



The Malawi Accountants Board

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MANDATORY REGISTRATION OF ACCOUNTANTS

Presented by:

Chisomo Kasowanjete. **Bac, Dip(M)**

(ASSITANT TECHNICAL SERVICES OFFICER)

 **MANGOCHI**



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Background

The Malawi Accountants Board is the Regulatory Body for the Accountancy Profession in Malawi established by Section 3 of the Public Accountants and Auditors Act No.5 of 2013 (CAP 53:06) of the Laws of Malawi. Initially It was established under the Public Accountants and Auditors Act (Cap 53:06) of 1981 which has been replaced by the current Act. The current Act came into operation on 1st April 2014.



Vision & Mission Statement



To be a globally respected and recognized accountancy regulatory body known for its relevance and impact in shaping the future of the profession.



To regulate and advance the accountancy profession to ensure international competitiveness, promote sustainable practices, accountability and good governance to its members and society.



Mandate

Regulating financial matters and providing direct oversight over Professional Accountancy Bodies and Auditors in order to promote high-quality reporting of financial and non-financial information by entities, and promote the highest professional standards amongst auditors and accountants. In pursuance of its mandate the Board carries out the following activities;

Conduct Audit Quality Reviews of public Auditors and Audit firms and review statutory financial reports and financial statements of Public Interest Entities. This enhances the credibility of financial reporting and improve the integrity, competence, and transparency of professional activities in accounting and auditing. In this respect, the interests of the general public and investors is protected.



What Roles is the Malawi Accountants Board Playing In Regulating the Accountancy Profession?

01

Regulating the Training of Accountants.

02

Regulating the Professional Accountancy Organizations (PAOs)
ICAM, ACCA & CIMA

03

Regulating the Registration of Accountants and Accountant's work.

04

Regulating Auditors and Audit work

05

Regulating the reporting of financial information by Public Interest Entities (PIEs).

06

Regulating providers of Accounting and other Related Services



MANDATORY REGISTRATION OF ACCOUNTANTS

Since its Inception on 1st April 2014, it has become mandatory for all Accountants to register with the Board through the Institute of Chartered Accountants in Malawi(ICAM).

Section 22 of the Public Accountants and Auditors Act (No. 5 of 2013), gives MAB powers to establish a register known as the register of **Chartered Accountants** and **Diplomate Accountants** which is divided into three parts as follows;

- 1) Register of Chartered Accountants in Public Practice(Practicing)
- 2) Register of Chartered Accountants(Non Practicing Residents)
- 3) Register of Diplomate Accountants

Section 16(1)(b) further gives MAB powers to maintain the Register of chartered accountants and diplomate accountants



OBJECTIVES OF MANDATORY REGISTRATION

The objectives are as follows;

- 1) to promote the accountancy profession in Malawi and ensure that the provision of accountancy services meet the required standards.
- 2) to set out procedures, standards and compliance requirements for all registered members by setting out rights and obligations to ensure that accountancy services are maintained at required quality levels.
- 3) to promote and enhance the responsibilities of the Board as a regulator of the accountancy profession in Malawi.



Continued

4) to implement policy and establish a regulatory framework for the transformation and operation of the accountancy profession.

5) to provide a platform for translating International Accounting Standards into local reporting aiming at ensuring that the Malawi Accountancy Profession is abreast with current developments in Financial Reporting.

6) to define procedures and rules of registration of accounting professionals that establish a level playing field for all accounting professionals, based on open, objective, non-discriminatory, and transparent grounds that support the development of the accountancy profession



Efforts made towards mandatory registration

The Malawi Accountants Board in the quest of maintaining high professional Accounting and Auditing Standards has conducted the following activities;

- 1) Joint MAB/ ICAM door to door physical inspection of finance departments in institutions and organization in public and private sector. This is to ensure that all Accountants that are employed by the aforesaid institutions/organizations are registered with the Board and in good standing.
- 2) MAB Engaged Institute of People Management Malawi(IPMM) on how to intensify mandatory registration. MAB and IPMM resolved that going forward Human Resource Managers and Directors should only consider registered accountants for hiring in various positions in organisations/ institutions.



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This is an effort by the board to flush out all unregistered Accountants in Malawi.

3) The Board also engaged the Department of Immigration and Citizenship Services in an effort to get information of all foreign accountants working in Malawi. This is aimed at coming up with necessary procedures to register these Accountants before practicing their work in Malawi.



How to register with MAB

- 1) Registration is initially done through ICAM, so one can apply by sending an application and paying the necessary fees according to one's category through ICAM.
- 2) ICAM will then forward the application to MAB.
- 3) MAB will scrutinize the application.
- 4) After vetting the application and meeting all the requirements, MAB will register the applicant and issue a certificate .



Why register?

The benefits to the employer are as follows;

- 1) Employer will have trust hiring a registered Accountant affiliated to a Professional Accountancy Organization such as ICAM.
- 2) Cost saving to the organization in the sense that fully paid up members have access to free monthly technical workshops organized by ICAM.
- 3) The board assists Employers to secure services of registered Accountants during the shortlisting stage of the interview process.



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The benefits to the employee are as follows;

- 1) Access to free forum for job openings
- 2) Preferential rates for all contributory workshops i.e fully paid up members get subsidized rates for contributory professional workshops



Consequences of non-compliance

The Malawi Accountants Board has the legal mandate to take action against persons violating the provisions of the Act as provided for in **Section 26 of the Public Accountants and Auditors Act(Cap 53:06) No.5 of 2013**. The Section prohibits person(s) to offer services or hold himself out to be a **Public Chartered Accountant, Chartered Accountant or Diplomate Accountant** when they are not registered with Malawi Accountants Board.

The penalty for non-compliance is a fine of **K100,000.00** and **imprisonment for 2 years**.



Way forward

Going forward those registered with the Malawi Accountants Board should continue paying for their annual subscription fees

Those not registered should initiate the registration process through ICAM

MAB plans to enhance mandatory registration of accountants by intensifying its door to door mandatory inspection of organization/institutions





Thank You