

ANNUAL REPORT

2021



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TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS	ii
PICTURES OF SOME ACTIVITIES CONDUCTED DURING THE YEAR	iv
GOVERNANCE	v
1.0 INTRODUCTION	1
1.1 Mandate	1
2.0 OPERATIONAL REVIEW FOR THE YEAR 2021	3
2.1 STRATEGIC OBJECTIVE I: TO IMPROVE MANAGEMENT OF THE QUALIFICATIONS FRAMEWORK	3
2.1.1 Enhance the recognition of Zambian Qualifications	3
2.1.2 Intended results 1: Increased accreditation of qualifications	6
2.1.3 Intended results 2: Increased validation and evaluation of qualifications	7
2.1.4 Intended results 3: Increased compliance to set standards	9
2.2 STRATEGIC OBJECTIVE II: ENHANCE STAKEHOLDER COLLABORATION	10
2.2.1 Intended Result 1: Increased stakeholder support	10
2.3 STRATEGIC OBJECTIVE III: IMPROVE HUMAN RESOURCES	11
2.3.1 Intended Result I: Improve Performance	11
2.4 STRATEGIC OBJECTIVE IV: ENHANCE MANAGEMENT SYSTEMS	11
2.5 STRATEGIC OBJECTIVE V: IMPROVE THE SOURCES AND MANAGEMENT OF FINANCIAL RESOURCES	12
2.5.1 Intended Result I: Improved accountability	12
2.6 STRATEGIC OBJECTIVE VI: IMPROVE INSTITUTIONAL INFRASTRUCTURE	12
3.0 INFORMATION COMMUNICATIONS TECHNOLOGY	24
4.0 HUMAN RESOURCES AND ADMINISTRATION	25
4.2 Staff Capacity Development	25
4.3 Staff Team Building	25
4.4 Recruitments	26
4.5 Separations	26
4.6 Implementation of the Health and Wellness Policy	26
4.7 Effects of the COVID-19 pandemic	26
5.0 CORPORATE GOVERNANCE	27
3.4 FINANCE	28
3.4.1 Budget Performance	28
3.4.2 Financial Performance	29

ACRONYMS AND ABBREVIATIONS

ABMA	Association of Business Managers and Administrators
ACQF	African Continental Qualifications Framework
AGM	Annual General Meeting
AQVN	African Qualifications Verification Network
CATS	Credit Accumulation and Transfer System
CEO	Chief Executive Officer
COL	Commonwealth of Learning
GCE	General Certificate of Education
HEA	Higher Education Authority
IBO	International Baccalaureate Organisation
ICT	Information Communications Technology
IEC	Information Education Communications
MDD	Management Development Division
MIBS	Ministry of Information and Broadcasting
MOHE	Ministry of Higher Education
NARIC	National Academic Recognition Information Centre
NISIR	National Institute of Scientific and Industrial Research
NMCZ	Nursing and Midwifery Council of Zambia
NOKUT	Norwegian Agency for Quality Assurance in Education
NOS	National Occupational Standards
QMIS	Qualifications Management Information System
QQI	Quality Qualifications Ireland
RPL	Recognition of Prior Learning
SADC	Southern Africa Development Community
TCCA	Technical Committee on Certification and Accreditation
SADCQF	Southern Africa Development Community Qualifications Framework
SAQA	South African Qualifications Authority
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UQP	UNESCO Qualifications Passport
ZANIS	Zambia National Information Service
ZAQA	Zambia Qualifications Authority
ZIHRM	Zambia Institute of Human Resources Management
ZQF	Zambia Qualifications Framework



VISION

A credible and efficient regulator of national qualifications for local and international comparability



MISSION

To ensure local and international recognition of qualifications



PROFESSIONALISM

We exhibit competence, commitment, good judgement, conduct and behaviour and promote a positive corporate image in the execution of our duties.



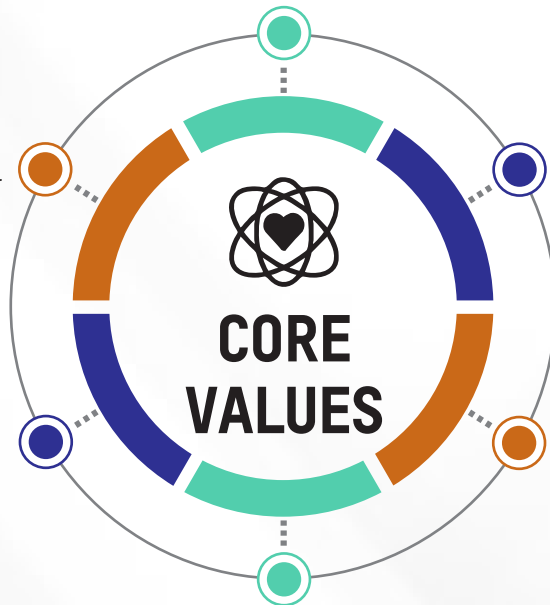
EXCELLENCE

We provide superior and meritorious services beyond our clients' expectations.



INTEGRITY

We put the obligations of the Authority above one's personal interests and conduct ourselves in a manner beyond reproach.



CORE VALUES



TRANSPARENCY

We are open and communicate effectively in the discharge of our duties.



CONFIDENTIALITY

We are trustworthy by not revealing or disclosing privileged information to unauthorised person.



TEAM WORK

We cooperate with others and work to the best of our abilities, despite any personal conflict that may arise between individuals to foster unity of purpose.

PICTURES OF SOME ACTIVITIES CONDUCTED DURING THE YEAR



On 30th September 2021 ZAQA launched NOS in the Energy Sector. The event was held at the Neelkanth Sarovar Hotel in Lusaka.



Participants at the NOS Dissemination workshop held at Radisson Blu Hotel 28th April.



ZAQA Meeting with News Editors held at Southern Sun on 23rd April 2021.



ZAQA Staff talking to a client at the Zambia Tourism Expo.



ZAQA Exhibiting at the ZIHRM AGM held in Livingstone on the 27th May 2021.

The Board of Directors of the Zambia Qualifications Authority.

GOVERNANCE



Mrs. Ann Malata Ononuju
Board Chairperson
(Zambia Institute of Advanced Legal Education)



Dr. John Chileshe
Vice Chairperson
(Civil Society)



Mr. Loius Mwansa
Member
(Ministry of General Education)



Mrs. Vivien Ndhlovu
Member
(Ministry of Labour)



Mrs. Jacqueline C. M Chikwama
Member
(Zambia Institute of Human Resource Management)



Dr. Tamala Kambikambi
Member
(Public Universities)



Mr. Bonna Kashinga
Member
(Zambia Institute of Chartered Accountants)



Prof. Kasonde Bowa
Member
(Private Universities)



Mr. William Ngoma
Member
(Zambia Air Services Training Institute)



Mr. Fredrick Mwila
Member
(Ministry of Health)



Mrs. Kayula Siame
Member
(Ministry of Higher Education)



Mr. Nicholas Chikwenya
Member
(Ministry of Education)

EXECUTIVE MANAGEMENT



Mrs. Mirriam M.A Chiyaba
Chief Executive Officer



Mrs. Mercy M. Ngoma
Director – Corporate Services



Mr. Modest Hamalabbi
Director – Technical Service

BOARD CHAIRPERSON'S STATEMENT



The Zambia Qualifications Authority Board continued to provide strategic and policy guidance to the Authority. The Authority remained resolute in the year 2021, in fulfilling the Authority's overall mandate of developing and maintaining the Zambia Qualifications Framework (ZQF) despite the negative impact of the COVID-19 pandemic.

Ireland (QQI), South African Qualifications Authority (SAQA), National Academic Recognition Information Centre (NARIC), Southern Africa Development Community (SADC), Africa Qualifications Verification Network (AQVN), the African Union, United Nations Educational, Scientific and Cultural Organisation (UNESCO) and the Norwegian Agency for Quality Assurance in Education (NOKUT).

The Zambia Qualifications Authority recognises that successful implementation of the ZQF requires concerted efforts from all stakeholders who include Quality Assurance Bodies, Awarding Bodies, institutions of learning, industry/employers and all those that have an interest in the quality of qualifications being issued in Zambia. To this effect, the Authority continued to engage various stakeholders through different platforms in the implementation of the ZQF.

The Authority continued to receive support from the parent ministry, the Ministry of Higher Education (January to August 2021) and the Ministry of Education (September to December 2021). The Authority received unwavering cooperation, guidance and support, without which implementation of the 2021 Annual Work Plan and Budget would have been a challenge.

In order to enhance the recognition of Zambian qualifications internationally, the Authority continued engagements at regional and international level. Through these engagements, the Authority benefited through financing, staff development programmes and technical assistance on the implementation of the national qualifications framework. Some of the cooperating partners engaged in the year included the Embassy of Ireland in Zambia, the Commonwealth of Learning, Quality Qualifications

A number of challenges were encountered in the year, which hindered the Authority from achieving some of the objectives set out in its Strategic Plan 2019 to 2021 and the Annual Work Plan and Budget. The outbreak of the COVID-19 pandemic continued to affect the Authority as a number of staff tested positive and had to self-quarantine.

I now invite you to read our Annual Report that is very elaborate and hope that you will find the information useful and informative.

Ann Malata Ononju
Board Chairperson

CHIEF EXECUTIVE OFFICER'S REPORT



Introduction

The Zambia Qualifications Authority (ZAQA) is a statutory body established by the ZAQA Act No. 13 of 2011 to develop, oversee and maintain a national qualifications framework for Zambia, register and accredit qualifications and ensure that standards and registered qualifications are internationally comparable. The detailed functions of ZAQA are outlined in the ZAQA Act No. 13 of 2011. ZAQA is also guided by Statutory Instrument (SI) No. 4 of 2018 on Accreditation, Validation and Evaluation of Qualifications.

During the year under review, the Authority continued with the review of the ZAQA Act and the ZQF. The review of the ZQF was meant to ensure that it is kept current and that Zambian Qualifications remain internationally comparable.

Operational Overview

The operations of the Authority during the year under review were guided by the 2019 – 2021 Strategic Plan and an approved Annual Work Plan

and Budget whose focus was on the implementation of the ZQF. A total of 266 qualifications were accredited in 2021 bringing the cumulative number of accredited qualifications to 410.

Challenges in registering and accrediting qualifications included the slow pace at which awarding bodies especially those under the Higher Education sub-framework were submitting qualifications to the Authority for registration and accreditation. The Authority continued with stakeholder sensitisations in order to rectify this identified challenge.

Further, the Authority validated and evaluated a total of 2,739 qualifications in the year under review. A total of 51 non-recognition certificates were issued for misrepresented qualifications. This represented 1.86% of processed qualifications. 826 qualifications were pending validation as at end of the year. The Authority continued to experience challenges in validating qualifications including delayed responses by awarding bodies to validation requests due to a number of reasons including the COVID-19 pandemic.

Stakeholder Engagements

The Authority continued to engage stakeholders on the mandate of the Authority. Engagements with cooperating partners were also enhanced in the period under review. The Authority received financial support from the Embassy of Ireland, African Continental Qualifications Framework (ACQF) and the Commonwealth of Learning.

Corporate Governance

The Board continued to provide strategic and policy guidance to the Authority in the year under review. Changes were made to the Board

composition due to changes in Ministry portfolio and functions brought about by the August 2021 change of Government.

In order to be fully compliant with the Public Finance Management Act No. 1 of 2018, an Audit and Risk Committee of the Board was put in place by the ZAQA Board.

Financial Performance

In the year under review, the Authority recorded an operating deficit of ZMW1,950,159. Total revenue recorded amounted to ZMW19,051,263 while expenditure amounted to ZMW21,001,422. The Authority received the full grant allocation from the Ministry of Finance.

1.0 INTRODUCTION

1.1 Mandate

The mandate of the Zambia Qualifications Authority in line with the Zambia Qualifications Authority Act No. 13 of 2011 is to develop and implement a national qualifications framework. Specific functions of the Authority are to:

- (a) develop and implement policy and criteria, after consultation with the appropriate authority, for the development, accreditation and publication of qualifications and part-qualifications;
- (b) accredit a qualification or part-qualification recommended by an appropriate authority if it meets the relevant criteria;
- (c) develop policy and criteria after consultation with the appropriate authorities for assessment, recognition of prior learning and credit accumulation and transfer;
- (d) develop the content of level descriptors for each level of the Framework and reach agreement on the content with the appropriate authorities;
- (e) publish the agreed level descriptors in the

Gazette and ensure that the levels remain current and appropriate;

- (f) ensure that standards and accredited qualifications are internationally comparable;
- (g) determine national standards for any occupation;
- (h) recognise and validate competencies for purposes of certification obtained outside the formal education and training systems;
- (i) recognise and validate competencies for purposes of certification obtained outside the country;
- (j) collaborate with its international counterparts on all matters of mutual interest concerning qualification frameworks;
- (k) keep a database of learning achievements in Zambia;
- (l) advise the Minister on matters pertaining to the Framework; and
- (m) do all such things as are necessary or conducive for the achievement of the purposes of this Act.

The Authority is further guided by the Zambia Qualifications (Accreditation, Validation and Evaluation of Qualifications) Regulations, 2018.



Participants at the COL workshop held in Lusaka 8th- 12th November 2021



ZAQA Staff celebrating Youth Day



ZAQA Fitness Team Building Session in Lusaka at Fit City



Human Resource practitioners at a sensitisation meeting held with ZIHRM and ZAQA



Independence day celebrations at the ZAQA Office

2.0 OPERATIONAL REVIEW FOR THE YEAR 2021

The Authority continued to implement its Strategic Plan 2019 to 2021. In this regard, the strategic objectives as espoused in the Strategic Plan guided the Authority's activities in 2021. The achievements recorded under each objective are detailed below:

2.1 STRATEGIC OBJECTIVE 1: TO IMPROVE MANAGEMENT OF THE QUALIFICATIONS FRAMEWORK

Under the Qualifications Accreditation and Validation Excellence Strategic Theme, ZAQA committed to improving the management of the Qualifications Framework in the 2019 to 2021 Strategic Plan. The Strategic Theme is aimed at strengthening the mechanism for accreditation and validation of qualifications thereby increasing the recognition of Zambian qualifications. During the 2019 to 2021 Strategic Plan period, the Authority had envisaged to increase accreditation of qualifications, increase validation of qualifications and improve standards. During the year 2021, the Authority planned a number of activities that were aimed at achieving the intended objectives.

2.1.1 Enhance the recognition of Zambian Qualifications

2.1.1.1 Revised Addis Convention on the Recognition of Studies, Certificates, Diplomas, Degrees and Other Academic Qualifications in Higher Education in African States 2014

The Revised Convention entered into force in November 2019 following the ratification of the Convention by eleven (11) African States. The Zambian government ratified the Revised Convention and deposited the Instruments of assertion to the 2014 Revised Convention on the Recognition of Studies, Certificates, Diplomas,

Degrees and Other Academic Qualifications in Higher Education in Africa in November 2021 during the UNESCO 41st Session of the General Conference held in Paris, France.

2.1.1.2 UNESCO Qualifications Passport (UQP)

The Authority continued to work with UNESCO and other partners in the implementation of the UQP Project. The UNESCO Qualifications Passport provides for the recognition of qualifications held by refugees and other displaced persons.

The worsening COVID-19 situation and travel restrictions affected the planned movement of officials from UNESCO and NOKUT during much of the year under review. Nevertheless, the relaxed travel restrictions that prevailed towards the end of the year enabled the team from UNESCO and NOKUT to travel to Zambia in November and together with the ZAQA Credential Evaluators held some face to face as well as virtual interviews for the UQP candidates. Final UQP Awards are expected to be done in the first quarter of 2022.

2.1.1.3 Review of the Zambia Qualifications Framework and Level Descriptors

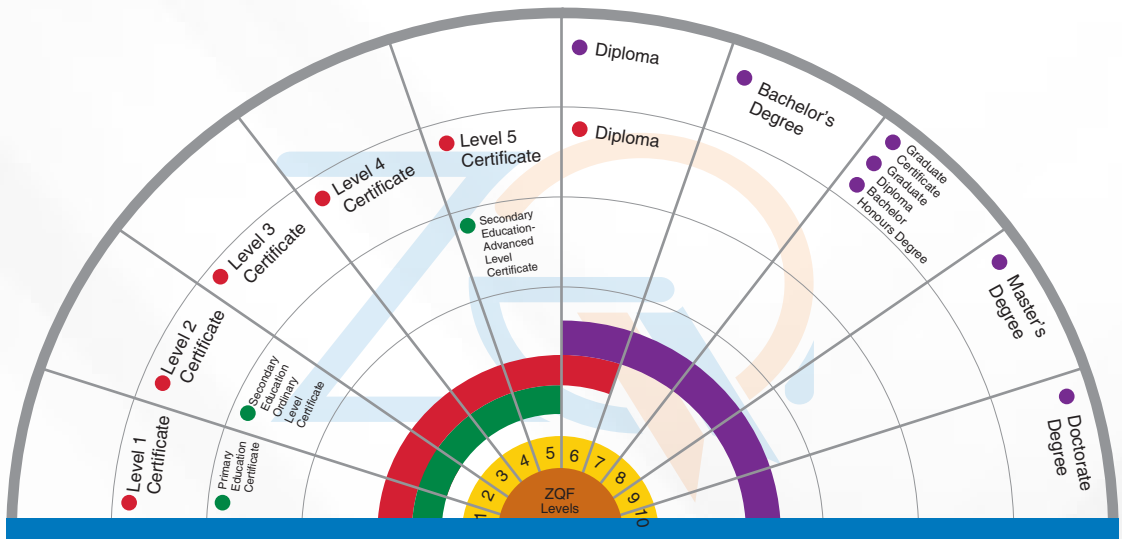
During the year under consideration, the Authority continued with the process of reviewing the Zambia Qualifications Framework and its Level Descriptors. The Authority through the Technical Working Group Committee on the Review of the Zambia Qualifications Framework and its Level Descriptors held meetings and concluded the process of reviewing the Zambia Qualifications Framework and its Level Descriptors. However, the implementation of the reviewed Zambia Qualifications Framework and its Level Descriptors was awaiting the finalisation of the review of the ZAQA Act No. 13 of 2011. As at 31st December 2021, the revised Act was awaiting stakeholder consultations.

Table 1: Current Zambia Qualifications Framework

ZQF Level	General Education		Trades and Occupations	Higher Education
10				Doctorate Degree
9				Master's Degree
8				Post-Graduate Diploma
7				Bachelor's Degree (Honours) Bachelor's Degree (Ordinary)
6			Diploma	
5			Level 5 Certificate	
4			Level 4 Certificate	
3			Level 3 Certificate	
2	B	Senior Secondary Education Certificate (Grade 12)		
	A	Junior Secondary Education Certificate (Grade 9)		
1	Primary Education Certificate (Grade 7)			

Figure 1: Proposed Qualifications Framework

ZAMBIA QUALIFICATIONS AUTHORITY FRAMEWORK (ZAQA)



SUB FRAMEWORKS

- General and Further Education and Training
- Trades and Occupations
- Higher Education

QUALITY ASSURANCE

- Ministry of Education/Examinations Council of Zambia (ECZ)
- Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA)
- Higher Education Authority (HEA)

QUALIFICATIONS

- Zambia Qualifications Authority (ZAQA)

ZQF Level	Qualification	Current Duration	Proposed Duration	Notional Hours	Credits
10	Doctorate Degree	Min. 3 years	Min. 3 years	3,600	360
9	Master's Degree	1½ to 2 years	1 to 2 years	1,200 to 2,400	120 to 240
8	<ul style="list-style-type: none"> Bachelor Honours Degree Graduate Diploma Graduate Certificate 	<ul style="list-style-type: none"> 4 to 7 years 1 year N/A 	<ul style="list-style-type: none"> 1 year 1 to 2 years 6 months to 1 year 	<ul style="list-style-type: none"> 1,200 1,200 to 2,400 600 to 1,200 	<ul style="list-style-type: none"> 120 120 to 240 60 to 120
7	Bachelor's Degree	4 to 7 years	3 to 6 years	3,600 to 7,200	360 to 720
6	Diploma	3 years	2 to 3 years	2,400 to 3,600	240 to 360
5	Level 5 Certificate <ul style="list-style-type: none"> Secondary Education – Advanced Level Certificate 	2½ years	1½ - 2 years	1,800 to 2,400	180 to 240
4	Level 4 Certificate	2 years	1 - 1½ years	1,200 to 1,800	120 to 180
3	Level 3 Certificate	<ul style="list-style-type: none"> 1 year 	<ul style="list-style-type: none"> 1 year 	<ul style="list-style-type: none"> 1,200 	<ul style="list-style-type: none"> 120
2	<ul style="list-style-type: none"> Level 2 Certificate Junior Secondary School Certificate Secondary Education – Ordinary Level Certificate 	<ul style="list-style-type: none"> N/A 2 years 3 years 	<ul style="list-style-type: none"> 6 - 9 months N/A 4 years 	<ul style="list-style-type: none"> 600 - 900 N/A N/A 	<ul style="list-style-type: none"> 60 - 90 N/A N/A
1	<ul style="list-style-type: none"> Level 1 Certificate Primary Education Certificate 	<ul style="list-style-type: none"> N/A 7 years 	<ul style="list-style-type: none"> 3 months 6 years 	<ul style="list-style-type: none"> 300 N/A 	<ul style="list-style-type: none"> 30 N/A



Participants to the COL Workshop held in Lusaka



A Participant at the COL Workshop held in Ndola

2.1.1.4 Other Qualification Framework Engagements

Other engagements on the Qualifications Framework were as follows:

i) ZAQA engaged with the African Union on peer learning with respect to the development of the ACQF. Further the Authority was engaged to

develop two sets of Guidelines for the ACQF namely; Validation and Recognition of Learning, and Registration and Databases of Learning.

ii) The Authority received financial support from the COL to implement Employability Guidelines that were developed by COL. This was in an effort to ensure that qualifications developed by awarding bodies incorporated employability

attributes. A consultant was engaged by COL to provide training to ZAQA staff and some representatives of awarding bodies.

iii) The Authority continued engagements with SAQA, QQI, and the Norwegian Agency for Quality Assurance in Education (NOKUT) on matters of mutual interest.

iv) ZAQA participated in Webinars and virtual meetings with the SADC TCCA, the AQVN and ACQF during the year. In some AQVN and ACQF webinars and meetings, ZAQA made presentations promoting the ZQF.

2.1.2 Intended results 1: Increased accreditation of qualifications

During the year 2021, the Authority received 300 qualifications for registration and accreditation on the Zambia Qualifications Framework. A total of 266 qualifications were registered and accredited in the year bringing the total of qualifications registered and accredited on the ZQF to 410. There were no qualifications pending registration and accreditation at the end of the year. Further, the Registration and Accreditation Committee approved the revised Guidelines for the Registrations and Accreditation of Qualifications. The revision of the Guidelines was aimed at making the accreditation process seamless for the appropriate authorities and awarding bodies.

2.1.2.1 Challenges in accrediting Qualifications

The Authority did not accredit and register the targeted 1,250 qualifications because Appropriate Authorities did not submit qualifications as anticipated. The operations of the Appropriate Authorities continued to be affected by the COVID-19 pandemic while some qualifications submitted to the Appropriate Authorities did not meet the standards for accreditation hence these were referred back to the awarding bodies.

2.1.2.2 Strategies to Address the Challenges identified above

The following strategies were put in place in order to address the challenges identified above:

- i) Holding of sensitisation meetings with Appropriate Authorities to remind them of the need to submit qualifications for registration and accreditation on the ZQF and implications of offering qualifications not registered and accredited on the ZQF;
- ii) In addition, the Authority received support from the Ministry of Higher Education in reminding Awarding Bodies on the need to have their qualifications submitted for registration and accreditation on the ZQF.

Table 2: Number of Qualifications Received and Accredited in 2021

	2020	2021
Brought Forward from previous year	3	3
Qualifications Received	86	300
Qualifications Accredited	46	266
Qualifications Not Accredited	40	37
Pending Accreditation as at 31 December	3	0

2.1.3 Intended results 2: Increased validation and evaluation of qualifications

In the year 2021, the Authority received a total of 2,400 applications for validation and evaluation. A total of 2,739 validations and evaluation were completed in the year. The validated and evaluated qualifications were distributed as shown in Figure 3.

The Authority recorded a total of 51 misrepresented qualifications in the year representing 1.86% of validated and evaluated qualifications. The misrepresented qualifications were distributed as follows:

Figure 3: Distribution of validated and evaluated qualifications

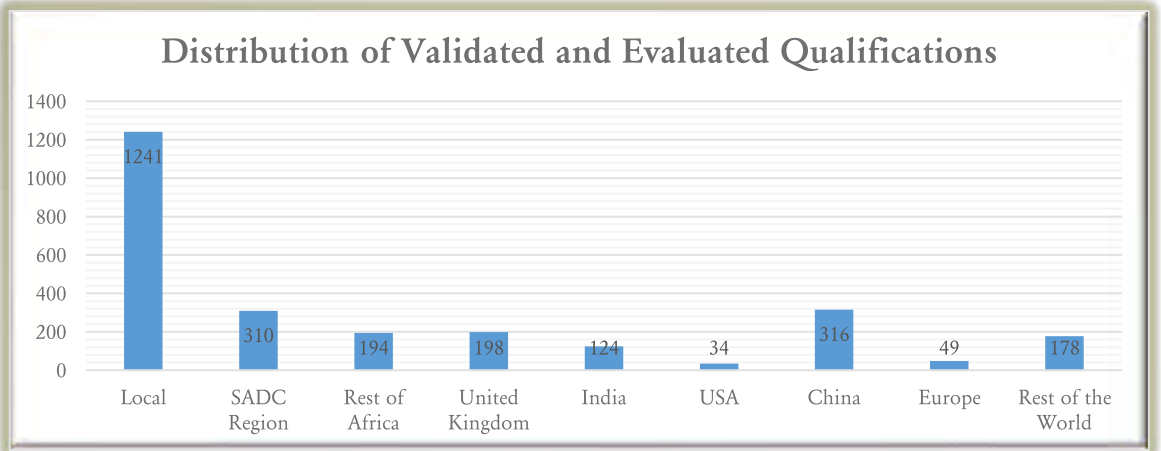
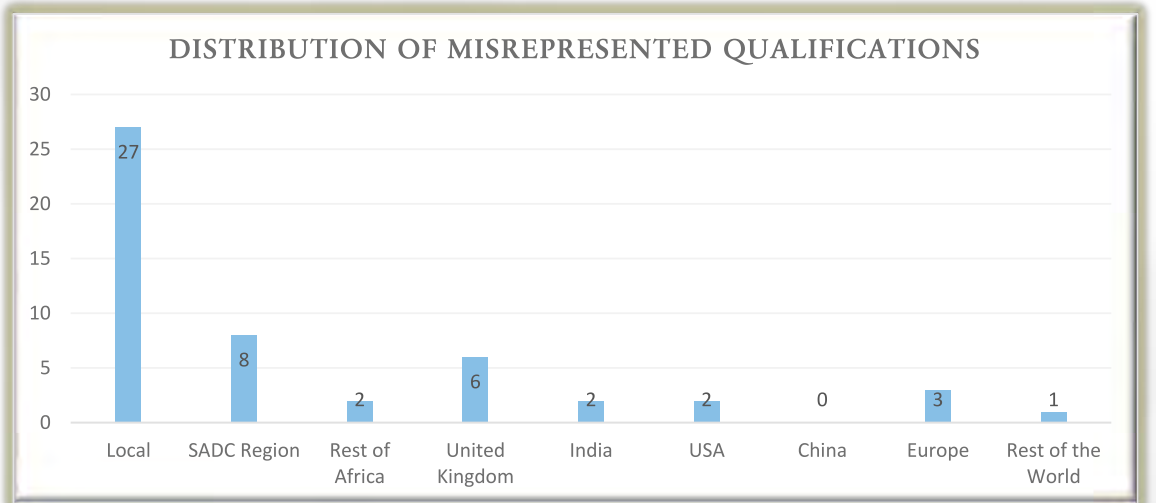


Figure 4: Distribution of misrepresented qualifications



The distribution of received, validated and evaluated, as well as pending qualifications was as represented in Table 3.

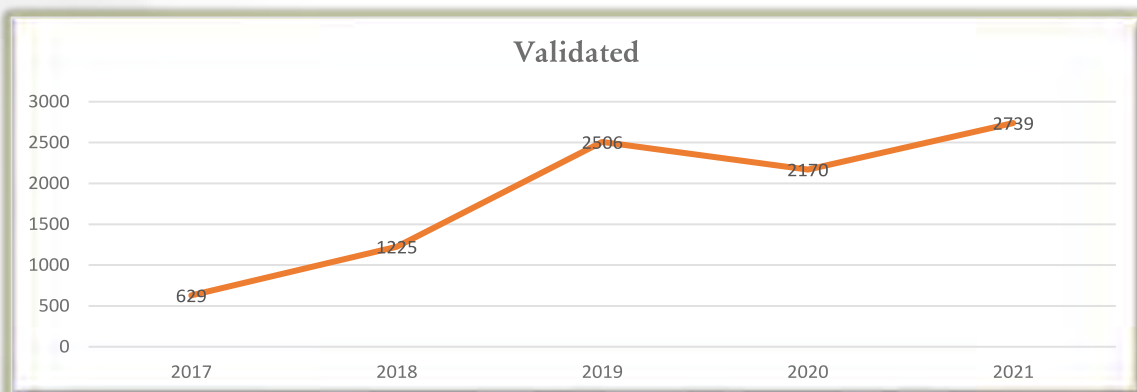
*2020 figures were restated after a through reconciliation.

Table 3: Reconciliation of qualifications received for Validation and Evaluation

	2020*	2021
Qualifications Brought Forward from previous year	813	1,165
Qualifications Received	2,522	2,400
Qualifications verified & evaluated	2,170	2,739
Pending as at 31 December	1,165	826

The trend in the validation of qualifications from 2017 is indicated in Figure 5:

Figure 5: Validated qualifications in the last five (5) years



2.1.3.1 Challenges in the validation and evaluation of Qualifications

The main challenges encountered in the validation and evaluation of qualifications during the year under review were as follows:

- i) Delays in the confirmation of qualifications from some Awarding Bodies due to the COVID-19 Pandemic.
- ii) Reduced inflow of local qualifications for validation.

These challenges contributed to the low number of qualifications validated and evaluated during the year.

2.1.3.2 Strategies to Address the Challenges

The following strategies were put in place to address the challenges identified in the validation of qualifications: -

- i) Continued targeted sensitisation of local awarding bodies on the importance of validation of qualifications, submission of learner achievement records and the need to respond promptly to validation requests by the Authority.
- ii) Heightened sensitisation activities targeted at industry, professional bodies, government agencies and the general public on the importance of validation of qualifications.
- iii) Continued collaboration with Embassies and

Qualification Agencies to facilitate the validation of qualifications from foreign countries.

2.1.4 Intended results 3: Increased compliance to set standards

During the year under review, the Authority conducted a number of activities aimed at increasing compliance to set standards.

2.1.4.1 National Occupational Standards (NOS) Development

The National Occupational Standards are primarily aimed at ensuring that the outcome from the education system responds to Industry needs. The Authority developed and launched a total of twenty-four (24) National Occupational Standards (six per sector) in the following four sectors:

- **Manufacturing:** Chemical Engineer, Electrical and Electronics Engineer, Mechanical Engineer, Production Manager, Quality Controller, and Workshop-Machines-Operator.
- **Construction:** General Bricklayer, Draughts Person, Electrician Low Voltage, Geomatic Engineer, Metal-Fabricator, and Steel-Fixer
- **Mining:** Mine Data Entry Operator, Mine Safety

Officer, Process Engineer, Winding Engine Operator, Mining Blaster, and Senior Chemist

- **Energy:** Bio Digester Plant Constructor, Coded Welder, Energy Auditor, LPG Installer, Non Destructive Test, and Solar PV Installer-Operator

The Authority further begun drafting thirty-nine (39) additional National Occupational Standards for the Tourism and Agriculture sectors with funding support from the Skills Development Levy and the Embassy of Ireland.

2.1.4.2 Review of the ZAQA Act No. 13 of 2011

The Authority continued with the review of the ZAQA Act No. 13 of 2011. During the year, the Authority facilitated meetings for the drafting of the ZAQA legislative bill. The output of the meetings was the draft legislative bill which was pending stakeholder consultations as at 31st December, 2021.

2.1.4.3 Quality Assurance

The Authority undertook quality assurance compliance audits of the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA); Nursing and Midwifery Council



Experts during the development of NOS for the Tourism Sector



ZAQA Staff with Tourism Sector Representatives disseminating NOS in Livingstone

of Zambia (NMCZ); and the Higher Education Authority (HEA). All the three institutions were found to be compliant with the ZAQA standards.

2.1.4.4 Challenges Encountered during the year under Review

The following were the challenges encountered during the period under review:

- (i) The Authority was unable to host many stakeholders during the NOS development meetings due to COVID-19 restrictions.
- (ii) Low number of submissions at commenting stage by key sector players in the NOS development process leading to low stakeholder participation.

2.1.4.5 Strategies to Address the Challenges

The following strategies were put in place to address challenges identified:

- i) Enhanced usage of online platforms to ensure wider stakeholder participation in the development of NOS;
- ii) Engaging stakeholders and soliciting comments for the validation of NOS via online platforms.

2.2 STRATEGIC OBJECTIVE II: ENHANCE STAKEHOLDER COLLABORATION

Under this Strategic objective, it was expected that the Authority will put in place mechanisms that will increase stakeholder support, evidenced through increased financial and technical support.

2.2.1 Intended Result 1: Increased stakeholder support

In an effort to increase stakeholder support and improve the visibility of the Authority, with the support of the Embassy of Ireland in Zambia, the Authority undertook a number of stakeholder engagements as follows:

2.2.1.1 Branding

2.2.1.1.1 With the ongoing COVID-19 Pandemic, the Authority branded some reusable masks made for staff use as well as distribution to stakeholders and clients to improve the visibility of ZAQA.

2.2.1.1.2 Memory sticks were branded for the distribution of developed NOS.

2.2.1.1.3 The Authority printed some IEC materials for distribution to all stakeholders and clients.

2.2.1.1.4 The Authority procured branded corporate T-Shirts, Shirts and tracksuits for staff and stakeholder distribution to increase brand awareness.

2.2.1.1.5 ZAQA branded Organisers for 2022 for distribution

2.2.1.1.6 The ZAQA signage at Finsbury Park fence was reprinted to improve visibility of the Authority

2.2.2 Workshops and Stakeholder Engagements

2.2.2.1 On the 31st March 2021, ZAQA launched NOS in the Manufacturing and Construction Sector. The event was held at the Pamodzi Hotel and was officiated by the Permanent Secretary of

the Ministry of Higher Education Mrs. Kayula Siame. The Ambassador of the Embassy of Ireland in Zambia Mr. Pronch Murray graced the occasion and gave some remarks.

2.2.2.2 As part of Stakeholder Engagement, ZAQA held a Meeting with the 14 News Editors of different Media houses. The engagement resulted in better-informed clients and stakeholders as well as an increase in ZAQA's visibility. The Meeting was held at Southern Sun Hotel on Friday 23rd April 2021.

2.2.2.3 ZAQA conducted a NOS Dissemination workshop in Lusaka, to ensure that curriculum developers take into account the needs of industry by referring to NOS in the development of learning programs. The Meeting was held in Lusaka at the Radisson Blu Hotel on Wednesday 28th April 2021. The event attracted thirty - one (31) participants. The Meeting was also shared live on the ZAQA Facebook page.

2.2.2.4 ZAQA further conducted NOS Dissemination meetings of the developed NOS in the tourism sector with the Livingstone Tourism Association, Hotel and Catering Association of Zambia as well as the Victoria Falls University, on the 28th May 2021 in Livingstone.

2.2.2.5 Stakeholder Engagement with Zambia Institute of Human Resources Management (ZIHRM)

The Authority held a Breakfast workshop with members of the ZIHRM at the Radisson Blu Hotel on 2nd December 2021. The workshop attracted Human Resource Personnel from twenty-six organisations and was aimed at increasing uptake by employers, of the verification services offered by the Authority. The Workshop was streamed live on the ZAQA Facebook page further covered by Radio Phoenix and ZANIS.

2.2.2.6 Zambia Tourism Expo

ZAQA participated at the Zambia Tourism Expo, which was organised by the Tourism Council of Zambia that was held at the Ceila Resort & Spa (formerly Bonanza Resort) from 1st -3rd October 2021. It gave the Authority chance to highlight the developed NOS in the Tourism Sector and other services that ZAQA offers.

2.2.3 Advertising

2.2.3.1 Two new ZAQA Radio adverts were developed which were aired on Zambia National Broadcasting Corporation (ZNBC) Radio 2 adjacent to the news for 60 working days from 5th October – 25th December 2021.

2.2.3.2 ZAQA placed an advert and article in the Zambia Institute of Human Resource Management Magazine (ZIHRM). The Magazine was distributed to all the Members who attended the ZIHRM Annual General Meeting which was held in Livingstone from 26th – 28th May 2021. ZIHRM is the professional body for human resource practitioners in Zambia. ZAQA also made a presentation and exhibited at the ZIHRM AGM.

2.2.3.3 As part of the sensitisation in Southern Province, the ZAQA team participated in a live phone program on Zambezi FM in Livingstone during the lunchtime show on the 28th May 2021.

2.2.3.4 The Authority participated in a 14-week, 45 minutes interactive radio program which was held on Wednesdays at 10 hours on Radio Phoenix. The program ran from 10th November 2021 to 9th February 2022.

2.5 Social Media

The following were the number of followers on social media platforms and visits to the ZAQA Website in 2021:

Platform	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Twitter	458	476	509	526
LinkedIn	2,841	3,974	5,576	7,713
Facebook	11,901	12,051	12,636	12,954
Website	4,766	6,934	11,289	12,541

2.6 The ZAQA Stakeholder Engagement Plan

The Authority finalised the development and implementation of the ZAQA Stakeholder Engagement Plan that responds directly to ZAQA's Strategic Objective of "Enhancing Stakeholder Collaboration" espoused in the ZAQA Strategic Plan. It was developed in consultation with the Management Development Division (MDD), of Cabinet Office.

2.7 Dissemination of the ZAQA Service Delivery Charter

The Service Delivery Charter was disseminated to all the ZAQA staff and is accessible to the public through the website and messages placed in the Authority's office as well as social media platforms.

2.8 The ZAQA Communication Strategy

ZAQA in consultation with the Ministry of Information and Broadcasting services (MIBS) finalised the development of the Communication Strategy for the Authority, which has been operationalised and disseminated to all ZAQA Staff.

2.3 STRATEGIC OBJECTIVE III: IMPROVE HUMAN RESOURCES

In order to achieve the Strategic Objective of Improving Human Resource, the following were achieved in the year 2021:

2.3.1 Intended Result I: Improve Performance

2.3.1.1 Strategy I: Operationalising the Organisation Structure

The Organisation Structure was reviewed with the help of the Management Development Division in 2020. During the year under review, the Authority worked towards implementing the approved Structure. Four positions were filled in the year and these included the positions of Human Resources and Administration Specialist, Personal Assistant to the CEO and two Qualification Services Officers.

2.3.1.2 Strategy II: Strengthen staff performance.

In order to improve the performance of its employees, the Authority arranged capacity building programmes as follows:

- i) Staff members continued with French Language lessons offered by Alliance Francaise. This is aimed at ensuring that staff in the Technical Department are able to communicate

with institutions in francophone countries to ease the verification process.

ii) Sixteen (16) employees attended training sponsored by COL on Employability Guidelines and the use of Google Documents. The training was facilitated by a consultant engaged by COL from South Africa and was done virtually.

iii) The Performance Appraisal process was reviewed in line with the approved Performance Appraisal Policy. Appraisals were conducted by all employees at the end of the year.

iv) The Authority also continued with the implementation of the Health and Wellness Policy in order to ensure that cases of absenteeism due to illnesses are reduced. A health and wellness talk was organised for employees through Marie Stopes. Further, the Authority implemented a fitness programme involving a physical trainer engaged to assist employees with fitness activities.

2.4 STRATEGIC OBJECTIVE IV: ENHANCE MANAGEMENT SYSTEMS

This Strategic Objective had one Intended Result and the following were achieved under this Strategic Objective:

2.4.1 Intended Results: Effective and Efficient Service Delivery

2.4.1.1 Strategy I: Develop and Implement a Service Delivery Charter

The Authority continued to implement the Service Delivery Charter. Service delivery messages were printed and posted on strategic areas for the clients to be aware of their expectations from the Authority. Some messages were posted on all social media platforms.

The Authority continued to monitor feedback from clients. A client feedback box was placed at the

front office. A feedback questionnaire through Survey Monkey was also sent to clients to solicit their feedback.

2.4.1.2 Strategy II: Develop, Automate and Integrate Management Systems

In order to streamline processes, the Authority continued to improve the Qualifications Management Information System. Validation and Evaluation processes were combined in order to reduce the time spent on processing non-Zambian qualifications.

2.5 STRATEGIC OBJECTIVE V: IMPROVE THE SOURCES AND MANAGEMENT OF FINANCIAL RESOURCES

2.5.1 Intended Result I: Improved accountability

This intended result has two strategies and the following were achieved under each strategy:

2.5.1.1 Strengthen internal financial controls

In order to strengthen internal financial controls, the Board held quarterly Board and Board Committee meetings. The Audit and Risk Committee of the Board became operational during the year under review. Further, the reviewed Finance Manual was approved by the Board within the year. The review of the Manual was meant to ensure that the Manual was up to date with International Financial Reporting Standards and incorporated changes in legislation. The Manual was also aligned to the Public Finance Management Act No. 1 of 2018.

The Internal Audit function was also resourced during the year under review. The services were outsourced to HLB Zambia, independent auditors.

2.5.1.2 Develop and implement a Monitoring & Evaluation Framework

The Authority put in place a Monitoring and Evaluation Framework in order to monitor achievements against the Strategic Plan. Quarterly progress reports were submitted to the Board highlighting progress made against the Strategic Plan.

2.6 STRATEGIC OBJECTIVE VI: IMPROVE INSTITUTIONAL INFRASTRUCTURE

The Higher Education Authority, the Higher Education Loans and Scholarship Board, the Zambia Qualifications Authority and the Ministry of Higher Education (MOHE), through a Task Team, worked together towards the construction of an office building for the three institutions. Land was allocated by MOHE at the National Institute of Scientific and Industrial Research (NISIR). However, due to changes in Ministry portfolio, this was halted because the three institutions were placed under the Ministry of Education while NISIR was placed under Ministry of Technology and Science. The Ministry of Education has been engaged regarding provision of land for the construction.



ZAQA Staff during the Customer Service Training

The Output Matrix gives the Authority’s performance against the set targets for the year under review.

Table 4: 2021 Output Matrix

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
1	Registration and Accreditation	Increased validation & evaluation of qualifications	Percentage of applications for local qualifications received validated within 14 days.	Validate at least 2,510 local qualifications by December 2021. 90% of local qualifications received validated within 14 days.	1,241 local qualifications were validated by 31 st December 2021 39.4% of the local qualifications received were validated within 14 days.
2	Registration and Accreditation		Percentage of applications for foreign qualifications received validated within 30 days.	Validate at least 1,200 foreign qualifications by December 2021. 90% of foreign qualifications received validated within 30 days.	1,498 foreign qualifications were validated by 31 st December 2021. 42.8% of the foreign qualifications received were validated and evaluated within 30 days.
3	Registration and Accreditation	Increased accreditation of qualifications	Percentage of applications for accreditation processed within 30 days.	Register and accredit at least 1,250 qualifications onto the ZQF by December 2021. 95% of received qualifications registered within 30 days.	266 qualifications were registered and accredited onto the ZQF by 31 st December 2021. 37% of applications were processed within 30 days.

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
4	Registration and Accreditation	Increased accreditation of qualifications	No. of sensitisation activities to awarding bodies	Conduct at least 2 workshops to offer technical support to appropriate authorities /awarding bodies	One workshop on the revised Guidelines for Registration and Accreditation of qualifications, and two meetings on joint pre-evaluation of qualifications were held during the year.
5	Registration and Accreditation	Increased accreditation of qualifications	Publish/ Gazette accredited qualifications	Publish/ Gazette accredited qualifications	A public notice of the registered and accredited qualifications on the ZQF was published in the <i>Zambia Daily Mail</i> newspaper on Friday, 22 nd January 2021. However, the Ministry of Higher Education guided that the publication notice be put on hold to allow for the proposed extension of the transition period for registration and accreditation of qualifications on the ZQF.
6	Standards Setting	Increased compliance to set standards	Implementation of the revised ZAQA Act	Review the Zambia Qualifications Authority Act by December 2021	The Authority, in collaboration with stakeholders, continued with the review of the ZAQA Act. As at end of year, a draft legislative Zambia Qualifications bill had been developed.
7	Standards Setting	Increased compliance to set standards	Implementation of the revised ZQF and Level Descriptors	Review of the ZQF Structure and Level Descriptors by December 2021	The Authority concluded the process of reviewing the Zambia Qualifications Framework and its Level Descriptors. However, the implementation of the reviewed Zambia Qualifications Framework and its Level Descriptors is awaiting the finalization of the review of the ZAQA Act No. 13 of 2011.

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
8	Standards Setting	Improved Standards Improved Standards	Percentage of Key Priority Sectors with National Occupational Standards by December 2021.	Develop at least 5 National Occupational Standards for each priority sector of the 7NDP by December, 2021. 70% of key priority sectors with NOS at Dec 2021.	<p>A total of 24 National Occupational Standards (NOS) were developed for the four remaining priority sectors. This brought the total number of sectors to six, representing 100% of key priority sectors with NOS.</p> <p>The developed and launched NOS are as follows:</p> <p>i) Construction Sector</p> <ul style="list-style-type: none"> • Geomatics Engineer, • Electrician – Low Voltage, • Draughts Person, • General Bricklayer, • Metal Fabricator, and • Steel Fixer. <p>ii) Manufacturing Sector</p> <ul style="list-style-type: none"> • Mechanical Engineer, • Electrical and Electronics Engineer, • Chemical Engineer, • Production Manager, • Quality Controller, and • Workshop Machines Operator.

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
	Standards Setting				<p>iii) Mining Sector</p> <ul style="list-style-type: none"> • Process Engineer, • Senior Chemist, • Mine Safety Officer, • Mining Blaster, • Winding Engine Operator, and • Mine Data Entry Operator. <p>iv) Energy Sector</p> <ul style="list-style-type: none"> • Bio Digester Plant Constructer • Coded Welder • Energy Auditor • LPG Installer • Non Destructive Test • Solar PV Installer-Operator
9	Standards Setting	Increased compliance to set standards	Number of audits of a sector conducted	Conduct at least 1 Verification Audit and 4 Compliance Audits by December 2021	<p>The Authority conducted three compliance audits at the following institutions:</p> <ul style="list-style-type: none"> • The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA); • The Nursing and Midwifery Council of Zambia (NMCZ); and • The Higher Education Authority (HEA).

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
					Two verification audits were conducted by the Authority on the Association for Business Managers and Administrators (ABMA) and the International Baccalaureate Organisation (IBO) for recognition as Appropriate Authorities. ABMA and IBO were consequently recognised as a Foreign Awarding Bodies in Zambia.
10	Standards Setting	Increased compliance to set standards	Percentage of Appropriate Authorities promoting Recognition of Prior Learning by December 2021	3 Appropriate Authorities (AA) managing the sub-frames of the ZQF promoting RPL by December 2021. 100% of Appropriate Authorities promoting RPL by December 2021.	100% of the Appropriate Authorities are currently promoting recognition of Prior Learning (RPL) through either grant of exemptions or recognition of non-formal learning.
11	Standards Setting	Increased compliance to set standards	Approved Credit Accumulation and Transfer System Guidelines	Develop and implement Guidelines on Credit Accumulation and Transfer System by December 2021	The development of the Guidelines on Credit Accumulation and Transfer System was concluded in 2020.
12	Standards Setting	Increased compliance to set standards	Approved Credit Accumulation and Transfer System Guidelines	Conduct 4 monitoring visits on the implementation of CATS and RPL by December 2021	The Authority conducted three monitoring visits on the implementation of RPL at the following institutions:

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
					<ul style="list-style-type: none"> • The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA); • The Nursing and Midwifery Council of Zambia (NMCZ); and • The Higher Education Authority (HEA).
13	Standards Setting	Increased compliance to set standards	Percentage of Quality assurance and awarding bodies incorporating level descriptors in the development of their curriculum/learning programmes by December 2021	80% of Quality assurance and awarding bodies incorporating level descriptors in the development of their curriculum/learning programmes by December 2021	All awarding bodies in the three sub-frameworks have been incorporating level descriptors in qualifications submitted for registration and accreditation.
14	Standards Setting	Recognition of Appropriate Authorities	Number of Appropriate Authorities recognised	At least 2 additional Appropriate Authorities recognised by December 2021	The Association for Business Managers and Administrators (ABMA) and the International Baccalaureate Organisation (IBO) were recognized as Foreign Awarding Bodies in Zambia.

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
15	Standards Setting	Strengthened collaborations	Number of regional collaborative agreements	Participation in at least 2 collaborative meetings/study tours by December 2021	The Authority participated in ACQF webinars and meetings, SADC TCCA meetings and the AQVN meetings.
16	Standards Setting	Strengthened collaborations	Number of local collaborative agreements	Participate in at least 4 local collaborative meetings on Quality Assurance by December 2021	The Authority organised and hosted two meetings of Quality Assurance bodies in the year under review
17	Corporate Services	Increased Stakeholder Support	Percentage of budget from other sources (Other than GRZ and ZAQA Services) annually	At least 10% of budget obtained from other sources (Other than GRZ) annually	26% of funds were obtained from ZAQA services and other resource mobilisation efforts other than Government Grant.
18	Corporate Services	Improved Efficiency	Commissioning of QMIS	100% of applications for ZAQA services processed in the QMIS by December 2021	87% of applications for validation were processed through QMIS in 2021.
19	Corporate Services	Improved Efficiency	No. of learner records uploaded on the system by December 2021	Records from at least 20 awarding bodies uploaded to the QMIS by December 2021	Records from 29 awarding bodies were received in 2021
20	Corporate Services	Strategic Plan in place	Review of strategic plan	Review of the current ZAQA Strategic Plan (2019 -2021) and development of the new Strategic Plan (2022 -	The current ZAQA Strategic Plan was reviewed and a Performance Assessment Report issued. Further, the development of the new Strategic Plan for

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
				2026) by December 2021	2022 to 2026 commenced in 2021. As at end of year, the Literature Review Report, Performance Assessment report, Stakeholder/Client mapping Analysis and Tools Designing Report for stakeholder engagement had been concluded.
21	Corporate Services	Improved Service Delivery	Percentage reduction in client complaints and percentage increase in client compliments by December 2020	50% reduction in client complaints and 60% increase in client compliments by December 2021	From the surveyed clients, 62% were satisfied with the service they received from ZAQA while 38% were not happy with the services they received.
22	Corporate Services	Improved Service Delivery	Percentage of activities conducted in line with the service delivery charter	90% of activities conducted in line with the service delivery charter by December 2020	Implementation of the Service Delivery Charter only commenced in the first quarter of 2021. Development of the Charter delayed due to the outbreak of the pandemic.
23	Corporate Services	Improved Service Delivery	Planned positions filled	75% implementation of the approved Organisation Structure	78% of the approved organisation structure was implemented by December 2021. 25 positions were filled against an approved establishment of 32.
24	Corporate Services	Positive Corporate Image	Percentage of adherence to ZAQA Core Values	100% adherence to ZAQA Core Values by all staff in 2021	100% of staff adhered to the ZAQA values according to the 360 degrees feedback received.

S/N	DEPARTMENT / PROGRAMME	INTENDED RESULT	OUTPUT INDICATORS	2021 PLANNED VS ACHIEVED	
				ANNUAL TARGETS	PERFORMANCE AGAINST TARGET
25	Corporate Services	Positive Corporate Image	Percentage of staff achieving at least 85% of set targets annually	80% of staff achieving at least 85% of set targets annually	13% of staff achieved at least 85% of set targets as at 31 st December 2021.
26	Corporate Services	Policies developed	Number of HR policies developed	Develop and implement the following policies by December 2021: i) Staff Training and Capacity Building Policy; and ii) Recruitment and Selection Policy	The Staff Training and Capacity Building Policy was developed and is yet to be submitted to the Board for approval; The Recruitment and Selection Policy was developed and approved by the Board.
27	Corporate Services	Positive Corporate image	Improved staff retention	Review the reward system by December 2021	In compliance with Cabinet Circular 6 of 2020, adjustment to salaries was requested from Cabinet Office. Review of rewards only for employees in ZAQA 6 was approved.
28	Corporate Services	Improved accountability	Unqualified audit report	Unqualified audit report by December 2021	An unqualified audit report was issued by the Auditors, Mark Daniels, for the financial year ended 31 st December 2021.
29	Corporate Services	Improved accountability	Number of audit queries	Zero queries by December 2021	Four audit queries were raised by the auditors in the 2021 audit of financial statements.
30	Corporate Services	Improved accountability	Percentage of activities conducted within approved budget	95% of 2021 activities conducted within approved budget	99% of 2021 procurement activities were conducted within budget.

3.0 INFORMATION COMMUNICATIONS TECHNOLOGY

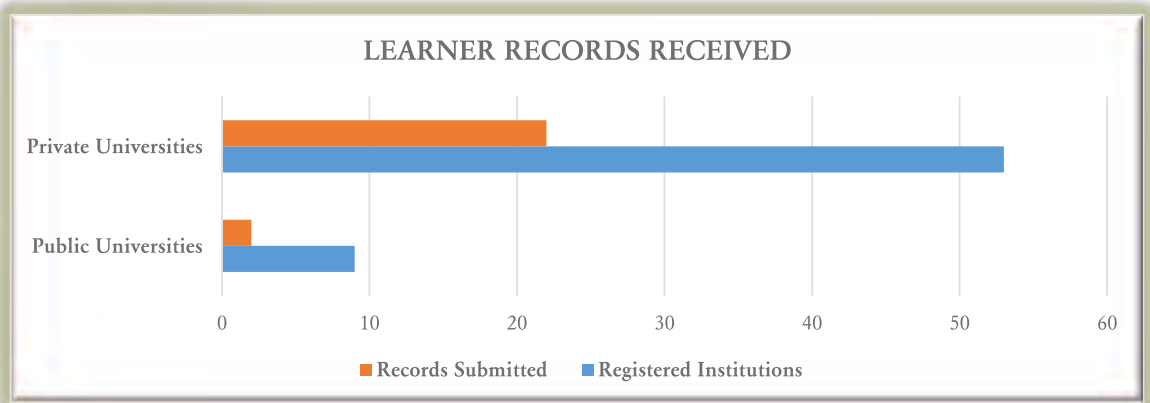
The following activities were conducted with respect to Information and Communications Technology in 2021:

3.1 Learner Records Submission by Awarding Bodies

The Authority conducted institutional visits to the different awarding bodies to guide them on the submission of learner records. A total of twenty-two awarding bodies submitted learner records in the year under review. These included 2 public universities and twenty private awarding bodies. The figure below represents learner records received against registered awarding bodies.

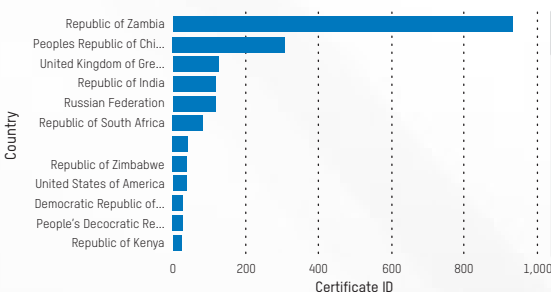
3.2 Qualifications Management Information System

The Authority has continued to record an increase in the number of applications for validation and evaluation received. Only 608 applications were processed manually in 2021, while 2,131 applications were processed through the QMIS. This is an improvement compared to 2020 where 229 applications were processed through the System. Those processed manually included applications that had not combined the GCE certificates issued by the Examinations Council of Zambia. The figure below shows the number of applications processed through QMIS in the year 2021.

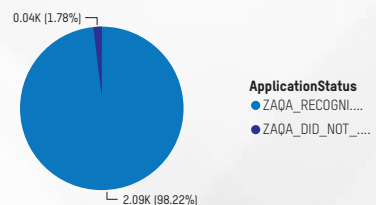


2131
Certificate ID

Certificate ID by Country



Certificate ID by ApplicationStatus



930 of the applications processed through the QMIS were local qualifications representing 44%. While 38 were issued non-recognition certificates.

4.0 HUMAN RESOURCES AND ADMINISTRATION

4.1 Staff Complement

The staff complement for the Authority as at close of the year was twenty-five (25), against a staff establishment of thirty-two (32). The number included one employee recruited on a one-year short-term contract as an Information Communications Technology Officer.

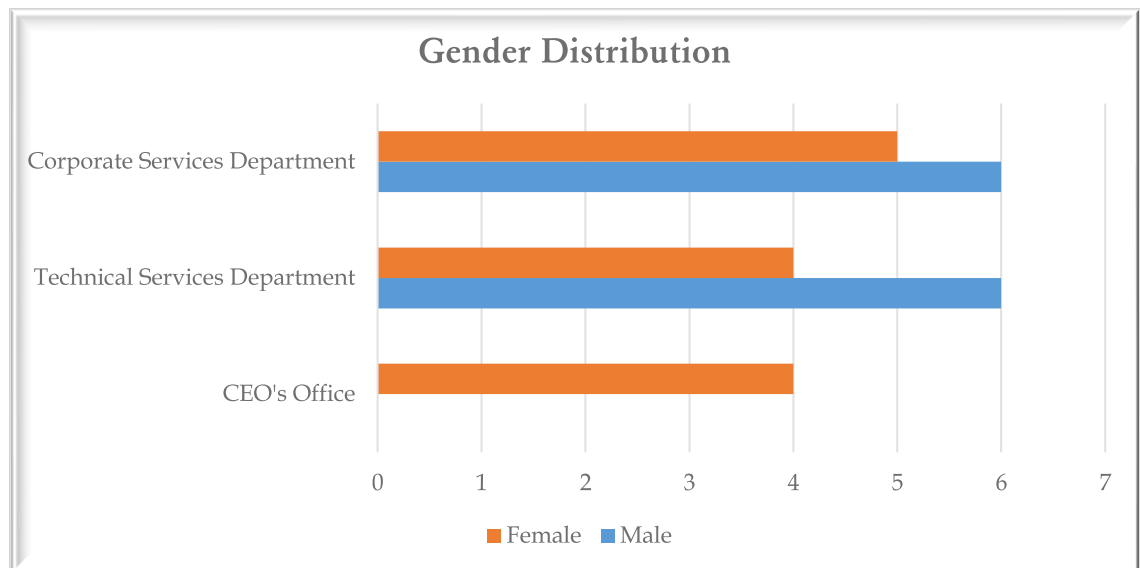
4.1.1 Gender Distribution

Out of the twenty-five members of staff, thirteen (13) members of staff were female while twelve (12) were male.

4.1.2 Gender Distribution per Department

The Technical Services Department had eleven (11) members of staff out of which six were male and five female. The Corporate Services Department had ten (10) members of staff, of which six were male and four female. The office of the CEO had four female staff members and no males as at the close of the year under review.

Figure 5: Gender Distribution



4.2 Staff Capacity Development

A customer care training workshop was organised by the Authority for employees with direct access to clients. The training was delivered by Laura and Partners Consulting Limited and sixteen (16) employees attended the training.

4.3 Staff Team Building

The Authority held an end of year team building reflection dinner at the Southern Sun Hotel and all staff members were present and participated in the activities. The engagement provided staff a platform to give feedback to each other and to

Management on the performance of the Authority in the year just ended.

4.4 Recruitments

4.4.1 Qualifications Services Officer

The Authority recruited two Qualifications Services Officers in the year under review. The recruitment was in line with the approved organisation structure. The successful candidates commenced work in February 2021.

4.4.2 Human Resources and Administration Specialist

The recruitment of the Human Resources and Administration Specialist was concluded during the year and the successful candidate commenced work in May, 2021.

4.4.3 Personal Assistant to the Chief Executive Officer

The recruitment for the position of Personal Assistant to the CEO was conducted in the year. The successful candidate commenced work in July, 2021.

4.5 Separations

The Authority recorded one separation in the year under review. The Human Resource and Administration Specialist separated with the Authority in April 2021.

4.6 Implementation of the Health and Wellness Policy

4.6.1 Fitness Programme

During the period under review, the Authority

implemented a physical fitness programme to improve the wellbeing of staff members both emotionally and physically. This was aimed at reducing non-communicable diseases and work related stress.

4.6.2 Health Talk

The Authority engaged the services of Marie Stopes who conducted a health talk on mental health, reproductive health, cancers, sexually transmitted infections, birth control and Coronavirus.

4.7 Effects of the COVID-19 pandemic

In the year under review, the Authority continued to be affected by the effects of the COVID-19 pandemic. A number of employees fell ill and were not able to report for work. This significantly affected the delivery of services. As at end of the year, three employees were not yet cleared by the hospital for resumption of work. Throughout the year, all COVID-19 guidelines were adhered to. These included:

- a. Placing of Ministry of Health Sensitisation Posters in strategic areas around the office to sensitise staff and clients on the Corona Virus and vaccination;
- b. Observing social distance;
- c. Providing hand sanitizers, face masks as well as hand washing facilities around the office;
- d. Sensitising clients on how to use the Qualifications Information Management System to access ZAQA services in order to reduce the number of people visiting ZAQA offices;
- e. Disinfection of offices; and
- f. Encouraging staff to get vaccinated.

5.0 CORPORATE GOVERNANCE

The Board of Directors of the Authority continued to provide strategic oversight of the Authority during the year 2021.

Table 6 shows attendance of the Board Members to meetings:

Table 6: Meeting attendance by Board Members

No	Board Member	No. of Scheduled Meetings	No. of Meetings Attended
1	Mrs. Ann M. Ononuju	7	6
2	Dr. John Chileshe	7	7
3	Mrs. Kayula Siame (Retired September 2021)	5	4
4	Mr. Nicholas Chikwenya (From November 2021)	1	1
5	Mr. Louis Mwansa (Retired September 2021)	5	6
6	Mr. Bonna Kashinga	7	7
7	Mrs. Jacqueline C. M Chikwama	7	6
8	Mrs. Vivien M. C Ndhlovu	7	7
9	Mr. Fredrick Mwila	7	7
10	Prof. Kasonde Bowa	7	7
11	Dr. Tamala T. Kambikambi	7	6
12	Mr. William Ngoma	7	7

The Board has the authority to put in place Board Committees to assist with corporate governance matters in specific areas of operation. In addition to the Registration and Accreditation Committee, the Standards Setting Committee and the

Finance, Administration and Human Resources Committee constituted in 2020, the Board put in place the Audit and Risk Committee during the year under review. Attendance by the Members of the various Committees was as follows:

Table 7: Registration and Accreditation Committee

No	Registration and Accreditation Committee Members	No. of Scheduled Meetings	No. of Meetings Attended
1	Dr. John Chileshe	7	7
2	Mrs. Vivien Ndhlovu	7	7
3	Mr. William Ngoma	7	7
4	Dr. Alvert Ng'andu	7	6
5	Mr. Succed Mubanga	7	5

Table 8: Audit and Risk Committee

No.	Audit and Risk Committee Members	No. of Scheduled Meetings	No. of Meetings Attended
1	Mrs. Jacqueline C. M Chikwama	4	4
2	Mr. Fredrick Mwila	4	4
3	Mr. Thomas Kaunda	4	4
4	Mr. Elijah Chabu	4	4
5	Mr. Walubita Luwabelwa (from May 2021)	3	2

Table 9: Finance, Administration and Human Resources

No.	Finance, Administration and Human Resources Committee Members	No. of Scheduled Meetings	No. of Meetings Attended
1	Mr. Bonna Kashinga	6	6
2	Prof. Kasonde Bowa	6	3
3	Mr. Tom Thewo	6	6
4	Mr. Jacob Mkandawire	6	6
5	Mrs. Christine Mshanga (up to September 2021)	4	4
6	Mr. Ignatius Daka (from September 2021)	2	1

3.4 FINANCE

The following section presents the financial performance of the Authority in the year under review.

Table 11: Income Received in the year

	2021 Budget Performance			
	Actual (ZMW)	Budget (ZMW)	Variance (ZMW)	% Variance
Government funding	14,054,073	14,054,072	0	0%
Registration and Accreditation	1,228,000	7,160,000	(5,932,000)	(83%)
Validation and Evaluation	1,749,350	2,001,004	(251,654)	(13%)
Other Income	2,019,840	5,354,816	(3,334,976)	(62%)
Total	19,051,263	28,569,892	(9,518,629)	(33%)

The Authority received all the funding allocated from the Treasury. However, the Authority continued to experience challenges in receiving qualifications for accreditation from Appropriate Authorities hence the number of qualifications targeted for accreditation could not be achieved.

Further, the Embassy of Ireland terminated their funding to the Authority towards the Irish Aid Project due to a shift in their Strategic Plan. A total

Table 10: Standards Setting Committee

No.	Standards Setting Committee Members	No. of Scheduled Meetings	No. of Meetings Attended
1	Mr. Loius Mwansa (Retired September 2021)	3	3
2	Mr. Nicholas Chikwenya (From November 2021)	1	0
3	Mrs. Kayula Siame (Retired September 2021)	4	3
4	Dr. Tamala T. Kambikambi	4	4
5	Prof. Stephen Simukanga	4	3
6	Dr. Michael Chilala	4	2
7	Mr. Cleophas Takaiza	4	3

3.4.1 Budget Performance

The total approved budget for 2021 was ZMW28,569,892. Of the budgeted amount, the Authority received ZMW19,051,263 as indicated in Table 11.

of €50,000 was received from the Embassy of Ireland as final payment towards the Project.

Due to enhanced resource mobilisation efforts, the Authority managed to raise funds from the African Continental Qualifications Framework (ACQF) for the development of two guidelines namely: Validation and Recognition of Learning, and Registration and Databases of Learning. The total cost of the Consultancy was ZMW 763,267.00

and a total of ZMW 534,287.53 had been paid by the end of the year.

The Authority also engaged the Commonwealth of Learning (COL) for funding towards the implementation of the Employability Guidelines developed by COL. A total of CAD 10,000.00 was received by the Authority for the Project.

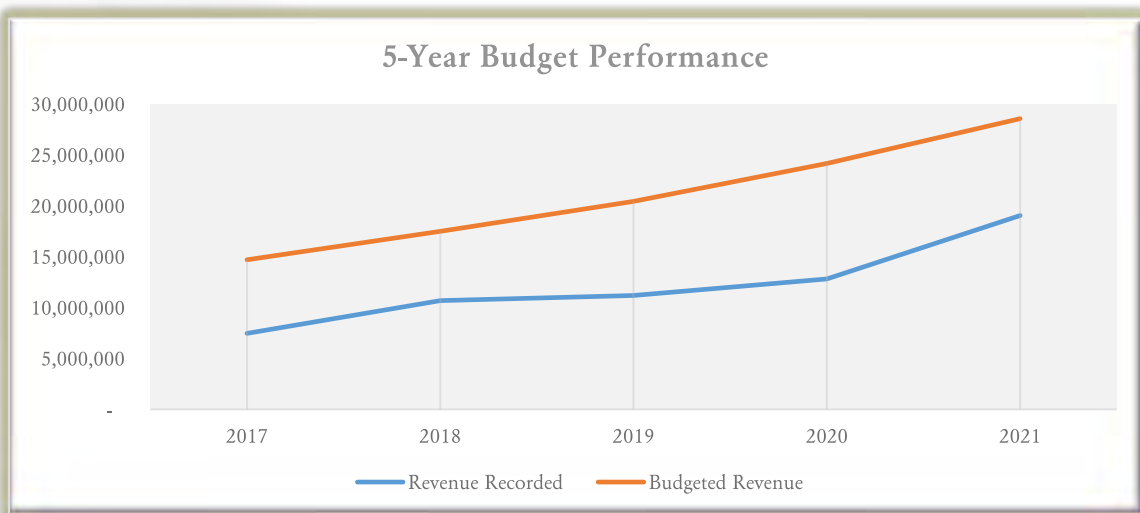
The Authority continued to experience challenges regarding the validation and evaluation of qualifications as indicated on Strategic Objective 1, Intended Results 2 on the increased validation of qualifications.

Table 12 and Figure 7 show total revenue performance in the last five (5) years:

Table 12: Income trends for 5 years

Year	Recorded Revenue	Budgeted Revenue	Variance	% variance
2017	7,470,410.00	14,701,775.00	(7,231,365.00)	(49%)
2018	10,694,725.00	17,484,075.00	(6,789,350.00)	(39%)
2019	11,196,487.00	20,429,075.00	(9,232,588.00)	(45%)
2020	12,820,765.00	24,178,115.00	(11,357,350.00)	(47%)
2021	19,051,263.00	28,569,892.00	(9,518,629.00)	(33%)

Figure 7: Income trends for 5 years



There has been a slow but steady increase in the revenue of the Authority although budgetary allocation from the Treasury remained static from 2018 to 2021.

ZMW1,950,159 (2020: ZMW4,071,696) in the year under review. Expenditure for the year amounted to ZMW21,001,422 (2020: ZMW16,892,460). The Authority also purchased fixed assets at a cost of ZMW2,076,225 (2020: ZMW272,556).

3.4.2 Financial Performance

The Authority recorded an operating deficit of

Figure 8 shows a breakdown of expenditure in the year 2021

Figure 8: Breakdown of expenditure for 2021

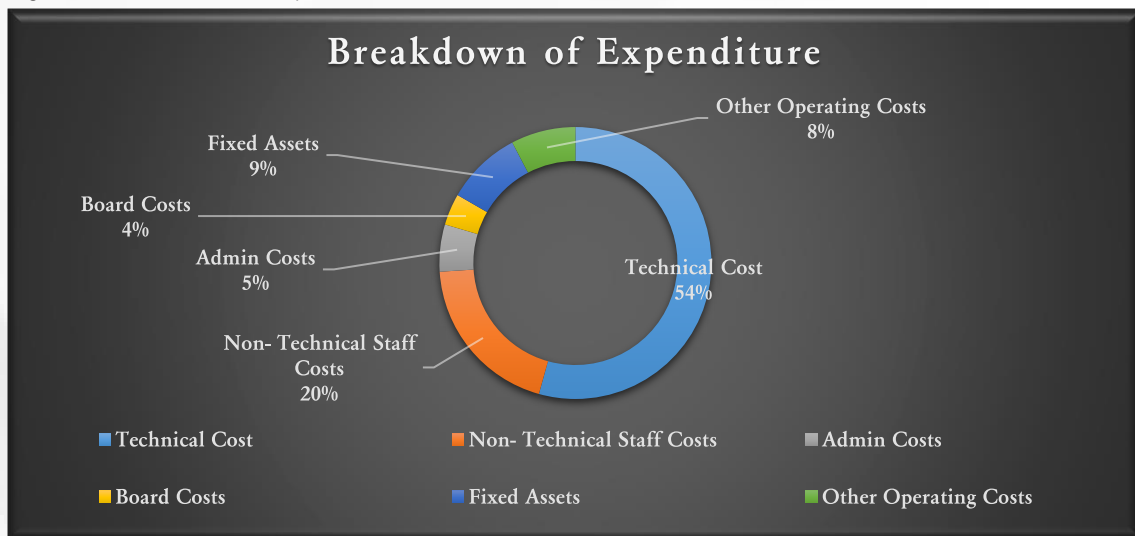


Figure 8 shows a breakdown of expenditure in the year 2021

Zambia Qualifications Authority
Financial Statements for the year ended 31 December 2021

Name of organisation	Zambia Qualifications Authority	
Nature of organisation	Statutory Body Established by Zambia Qualifications Authority Act No. 13 of 2011	
Principal activity	Developing and Implementing a National Qualifications Framework	
Directors		
Names	Designation	Organisation
Mrs. Ann-Mary Malata – Ononuju	Board Chairperson	Zambia Institute of Advanced Legal Education
Dr. John Chileshe	Vice Chairperson	Civil Society Organisation
Mrs. Kayula Siame	Member	Ministry of Higher Education
Mr. Louis Mwansa	Member	Ministry of General Education
Mrs. Vivien M. C. Ndhlovu	Member	Ministry of Labour
Mr. Fredrick Mwila	Member	Ministry of Health
Mr. Bonna Kashinga	Member	Zambia Institute of Chartered Accountants
Prof. Kasonde Bowa	Member	Private Universities
Dr. Tamala Taonga –Kambikambi	Member	Public Universities
Mr. William Ngoma	Member	Zambia Air Services Training Institute
Mrs. Jacqueline C.M Chikwama	Member	Zambia Institute of Human Resource Management
Mr. Nicholas Chikwenya	Member	Ministry of Education
Mrs. Mirriam M. A. Chiyaba	Member / Ex-Officio	Zambia Qualifications Authority
Business Address	Ground Floor Finsbury Park Kabwe Roundabout P.O. Box 51103 Lusaka Zambia	
Bankers	Investrust Bank Plc Manda Hill Shopping Centre P.O. Box 62344 Lusaka	Stanbic Bank Zambia Limited Lusaka Main Branch P.O. Box 32111 Lusaka Zambia
Auditors	Mark Daniels Plot 180 Luanshya Road Off Musonda Ngosa Road Villa Elizabetha Lusaka	
Board Secretaries	Axxess Corporate Secretaries Plot No. 15 Twikatane Road Rhodes Park P.O. Box 50842, Lusaka.	

Zambia Qualifications Authority
Annual Report and Financial Statements
For the year ended 31 December 2021

Table of contents	Page
Director’s Report	33 – 35
Directors’ Responsibilities and Approval of the Financial Statements	36
Report of the Independent Auditor	37–39
Financial statements:	
Statement of Comprehensive Income	40
Statement of Financial Position	41
Statement of Changes in Funds	42
Statement of Cash Flows	43
Notes	44– 62
Detailed operating statement	63

Zambia Qualifications Authority
Directors' Report
For the year ended 31 December 2021

The directors have the pleasure of presenting their report and audited financial statements for the year ended 31st December 2021.

1. Nature of Entity

The Zambia Qualifications Authority (ZAQA) is a statutory body under the Ministry of Education established by the Zambia Qualifications Authority Act No. 13 of 2011.

2. Principal activities

The principal activities of the Authority are:

- i. To develop and implement a national qualifications framework;
- ii. To register and accredit Qualifications;
- iii. To provide measures to ensure that standards and registered qualifications are internationally comparable and;
- iv. To provide services in matters connected with, or incidental to the foregoing.

3. Financial results

In line with section 21 of the ZAQA Act, the Authority's financial year is from 1st January to 31st December.

During the financial year ended 31st December 2021, the Authority recorded a deficit of ZMW 1,950,159 as compared to a deficit of ZMW 4,071,695 during the year ended 31st December 2020.

The following is a summary of the financial results: -

	2021 ZMW	2020 ZMW
Income	19,051,263	12,820,765
Expenditure	<u>(21,001,422)</u>	<u>(16,892,460)</u>
Deficit for the year	<u>(1,950,159)</u>	<u>(4,071,695)</u>

4. Property, plant and equipment

The Authority made additions to its fixed assets by purchasing property, plant and equipment amounting to ZMW 2,076,225 (2020: ZMW 272,555) during the year. In the opinion of the directors, the carrying value of property and equipment is not less than its recoverable amount.

5. Health, Safety and Environmental Issues

The Authority is committed to ensuring the health, safety and welfare at work of its employees and for protecting other persons against risks to health and safety arising out of, and in connection with, the activities at work of those employees.

Zambia Qualifications Authority
Directors' Report
For the year ended 31 December 2021

6. Number of employees

The average number of persons employed by the Authority and their remuneration during the financial year was as follows:

Month	<u>Salaries and allowances</u>		<u>Number of employees</u>	
	2021	2020	2021	2020
	ZMW	ZMW		
January	838,448	693,593	29	23
February	778,353	595,190	27	23
March	752,087	624,682	28	23
April	702,176	710,565	27	23
May	852,441	640,844	25	23
June	746,752	637,562	25	23
July	817,485	666,092	25	25
August	826,043	701,215	26	26
September	796,241	759,556	25	27
October	832,990	759,783	25	27
November	850,655	816,738	25	28
December	868,846	808,832	25	27

7. Directors

The following directors held office during the year under review:

Mrs. Ann-Mary Malata-Onunuju	-	Board Chairperson
Dr. John Chileshe	-	Vice Chairperson
Mrs. Kayula Siame	-	Member (retired in September 2021)
Mr. Louis Mwansa	-	Member (retired in September 2021)
Mrs. Vivien M. C. Ndhlovu	-	Member
Mr. Fredrick Mwila	-	Member
Mr. Bonna Kashinga	-	Member
Prof. Kasonde Bowa	-	Member
Dr. Tamala Taonga – Kambikambi	-	Member
Mr. William Ngoma	-	Member
Mrs. Jacqueline C. M Chikwama	-	Member
Mr. Nicholas Chikwenya	-	Member (November 2021)
Mrs. Mirriam M. A. Chiyaba	-	Member / Ex-Officio
Axcess Corporate Secretaries	-	Board Secretaries

8. Directors' fees and Remuneration

The Authority paid fees to the members of the board of directors in the period under review amounting to ZMW 864,736 [2020: ZMW 404,296].

9. Other material facts, circumstances and events

The directors are not aware of any material fact, circumstance or event which occurred between the accounting date and the date of this report which might influence an assessment of the Authority's financial position or the results of its operations.

10. Annual financial statements

The annual financial statements set out on pages 8 to 32 have been approved by the directors.

11. Auditors

The auditor, Mark Daniels, have indicated their willingness to continue in office.

By order of the Board



Board Chairperson



Chief Executive Officer

Sections 22 and 23 of the Zambia Qualifications Authority Act No. 13 of 2011 requires the Authority to maintain proper books of accounts and to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Authority and of the surplus or deficit for that period. In preparing these financial statements, the directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed the applicable accounting standards. The directors are responsible for ensuring that the Authority keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority. The directors are also responsible for safeguarding the assets of the Authority and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with sections 22 and 23 of the Zambia Qualifications Authority Act No. 13 of 2011, we the directors of the Authority are of the opinion that:

- a) The statement of financial position is drawn up so as to give a true and fair view of the state of the affairs of the Authority as at 31 December 2021; and
- b) The statement of comprehensive income is drawn up so as to give a true and fair view of the performance of the Authority for the year ended 31 December 2021;
- c) There are reasonable grounds to believe that the Authority will be able to meet all its financial obligations and pay its debts as and when they fall due.

The directors are also responsible for the Authority's system of internal controls. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss.

Nothing has come to the attention of the directors to indicate that the Authority will not remain a going concern for at least twelve months from the date of the statement of financial position.

The financial statements which appear on pages 8 to 32 were approved by the directors.



Mrs. Ann-Mary Malata - Ononuju
Board Chairperson



Mrs. Mirriam M.A. Chiyaba
Chief Executive Officer

2022

2022

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF ZAMBIA QUALIFICATIONS AUTHORITY**

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of the Zambia Qualifications Authority, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements give a true and fair view of the financial position of the Zambia Qualifications Authority as at 31 December 2021 and of its financial performance and cash flows for the year ended and have been properly prepared in accordance with the International Financial Reporting Standards.

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 Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics (IESBA Code), and we have fulfilled our other ethical responsibilities' in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 1 in the financial statements. The Authority has recorded a deficit and net current liabilities in the current year. It has experienced liquidity constraints due to non-receipt of full grants from the Treasury in the previous years. As stated in Note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Authority's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. 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. 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is 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 Authority'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 management either intends to liquidate the Authority or to cease operations, or have no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Authority's reporting process.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ZAMBIA QUALIFICATIONS AUTHORITY (CONTINUED)****Auditor's Responsibility 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 judgement and maintain professional scepticism throughout the audit. We also:

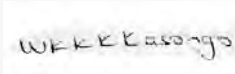
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 controls 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 Institution's internal controls.
- 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 Authority'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 Authority 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the institutions audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ZAMBIA QUALIFICATIONS AUTHORITY (CONTINUED)**

Report on other Legal and Regulatory Requirements

In our opinion, the financial statements of the Zambia Qualifications Authority as of 31 December 2021, and its financial performance and its cash flows for the year then ended have been properly prepared in accordance with the International Financial Reporting Standards. The accounting and other records have been kept in accordance with the requirements of the Zambia Qualifications Authority Act No. 13 of 2011.



Chartered Accountants

30th March 2022

Lusaka

**Winston Kasongo AUD/F003127
Partner signing on behalf of the firm**

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Statement of comprehensive income

	Notes	2021 ZMW	2020 ZMW
Income	6	18,475,874	12,786,704
Technical expenses	14	<u>(12,537,386)</u>	<u>(10,227,176)</u>
Surplus before administrative & operating expenses		5,938,488	2,559,528
Other income	6	575,389	34,061
Operating expenses	15	<u>(8,464,036)</u>	<u>(6,665,284)</u>
Deficit for the year		<u>(1,950,159)</u>	<u>(4,071,695)</u>
Deficit for the year		(1,950,159)	(4,071,695)
Other comprehensive gains/(losses)		<u>-</u>	<u>-</u>
Total comprehensive deficit attributable to the Authority		<u>(1,950,159)</u>	<u>(4,071,695)</u>

The notes on pages 44 - 62 form an integral part of these financial statements

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Statement of financial position

	Notes	31 December	
		2021 ZMW	2020 ZMW
ASSETS			
Non-current assets			
Property, plant and equipment	8	1,973,630	576,340
Intangible assets	9	<u>188,039</u>	<u>376,077</u>
		<u>2,161,669</u>	<u>952,417</u>
Current assets			
Inventories	10	126,962	106,735
Trade and other receivables	11	258,169	528,158
Cash and cash equivalents	12	<u>873,122</u>	<u>1,525,692</u>
		<u>1,258,253</u>	<u>2,160,585</u>
Total assets		<u>3,419,922</u>	<u>3,113,002</u>
Accumulated (Deficit)/Fund			
Accumulated deficit	16	<u>(9,615,235)</u>	<u>(7,469,485)</u>
Non-current Liabilities			
Staff gratuities		<u>3,418,495</u>	<u>5,436,685</u>
Current liabilities			
Trade and other payables	13	<u>9,616,662</u>	<u>5,145,802</u>
Total funds and liabilities		<u>3,419,922</u>	<u>3,113,002</u>

The directors acknowledge their responsibilities for complying with the requirements of the Zambia Qualifications Authority Act No. 13 of 2011 with respect to accounting records and the preparation of financial statements.



Chief Executive Officer

Date:



Board Chairperson

Date:

The notes on pages 44 – 62 form an integral part of these financial statements

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Statement of changes in funds

	Accumulated deficit ZMW	Total ZMW
At 1st January 2020	(3,397,790)	(3,397,790)
Deficit for the year	(4,071,695)	(4,071,695)
Total comprehensive income	<u>(4,071,695)</u>	<u>(4,071,695)</u>
At 31st December 2020	<u>(7,469,485)</u>	<u>(7,469,485)</u>
At 1st January 2021	(7,469,485)	(7,469,485)
Prior year adjustment	(195,591)	(195,591)
Restated balance	<u>(7,665,076)</u>	<u>(7,665,076)</u>
Deficit for the year	(1,950,159)	(1,950,159)
Total comprehensive deficit	<u>(1,950,159)</u>	<u>(1,950,159)</u>
At 31st December 2021	<u>(9,615,235)</u>	<u>(9,615,235)</u>

The notes on pages 44 – 62 form an integral part of these financial statements

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Statement of cash flows

	Notes	2021 ZMW	2020 ZMW
Cash flow from operating activities			
Deficit for the year		(1,950,159)	(4,071,695)
(Profit) /loss on disposal of non-current assets		(1,083)	2,590
Prior year adjustment		(195,591)	-
Depreciation		650,768	461,660
Amortisation of software		188,038	188,038
Decrease/(increase) in trade and other receivables		269,989	(315,755)
Increase in inventories		(20,227)	(28,658)
Increase in trade and other payables		2,452,670	2,878,033
		<u>1,394,405</u>	<u>(885,787)</u>
Net cash generated from/(used on) operating activities			
Investing activities			
Proceeds on disposal of fixed assets		29,250	41,160
Purchase of property, plant and equipment	8	(2,076,225)	(272,555)
Net cash used in investing activities		<u>(2,046,975)</u>	<u>(231,395)</u>
Net changes in cash and cash equivalents			
		(652,570)	(1,117,182)
Opening cash and cash equivalents		1,525,695	2,642,874
Decrease in cash and cash equivalents		(652,570)	(1,117,182)
Closing cash and cash equivalents		<u>873,122</u>	<u>1,525,692</u>
Represented by:			
Cash and cash equivalents	12	<u>873,122</u>	<u>1,525,692</u>

The notes on pages 44 – 62 form an integral part of these financial statements

Notes

1. Basis of Accounting and preparation financial statements-Going concern basis

The financial statements of ZAQA have been prepared on the going concern basis and in accordance with the International Financial Reporting Standards (IFRS) and comply with the requirements of the ZAQA Act. They have been prepared under the historical cost convention adjusted by the revaluation of tangible fixed assets. The financial statements are presented in Zambian Kwacha except where otherwise indicated.

During the year, the Authority recorded a deficit of ZMW 1,950,159 and net current liabilities of ZMW 11,776,904. The Authority meets its day to day working capital requirements from government grants, Accreditation fees, Validation and evaluation fees and other revenue grants.

The financial statements have been prepared on a going concern basis which assumes that the Authority will continue in operational existence for the foreseeable future.

The validity of this assumption depends on continued receipt of grants from the Government of the Republic of Zambia. The Government of the Republic of Zambia as a guarantor, through the Ministry of Finance, will continue to fund the Authority, a statutory body established by an Act of Parliament, to meet its funding requirements.

If the Authority were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the statement of financial position values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify property, plant and equipment as current assets.

The directors have reviewed the effects of the matters mentioned above and believe that it is appropriate for the financial statements to be prepared on a going concern basis.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

(a) New standards and amendments-applicable 1 January 2021

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2021.

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Notes (Continued)

Title	Key requirements	Effective date*
<p><i>Covid-19-related Rent Concessions – Amendments to IFRS 16</i></p>	<p>As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to IFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were no lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.</p> <p>Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions.</p> <p>* The relief was originally limited to reduction in lease payments that were due on or before 30 June 2021. However, the IASB subsequently extended this date to 30 June 2022.</p> <p>If a lessee already applied the original practical expedient, it is required to continue to apply it consistently, to all lease contracts with similar characteristics and in similar circumstances, using the subsequent amendment. If a lessee did not apply the original practical expedient to eligible lease concessions, it is prohibited from applying the expedient in the 2021 amendment.</p> <p>However, if a lessee has not yet established an accounting policy on applying (or not) the practical expedient to eligible lease concessions, it can still decide to do so.</p>	<p>1 June 2020/ 1 April 2021 *</p>
<p><i>Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16</i></p>	<p>In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.</p> <p>The Phase 2 amendments provide the following reliefs:</p> <ul style="list-style-type: none"> • When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. • The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded. 	<p>1 January 2021</p>

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Notes (Continued)

2. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

(a) New standards and amendments-applicable 1 January 2021 (continued)

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2021

Title	Key requirements	Effective date*
Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (continued)	<ul style="list-style-type: none"> • Affected entities need to disclose information about the nature and extent of risks arising from IBOR to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing the transition. <p>Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries.</p>	1 January 2021
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16	<p>The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.</p> <p>Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.</p>	1 January 2022
Reference to the Conceptual Framework – Amendments to IFRS 3	<p>Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation of 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.</p>	1 January 2022

Notes (Continued)

2. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

(b) Forthcoming requirements (continued)

As at 30 June 2021, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2021.

Title	Key requirements	Effective date*
Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37	The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	The following improvements were finalised in May 2020: <ul style="list-style-type: none"> IFRS 9 <i>Financial Instruments</i> – clarifies which fees should be included in the 10% test for de-recognition of financial liabilities. IFRS 16 <i>Leases</i> – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent’s books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption. 	1 January 2022
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	The narrow-scope amendments to IAS 1 <i>Presentation of Financial Statements</i> clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the ‘settlement’ of a liability.	1 January 2023 (deferred from 1 January 2022)
Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (continued)	The amendments could affect the classification of liabilities, particularly for entities that previously considered management’s intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> .	

Notes (Continued)

2. Application of new and revised International Financial Reporting Standards (IFRSs)

(b) Forthcoming requirements (continued)

As at 30 June 2021, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2021.

Title	Key requirements	Effective date*
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	The IASB amended IAS 1 to require entities to disclose their <i>material</i> rather than their <i>significant</i> accounting policies. The amendments define what is ‘material accounting policy information’ and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 <i>Making Materiality Judgements</i> to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	1 January 2023
Definition of Accounting Estimates – Amendments to IAS 8	The amendment to IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023

Notes (Continued)

3 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Income

Income recognition for the Authority represents the following:

(i) Government Grants

This comprises the value of Government of the Republic of Zambia Grants appropriated to and actually received by the Authority. Government Grant is recognized in the income statement when it is actually received and the amount received can be measured with certainty. Grant income is recognised in the income statement over the period necessary to match with related cost that it is intended to compensate.

(ii) Income from rendering services.

This comprises the value of services rendered in respect of accreditation, registration, validation and evaluation of qualifications. This income is recognised in the income statement upon satisfactory execution of the performance obligations.

(iii) Other income

This comprises income from securities and other sundry sources. This income is recognised in the income statement when it is actually received and the amount can be ascertained and measured with reasonable certainty. In 2021, other income included a revenue grant received from the Embassy of Ireland towards the Irish Aid Project amounting to K1,307,500.

(b) Functional currency and translation of foreign currencies

Transactions are recorded on initial recognition in Zambia Kwacha, being the currency of the primary economic environment in which the Authority operates (the functional currency). Transactions in foreign currencies are converted into Zambia Kwacha using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transaction at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or cost'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other (losses)/gains – net'.

Notes (Continued)

3 Summary of significant accounting policies (continued)

(e) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost or valuation less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment comprise of its purchase price and any cost directly attributable to bringing it into working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in funds. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the profit and loss account. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the profit and loss account) and depreciation based on the asset's original cost is transferred from the revaluation surplus to accumulated funds.

Depreciation on property, plant and equipment and intangible assets is calculated using the straight-line method to allocate their cost or revalued amounts less their residual values over their estimated useful lives, as follows:

Property, plant and equipment	
Furniture and fittings	25%
Motor vehicles	25%
Office equipment	25%
Computer equipment	33%
Intangible Assets	
Software	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining profit. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to accumulated funds.

Notes (Continued)

3 Summary of significant accounting policies (continued)

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the Authority will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of expected cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the profit and loss account.

(g) Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(h) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings.

Borrowings are classified as current liabilities unless the Authority has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(j) Employee benefits

(i) Retirement benefit obligations

The Authority operates a defined contribution retirement benefit scheme for all employees. The Authority and all its employees contribute to the National Pension Scheme Authority, which is a defined contribution scheme. A defined contribution plan is a retirement benefit plan under which the Authority pays fixed contributions into a separate entity. The Authority has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Authority's contributions to the defined contribution schemes are charged to the profit and loss account in the year in which they fall due.

Notes (Continued)

(j) Employee benefits

(ii) Other entitlements

The estimated monetary liability for employees' accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

(k) Taxation

The Zambia Qualifications Authority is a statutory body exempt from income tax.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Authority makes estimates and assumptions concerning the future. 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.

Receivables

Critical estimates are made by the directors in determining the recoverable amount of impaired receivables.

(ii) Critical judgements in applying the entity's accounting policies

In the process of applying the Authority's accounting policies, management has made judgements in determining:

- the classification of financial assets
- whether assets are impaired.

Notes (Continued)

5 Financial risk management objectives and policies

The Authority's activities expose it to a variety of financial risks: Market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance, but the Authority does not hedge any risks.

(i) Fair Value Risk

Fair value is the amount at which assets and liabilities can be exchanged in a current transaction between willing parties, other than in a forced liquidation, and is best evidenced by a quoted market price, where one exists.

The estimated fair values of assets and liabilities have been determined by the Authority using available market information and appropriate valuation methodologies. However, judgement is required to interpret market data to estimate fair values. Accordingly, the estimates are not necessarily indicative of the amounts the Authority could realise in a current market exchange. The carrying amounts of the assets and liabilities approximate their fair values.

(ii) Credit Risk

The exposure to credit risk is monitored on an on-going basis. Reputable financial managements are used for investing and cash handling purposes.

Investments are allowed only in liquid securities and management does not expect to fail to meet its obligations.

(iii) Operational Risk

Certain policies, procedures and limits are properly documented in each department within the Authority and updated occasionally to take account of the changes to internal controls, procedures and limits. Management endeavours to continuously update policies and procedures.

(iv) Strategic Risk

The Authority's strategic plan is comprehensive in all aspects with particular emphasis on compliance with legal and market conditions and senior management effectively communicates the plan to all staff levels and allocates resources in line with the laid down objectives.

(v) Interest Risk

The Authority is exposed to interest rate risk to the extent of the balance of any loans and bank overdrafts taken and outstanding.

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Notes (Continued)

6. Revenue

Revenue represents receipts from grants, interest earnings and miscellaneous income.

	2021 ZMW	2020 ZMW
(i) Income		
Government Grants	14,054,073	10,862,220
Accreditation fees	1,228,000	555,000
Validation and evaluation fees	1,749,350	1,365,250
Other revenue	1,444,451	4,234
	<u>18,475,874</u>	<u>12,786,704</u>

Other revenue includes K1,307,500 received from the Embassy of Ireland towards the Irish Aid Project.

(ii) **Other Income**

Interest on fixed deposits	11,126	14,277
Sundry income	563,180	19,784
Profit on disposal of assets	1,083	-
	<u>575,389</u>	<u>34,061</u>

Total	<u>19,051,263</u>	<u>12,820,765</u>
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7. Deficit for the year

The deficit for the year is stated after charging

Total remuneration	13,167,950	14,764,942
Depreciation and amortisation	838,806	649,698
Directors remuneration	<u>864,736</u>	<u>404,296</u>

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Notes (continued)

8. Property, plant and equipment

	2021			2020		
	Cost/valuation	Accumulated Depreciation	Carrying value	Cost/valuation	Accumulated Depreciation	Carrying value
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
Owned assets						
Motor vehicles	2,766,253	(1,210,584)	1,555,669	1,004,702	(762,306)	242,396
Computer equipment	758,520	(438,334)	320,194	522,002	(317,259)	204,743
Fixtures and fittings	397,892	(337,956)	59,936	390,582	(295,166)	95,416
Office equipment	166,470	(128,631)	37,839	143,626	(109,841)	33,785
	4,089,135	(2,115,505)	1,973,630	2,060,912	(1,484,572)	576,340

The carrying amounts of property, plant and equipment can be reconciled as follows

	Carrying value at Beginning of year	Additions	Depreciation	Disposals	Depreciation Eliminated on Disposals	Carrying value at end of year
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
Period to December 2021						
Motor vehicles	242,396	1,761,551	(448,278)	-	-	1,555,669
Computer equipment	204,743	284,520	(140,910)	(48,002)	19,835	320,186
Fixtures and fittings	95,416	7,310	(42,790)	-	-	59,936
Office equipment	33,785	22,844	(18,790)	-	-	37,839
	576,340	2,076,225	(650,768)	(48,002)	19,835	1,973,630

Zambia Qualifications Authority
Financial statements
For the year ended 31 December 2021

Notes (continued)

8. Property, plant and equipment (continued)

	Cost/valuation at Beginning of year	Additions	Depreciation	Disposals	Depreciation Eliminated on Disposals	Carrying value at end of year
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
Period to December 2020						
Owned assets						
Motor vehicles	581,070	-	(294,925)	(350,000)	306,250	242,395
Computer equipment	95,516	183,874	(74,647)	-	-	204,743
Fixtures and fittings	88,308	70,226	(63,118)	-	-	95,416
Office equipment	44,301	18,455	(28,970)	-	-	33,786
	809,195	272,555	(461,660)	(350,000)	306,250	576,340

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (continued)

9. Intangible asset

	2021 ZMW	2020 ZMW
At start of year	376,077	564,115
Amortisation	<u>(188,038)</u>	<u>(188,038)</u>
At end of year	<u>188,039</u>	<u>376,077</u>

The intangible asset represents the cost of software that is amortised over the useful life of the asset.

10. Inventories

Consumables	<u>126,962</u>	<u>106,735</u>
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11. Trade and other receivables

Prepaid rent	89,388	89,389
Medical arrangements	12,263	36,042
Insurance	75,232	6,937
Motor vehicle advance payment	-	245,750
Staff receivables	79,388	146,750
Fuel prepayment	<u>1,898</u>	<u>3,789</u>
	<u>258,169</u>	<u>528,158</u>

12. Cash and cash equivalents

Investrust Bank	233,839	393,450
Stanbic Bank	123,550	1,129,364
InvestGo Card	3,356	1,676
Petty cash	1,251	1,202
Fixed deposit – Gratuity investment	<u>511,126</u>	<u>-</u>
	<u>873,122</u>	<u>1,525,692</u>

13. Trade and other payables

Prepayments by customers	1,910,317	1,718,392
Statutory payables	3,089,692	3,133,464
Other payables	854,320	448,889
Staff payables	<u>7,180,828</u>	<u>5,281,742</u>
	<u>13,035,157</u>	<u>10,582,487</u>

Trade payables on the Statement of Financial Position have been split as K9,616,662 current liabilities and K3,418,495 non-current liabilities

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (continued)

14. Technical expenses

	2021 ZMW	2020 ZMW
Direct staff salaries and related expenses	8,633,320	7,727,599
Qualification network meetings/conferences	385,303	23,162
Accreditation of Qualifications	743,593	337,980
Public and stakeholder sensitisation	609,044	303,693
Validation and evaluation expenses	343,833	254,730
Development of National Occupational Standards	919,457	690,868
Motor Vehicles expenses	222,016	150,736
Information Communications Technology	374,595	183,251
Developing Working Documents	188,625	451,401
Advertising and Promotion	90,587	100,270
Collaborative Meetings	23,563	2,206
Audit of Appropriate Authorities	3,450	1,280
	<u>12,537,386</u>	<u>10,227,176</u>

15. Operating Expenses

Rent	849,427	849,427
General expenses	12,873	18,412
Cleaning expenses	110,669	54,608
Office refreshments	48,290	28,286
Newspapers and periodicals	33,896	12,312
Bank charges	144,778	100,733
Electricity and water	-	11,164
Insurance – furniture and equipment	13,605	10,581
Building repairs / renovations	79,319	10,075
Staff salaries and related expenses	4,534,630	3,902,722
Board of directors related expenses	864,736	404,296
Depreciation	838,806	649,698
Printing and stationery expenses	321,650	163,760
Professional fees	165,923	94,596
Procurement expenses	103,264	21,295
Communication expenses	46,443	29,176
Penalties and levies	-	7,460
Recruitment expenses	6,367	94,254
Strategic plan and AWPB developments	289,360	198,839
Loss on disposal of fixed assets	-	2,590
	<u>8,464,036</u>	<u>6,665,284</u>

Professional fees include accrued external audit fees for the 2021 audit. The amount also includes fees paid towards outsourcing the internal audit function and board secretarial services.

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (continued)

16. Accumulated Deficit

	2021 ZMW	2020 ZMW
Opening balance	(7,469,485)	(3,397,790)
Prior year adjustment	(195,591)	-
Deficit for the year	<u>(1,950,159)</u>	<u>(4,071,695)</u>
Balance at end of year	<u><u>(9,615,235)</u></u>	<u><u>(7,469,485)</u></u>

17. Risk Management

(a) *Capital risk management*

The Authority's objectives when managing the accumulated fund are to safeguard the Authority's ability to continue as a going concern in order to fulfil its statutory mandate to provide services to the public and other stakeholders as well as to maintain an optimal accumulated fund structure.

(b) *Classification of Financial Assets and Liabilities*

The Authority's financial assets comprise mainly cash and cash equivalents.

Management reviews the accumulated fund of the Authority on an annual basis by reviewing the risks associated with each source through assessing the gearing ratio of the Authority.

The Authority's gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings as shown in the statement of financial position less cash and cash equivalents. The capital is equivalent to the accumulated fund as shown in the statement of financial position plus net debt.

The gearing ratio is as follows:

	2021 ZMW	2020 ZMW
Total borrowings	-	-
Less: cash and cash equivalents	<u>(873,122)</u>	<u>(1,525,692)</u>
Net debt	(873,122)	(1,525,692)
Total accumulated fund	<u>(9,615,235)</u>	<u>(7,469,485)</u>
Total capital	<u>(10,488,357)</u>	<u>(8,995,177)</u>
Gearing ratio	<u>0%</u>	<u>0%</u>

The bank accounts are held with reputable banks.

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (continued)

The Authority's maximum exposure to credit risk is analysed below

(c) Categories of financial instruments

	2021 ZMW	2020 ZMW
Financial assets:		
-Trade receivables	258,169	528,158
-Bank and cash	873,122	1,525,692
	<u>1,131,291</u>	<u>2,053,850</u>
Financial liabilities:		
-Trade payables	13,035,157	10,582,487
	<u>13,035,157</u>	<u>10,582,487</u>

(d) Financial Risk Management

The ultimate responsibility for managing financial risk rests with Management. The key financial risk for the Authority is liquidity. The Authority manages the risk by managing and monitoring relationships with suppliers and continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

(i) Liquidity risk

The Authority's risk to liquidity is a result of the funds available to cover future commitments. The Authority manages liquidity risk through an ongoing review of future commitments and credit facilities.

	<u>On Demand</u> ZMW
At 31 December 2021	
Trade and other receivables	258,169
Cash and cash equivalents	873,122
Trade and other payables	(13,035,157)
	(11,903,866)
At 31 December 2020	
Trade and other receivables	528,158
Cash and cash equivalents	1,525,692
Trade and other payables	(10,582,487)
	(8,528,637)

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (continued)

17. Risk Management (continued)

(ii) Currency Risk

The Authority keeps most of its financial assets in the local currency therefore minimising its exposure to fluctuations in the foreign currency exchange rates.

The rates used to translate foreign currency during the period in Kwacha were as follows

	2021 USD \$1	2020 USD \$1
Mid-rate	16.64	14.03
Spot rate	16.67	14.07

18. Related party transactions

In the context of the Authority, related party transactions include any transactions made by any of the following:

- (a) The Government of the Republic of Zambia
- (b) The Board of Directors and management of the Authority

The following transactions were carried out with related parties:

	2021 ZMW	2020 ZMW
(i) Grant income from GRZ		
Funding	14,054,073	10,862,220
	<hr/>	<hr/>
(ii) Management compensation		
Salaries and other short-term employment benefits	3,725,881	3,177,916
Defined contribution pension schemes	41,738	33,623
	<hr/>	<hr/>
	3,767,619	3,211,539
	<hr/>	<hr/>
iii) Directors' remuneration		
Fees for services as a director	864,736	404,296
	<hr/>	<hr/>

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Notes (Continued)

19. Capital commitments

There were no capital commitments as at the period-end (2020: Nil)

20. Contingent liabilities

There were no contingent liabilities as at the period-end (2020: Nil)

21. Events subsequent to balance sheet date

There has not arisen since the end of the financial year any item, transactions or event of a material and unusual nature likely, in the opinion of the directors of the Authority, to affect substantially, the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

22. Comparative figures

Comparative figures are restated where necessary to afford a reasonable comparison.

ZAMBIA QUALIFICATIONS AUTHORITY
ANNUAL REPORT – 2021

Detailed income statement

	2021 ZMW	2020 ZMW
Income	19,051,263	12,820,765
Technical Expenses		
Direct staff salaries and related expenses	8,633,320	7,727,599
Qualification network meetings/conferences	385,303	23,162
Accreditation of Qualifications	743,593	337,980
Public and stakeholder sensitisation	609,044	303,693
Validation and evaluation expenses	343,833	254,730
Development of National Occupational Standards	919,457	690,868
Motor Vehicles expenses	222,016	150,736
Information Communications Technology	374,595	183,251
Developing Working Documents	188,625	451,401
Advertising and Promotion	90,587	100,270
Study Tours	-	-
Collaborative Meetings	23,563	2,206
Audit of Appropriate Authorities	3,450	1,280
	<u>12,537,386</u>	<u>10,227,176</u>
Administrative and other operating expenses		
Rent paid	849,427	849,427
General expenses	12,873	18,412
Cleaning expenses	110,669	54,608
Office refreshments	48,290	28,286
Newspapers and periodicals	33,896	12,312
Bank charges	144,778	100,733
Electricity and water	-	11,164
Insurance – furniture and equipment	13,605	10,581
Building repairs	79,319	10,075
Staff salaries and related expenses	4,534,630	3,902,722
Board of directors related expenses	864,736	404,296
Depreciation	838,806	649,698
Printing and stationery expenses	321,650	163,760
Professional fees	165,923	94,596
Procurement expenses	103,264	21,295
Communication expenses	46,443	29,176
Penalties and levies	-	7,460
Recruitment expenses	6,367	94,254
Strategic plan and AWPB developments	289,360	198,839
Loss on disposal of fixed assets	-	2,590
	<u>8,464,036</u>	<u>6,665,284</u>
Deficit for the year	(1,950,159)	(4,071,695)

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