>1,023,780</b>



## 16.5 Property and equipment

### Year ended 31 December 2022

	Freehold land	Capital work in progress*	Buildings	Motor vehicles	Computers	Office equipment	Furniture and fittings	Library books	Total
Cost	Ushs 000	Ushs 000	Ushs 000	Ushs 000	Ushs 000	Ushs 000	Ushs 000	Ushs 000	Ushs 000
As at 1 January 2022	4,500,000	456,454	1,546,442	445,982	604,316	252,944	150,250	22,332	7,978,720
Additions	-	45,780	-	-	76,103	23,265	10,564	-	155,712
Disposal	-	-	-	-	(277,221)	(88,652)	(25,908)	(15,848)	(407,629)
<b>At 31 December 2022</b>	<b>4,500,000</b>	<b>502,234</b>	<b>1,546,442</b>	<b>445,982</b>	<b>403,198</b>	<b>187,557</b>	<b>134,906</b>	<b>6,484</b>	<b>7,726,803</b>
Depreciation									
As at 1 January 2022	-	-	493,098	354,463	518,576	206,336	76,912	18,329	1,667,714
Charge for the year	-	-	77,322	58,605	50,027	25,145	12,751	1,184	225,034
Disposal	-	-	-	-	(277,221)	(88,652)	(25,908)	(15,848)	(407,629)
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>570,420</b>	<b>413,068</b>	<b>291,382</b>	<b>142,829</b>	<b>63,755</b>	<b>3,665</b>	<b>1,485,119</b>
Net book value									
<b>At 31 December 2022</b>	<b>4,500,000</b>	<b>502,234</b>	<b>976,022</b>	<b>32,914</b>	<b>111,816</b>	<b>44,728</b>	<b>71,151</b>	<b>2,819</b>	<b>6,241,684</b>
<b>At 31 December 2021</b>	<b>4,500,000</b>	<b>456,454</b>	<b>1,053,344</b>	<b>91,519</b>	<b>85,740</b>	<b>46,608</b>	<b>73,338</b>	<b>4,003</b>	<b>6,311,006</b>

\* Addition to Capital work in progress includes the payments for consultancy fees for Designing and Construction supervision for the Institute's planned building at Plot 42 Bukoto Street.

* Capital Work in Progress	2022			
	Lubowa	Plot 42, Bukoto Street	Total	Total
Cost	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000
As at 1 January 2022	347,910	108,544	456,454	456,454
Additions	-	45,780	45,780	-
<b>As at 31 December 2022</b>	<b>347,910</b>	<b>154,324</b>	<b>502,234</b>	<b>456,454</b>

Year ended December 31, 2021

	Freehold land	Capital work in progress	Buildings	Motor vehicles	Computers	Office equipment	Furniture and fittings	Library books	Total
<b>Cost</b>	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000	Ushs' 000
As at 1 January 2021	4,500,000	456,454	1,546,442	445,982	573,324	243,544	150,250	22,332	7,938,328
Additions	-	-	-	-	59,935	9,400	-	-	69,335
Disposal	-	-	-	-	(28,943)	-	-	-	(28,943)
<b>At 31 December 2021</b>	<b>4,500,000</b>	<b>456,454</b>	<b>1,546,442</b>	<b>445,982</b>	<b>604,316</b>	<b>252,944</b>	<b>150,250</b>	<b>22,332</b>	<b>7,978,720</b>
<b>Depreciation</b>									
As at 1 January 2021			415,776	286,559	485,527	173,247	64,354	15,686	1,441,149
Charge for the year	-	-	77,322	67,904	61,992	33,089	12,558	2,643	255,508
Disposal					(28,943)	-	-	-	(28,943)
At 31 December 2021	-	-	493,098	354,463	518,576	206,336	76,912	18,329	1,667,714
Net book value									
<b>At 31 December 2021</b>	<b>4,500,000</b>	<b>456,454</b>	<b>1,053,344</b>	<b>91,519</b>	<b>85,740</b>	<b>46,608</b>	<b>73,338</b>	<b>4,003</b>	<b>6,311,006</b>
<b>At 31 December 2020</b>	<b>4,500,000</b>	<b>456,454</b>	<b>1,130,666</b>	<b>159,423</b>	<b>87,797</b>	<b>70,297</b>	<b>85,896</b>	<b>6,646</b>	<b>6,497,179</b>



**16.6 Inventory**

	<b>2022</b>	<b>2021</b>
	<b>Ushs' 000</b>	<b>Ushs' 000</b>
Student study packs	88,058	120,976
International Financial Reporting Standards	4,676	7,034
Stationery	136,700	140,300
Promotional materials and bags	54,076	86,947
	<b>283,510</b>	<b>355,257</b>

**16.7 (a) Receivables**

Due from members	66,326	55,103
Seminar fees	413,089	526,317
Study packs	36,900	35,940
Staff advances	507	2,411
Sundry receivables	33,190	13,750
	550,012	633,521
Less impairment provision	(370,688)	(368,138)
	<b>179,324</b>	<b>265,383</b>

**(b) Impairment provision on receivables**

At 1 January	368,138	494,947
Bad debts written off	(12,315)	(21,034)
Impairment increase/ (decrease) for the year	14,865	(105,775)
	<b>370,688</b>	<b>368,138</b>

**16.8 Prepayments**

Seminar expenses	8,473	18,851
Study packs	82,300	-
Other prepayments	12,898	7,885
	<b>103,671</b>	<b>26,736</b>

**16.9 (a) Held to collect investments**

Fixed deposit	2,532,950	2,035,612
Unit trusts*	10,372,250	8,702,380
Treasury bonds	3,149,538	3,149,538
	<b>16,054,738</b>	<b>13,887,530</b>



Instrument	Purchase Date	Maturity Date	Purchase Cost	Exchange Loss	Net Addition/ (Retirement)	Capitalized Interest	At 31 December 2022	IFRS 9 Impairment Adjustment	Carrying Amount Under IFRS 9 at 31 Dec 2022
			Ushs' 000	Ushs' 000	Ushs' 000	Ushs'000	Ushs' 000	Ushs'000	Ushs' 000
<b>Fixed Deposit</b>									
182 days (USD)	9 Sept 22	9 Mar 23	2,416,838	103,399	-	22,465	2,542,702	(9,752)	2,532,950
<b>Sub total</b>			<b>2,416,838</b>	<b>103,399</b>	<b>-</b>	<b>22,465</b>	<b>2,542,702</b>	<b>(9,752)</b>	<b>2,532,950</b>
<b>Unit Trust with:</b>									
UAP	1 Jan 22	Open	4,962,666	-	2,560,000	721,806	8,244,472	(31,620)	8,212,852
ICEA	1 Jan 22	Open	2,853,731	-	(1,170,000)	268,589	1,952,320	7,488	1,944,832
Britam	1 Jan 22	Open	919,489	-	(754,200)	50,103	215,392	(826)	214,566
<b>Sub total</b>			<b>8,735,886</b>	<b>-</b>	<b>635,800</b>	<b>1,040,498</b>	<b>10,412,382</b>	<b>(39,934)</b>	<b>10,372,250</b>
<b>Treasury Bond</b>									
<b>1,182 days</b>	<b>23 Oct 20</b>	<b>8 Jan 24</b>	<b>3,149,538</b>	<b>-</b>	<b>(149,538)</b>	<b>149,538</b>	<b>3,149,538</b>	<b>-</b>	<b>3,149,538</b>
<b>Total</b>			<b>14,302,262</b>	<b>103,399</b>	<b>486,262</b>	<b>1,212,501</b>	<b>16,104,424</b>	<b>(49,686)</b>	<b>16,054,738</b>

## (b) Impairment Provision on Held to Collect Investments

	<b>2022</b>	<b>2021</b>
	<b>Ushs' 000</b>	<b>Ushs' 000</b>
At 1 January	41,341	36,061
Impairment loss for the year	8,345	5,280
<b>At 31 December</b>	<b><u>49,686</u></b>	<b><u>41,341</u></b>

\* A unit trust fund is a collective investment scheme, which pulls investors' capital into a fund managed by a professional Fund Manager. During the year ended, the Institute invested with UAP Financial Services Limited, ICEA Asset Management (U) Limited and Britam Asset Managers Company (U) Limited.

The average annual interest rates from unit trusts for the years 2022 and (2021) were 11% (10.59%) for UAP, 10.7% (11%) for ICEA and 10.35% (10.14%) for Britam.

**16.10 Cash at bank and in hand**

	<b>2022</b>	<b>2021</b>
	<b>Ushs' 000</b>	<b>Ushs' 000</b>
Cash at bank	183,123	412,854
Cash at hand	41	6
	<b><u>183,164</u></b>	<b><u>412,860</u></b>

**16.11 Capital grant**

## a) Non current portion

Balance at 1 January	14,408	21,608
Current portion to current liabilities	(3,600)	(3,600)
	<b><u>10,808</u></b>	<b><u>14,408</u></b>

This relates to grants received from the Government of Uganda in accordance with the agreements between the Republic of Uganda and the International Development Association (IDA) and ICPAU signed on 9 June 1995. The grant relates to the building at Plot 42 Bukoto Street.



b) Current portion

	2022	2021
	Ushs' 000	Ushs' 000
Balance at 1 January	3,600	3,600
Transfer from capital grant	3,600	3,600
Capital grant release transferred to other Income	(3,600)	(3,600)
<b>Balance at 31 December</b>	<b><u>3,600</u></b>	<b><u>3,600</u></b>

16.12 Endowment fund

Balance at 1 January	7,172	6,404
Investment income earned during period	816	768
<b>Balance at 31 December</b>	<b><u>7,988</u></b>	<b><u>7,172</u></b>

This represents funds donated by the Institute of Chartered Accountants of Scotland for prizes to top students in the Institute's CPA (U) final examination. For the years 2021 and 2022, there was no graduation and thus no payment was made from the fund.

16.13 Payables and accrued expenses

	2022	2021
	Ushs' 000	Ushs' 000
Katalemwa charity collections	602,055	539,236
Leave provision	58,363	76,930
Accrued examinations expenses	275,486	103,669
Accrued expenses	278,028	525,386
Accrued gratuity	49,907	66,270
Accrued retirement benefits contributions	-	16,235
Other payables	44,062	33,906
	<b><u>1,307,901</u></b>	<b><u>1,361,632</u></b>

16.14 Deferred income

Advance income from members	716,925	646,738
Advance income from students	553,020	539,261
Application fees	16,246	16,397
Other advance receipts	392,894	385,269
	<b><u>1,679,085</u></b>	<b><u>1,587,665</u></b>

16.15 Revenue

Enrolment fees-members	131,250	207,000
Members' subscriptions	1,309,576	1,203,616
Practicing certificates	551,250	542,500
Licenses - accounting firms	152,350	151,250
Students' registration fees	342,160	236,210
Students' annual renewal fees	895,200	896,356
Examinations fees	3,294,083	2,320,060
	<b><u>6,675,869</u></b>	<b><u>5,556,992</u></b>



**16.16 Other Income**

	2022	2021
	Ushs' 000	Ushs' 000
Income from seminars	3,877,380	2,770,192
Investment income from fixed deposits	59,294	58,320
Investment income from call account	300	2,535
Investment income from treasury bonds	336,000	335,898
Investment income from unit trusts	978,357	804,235
Accountancy development support services	9,222	9,000
Sale of publications	64,350	86,921
FiRe awards	129,200	15,590
Capital grant release	3,600	3,600
Gain from disposal of property and equipment	11,470	2,618
Other income sources	60,217	38,785
Foreign exchange gain	113,206	-
	<b>5,642,596</b>	<b>4,127,694</b>

**16.17 Impairment of financial assets**

Impairment increase/(decrease) on receivables	14,865	(105,775)
Impairment increase on held to collect investments	8,345	5,280
<b>Net increase/(decrease) in impairment of financial assets</b>	<b>23,210</b>	<b>(100,495)</b>

**16.18 Employee Costs**

Salaries and wages	2,673,996	3,031,238
Reduction in leave provision	(18,568)	(77,913)
	<b>2,655,428</b>	<b>2,953,325</b>
10% Social security contributions- NSSF	283,097	321,887
Gratuity	160,733	159,432
5% RBS contribution	93,971	98,741
Staff welfare	313,397	291,995
Subscriptions to professional bodies	17,384	17,629
Staff recruitment costs	6,770	-
	<b>3,530,780</b>	<b>3,843,009</b>

**16.19 Student examinations expenses**

Examiners and moderators' fees	680,197	471,385
Examination marking expenses	514,091	362,947
Examination administration expenses	417,916	286,993
Examination printing and stationery	76,881	105,407
Examiners training	3,121	3,113
	<b>1,692,206</b>	<b>1,229,845</b>





## 16.20 Administrative expenses

	2022	2021
	Ushs' 000	Ushs' 000
Postage, telephone and internet services	209,447	205,194
Council and Committees' expenses	60,755	33,297
Training	29,787	22,614
Professional fees	204,757	35,989
Office equipment running costs	76,723	72,384
Website and databases improvement expenses	101,108	73,676
General office expenses	84,463	60,169
Printing and stationery	45,745	40,234
Electricity and water	35,539	31,229
Vehicle repairs, maintenance and operations	60,142	38,250
Security expenses	58,134	59,264
Library expenses	19,169	16,756
Internal audit fees	16,520	16,520
Bank charges	22,742	20,575
Students administration expenses	50,625	5,823
Travelling expenses-local	6,254	4,216
Planning costs	11,693	2,649
External audit fees	19,484	18,556
	<b><u>1,113,087</u></b>	<b><u>757,395</u></b>

## 16.21 Operating expenses

Seminar costs	2,924,819	1,645,292
Accountancy promotion	346,809	211,973
Travelling expenses-IFAC, PAFA and EACIA activities	113,699	65,700
Accountancy development support services	11,000	12,500
Subscriptions	179,712	130,045
FiRe & Accountancy Service awards expenses	231,956	69,143
Insurance	110,463	113,854
Compliance costs	47,508	45,123
Building maintenance costs	36,410	8,866
Audit monitoring costs	18,286	182
Rent and rates	19,877	31,520
Study material writing costs	470	750
Magazine costs	5,104	6,471
Firm Licences & practicing certificates	3,600	-
Foreign exchange loss	-	127,999
	<b><u>4,049,713</u></b>	<b><u>2,469,418</u></b>



#### 16.22 Contingent liabilities

The Institute is a defendant in some cases brought against it in the High court by some of its members and other parties. Based on professional advice received by the Institute's legal counsel, there is a strong likelihood that these cases will be ruled in favour of the Institute. Therefore, no provision has been made.

#### 16.23 Post - balance sheet events

There were no post - balance sheet events as at 31 December 2022 that required amendment or disclosure in the financial statements as at the date of this report.

#### 16.24 Financial risk management

The Institute's activities may expose it to financial risks; market risk (interest rate and foreign exchange risk), credit risk and liquidity risk.

**Interest rate risk:** The Institute's interest-bearing assets consist of treasury bonds, fixed deposits, unit trusts and deposits on call account which are at fixed and variable rates. The Institute has the intent and ability to hold the investments in fixed deposits and treasury bonds to maturity.

**Foreign exchange risk:** The Institute mainly transacts in the local currency. At 31 December 2022, there were no borrowings in foreign currency and thus no financial liabilities designated in foreign currency. The investment in a fixed deposit at Housing Finance Bank (U) Ltd was the only foreign currency denominated asset exposed to foreign exchange risk. The Institute has a USD bank account where the receivables are deposited.

**Credit risk:** Credit risk arises from cash and cash equivalents, held to collect investments and receivables. The Institute limits exposure on bank and cash balances by holding its cash in sound financial institutions and in unit trusts by investing funds with three sound unit trust service providers. Additionally, most of the money is invested in unit trusts and fixed deposits. At reporting date, held to collect investments in unit trusts and fixed deposits were adjusted for any impairment in accordance with IFRS 9 financial instruments. Receivables that are mainly from members, organisations that employ members and the Government of Uganda are also significantly affected by the provision for Impairment (Expected Credited Losses) in accordance with IFRS 9 (Financial Instruments) at reporting date.

**Liquidity risk:** The Institute is not exposed to liquidity risk given that it maintains a call account with a commercial bank and investments in unit trusts that earn interest but whose principal can be accessed at short notice and at no cost.

#### 16.25 Reporting currency

The financial statements are presented in thousands of Uganda Shillings (Ushs' 000).

#### 16.26 Taxation

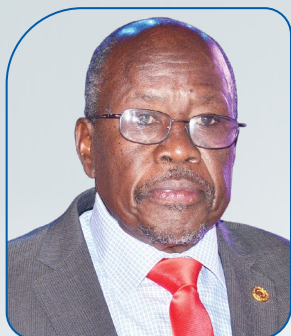
The Income Tax Amendment Act 2017 re-affirmed the tax exemption status of the Institute.

#### 16.27 Related party transactions and events

Parties are related if one party has the ability to control the other or exercise significant influence over the other party in making financial and operating decisions. Transactions and events with related parties are disclosed by nature, outstanding balances, terms and conditions and if material, the potential impact on the financial statements. During the year ended 31 December 2022, there were no reportable related party transactions and events.



# ICPAU past Presidents



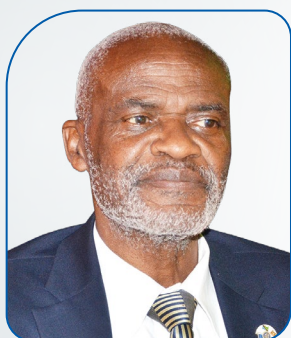
**1<sup>st</sup>**

CPA George W. Egaddu,  
1994-2001



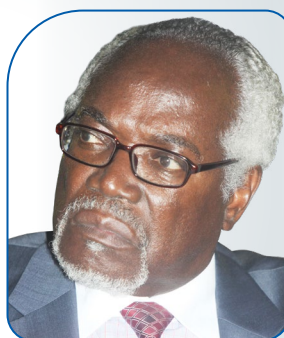
**2<sup>nd</sup>**

CPA David D. Opiokello,  
2001-2004



**3<sup>rd</sup>**

Fulgensius Mungereza,  
2004-2007



**4<sup>th</sup>**

CPA Joseph M. B. Baliddawa,  
2007-2010



**5<sup>th</sup>**

CPA Narendra A. Thakkar,  
2010-2013



**6<sup>th</sup>**

CPA Ben Patrick Kagoro  
2013-2016



**7<sup>th</sup>**

CPA Protazio Begumisa  
2016-2018



**8<sup>th</sup>**

CPA Frederick Kibbedi  
2018-2021

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# 2022

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