



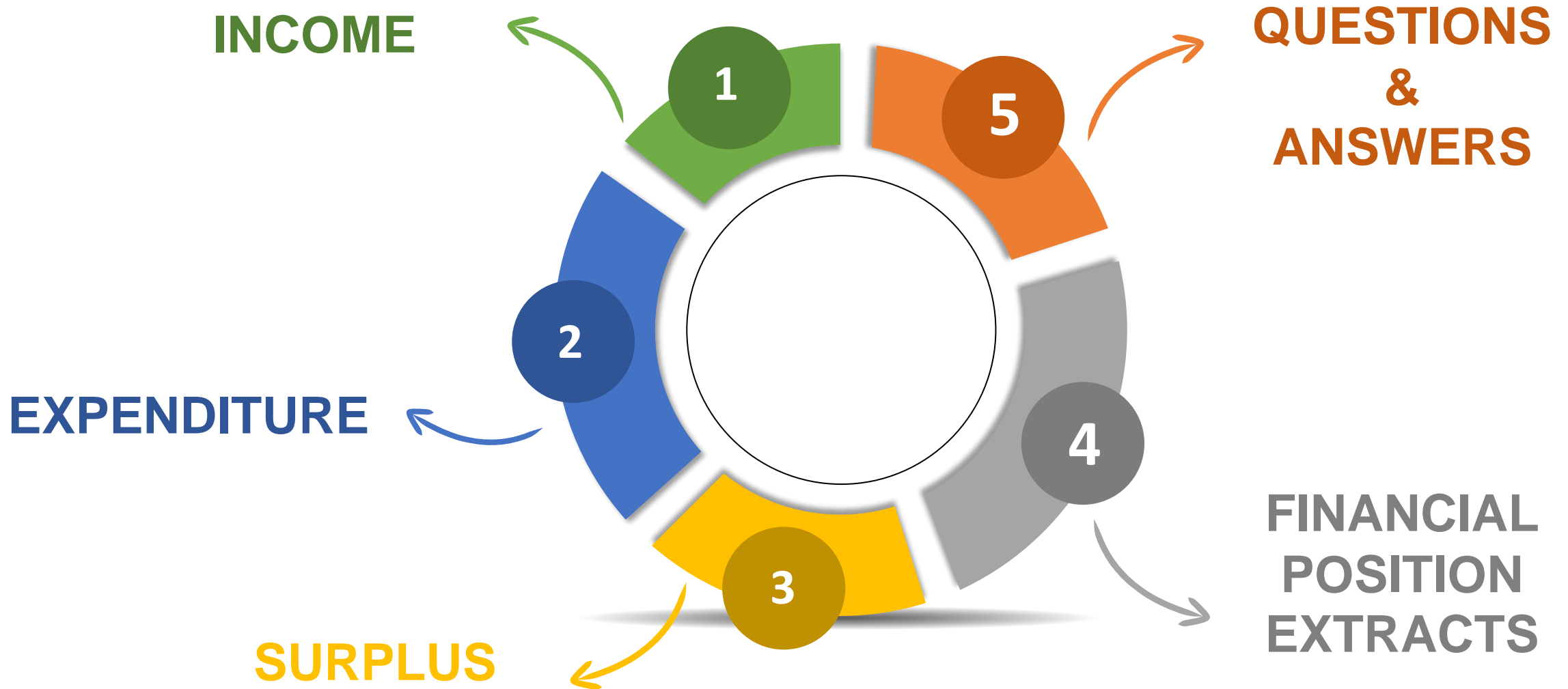
ZiCA

Competence, Integrity and Virtue

Zambia Institute of Chartered Accountants

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

PRESENTATION OUTLINE



KEY FINANCIAL HIGHLIGHTS

*Based on the audited financial statements for the year ended 31
December 2020*

FINANCIAL HIGHLIGHTS – INCOME

3% increase in income

2020: ZMW49.9m 2019:
ZMW48.3m

Growth mainly due to:

01

Increase in
members &
student
subscriptions
fees

02

Growth in the
number of
members &
students
renewing their
subscriptions

03

Increase in fair
value of
property under
investment

*Based on audited financial statements for year ended
31 December 2020*

FINANCIAL HIGHLIGHTS – EXPENDITURE

2% reduction in total expenditure – 2020: ZMW43.7m (2019: ZMW44.3m). Reduction mainly due to Covid related cost savings measures:

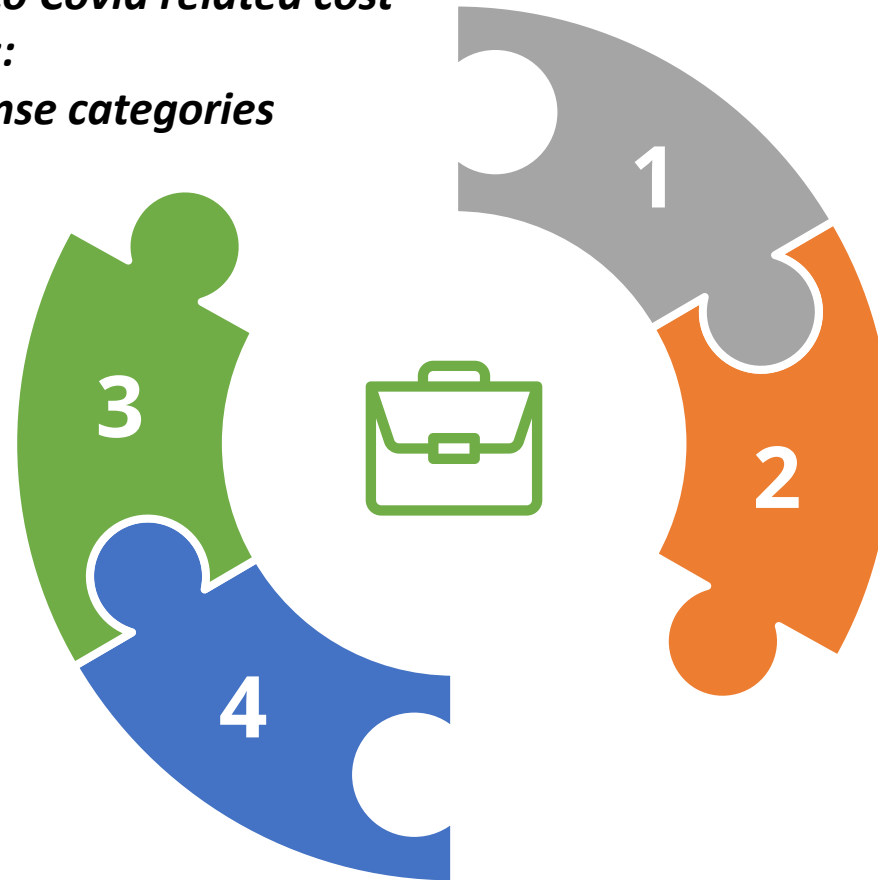
Commentary on selected expense categories

Foreign travel

Foreign travel reduced by ZMW0.809m due to the suspension of foreign trips as a result of Covid-19

Seminars & workshops

Workshop costs reduced by ZMW1.2m due to reduction in physical workshops as the Institute held some of them virtually



Postage

Reduced by ZMW0.194m due to improvements in load management for the gen set

Publishing costs

Reduction of ZMW0.316m due to the suspension of printing hard copy magazines. Members are now receiving electronic copies of magazines

FINANCIAL HIGHLIGHTS – EXPENDITURE

Commentary on selected expense categories - Continued

Examination expenses

Increased by ZMW2.3m due to the introduction of quarterly examinations

Exchange loss

Increase of ZMW0.471m mainly attributed to the loss arising on the USD denominated lease liability



Advertising & publicity

Cost reduced by ZMW0.973m due to suspension of some marketing activities & increase in the utilisation of online marketing

AGM expenses

AGM expenses lower by ZMW0.493m due to reduced number of participants & change of venue

FINANCIAL HIGHLIGHTS – SURPLUS



The surplus for the year was ZMW6.2m compared to ZMW3.9m recorded in 2019 representing an increase of 59%. The increase was mainly attributed to the following;



Increased income in member and student subscription and the revaluation of investment property.



Reduced costs in respect of cost saving measures implemented as a response to mitigate against covid - 19.

*Based on audited financial statements for year ended
31 December 2020*

FINANCIAL POSITION EXTRACTS



Property, Plant and Equipment

- The property, plant and equipment was ZMW13.6m compared to ZMW14.2m in 2019. The reduction in PPE is as a result of the depreciation charge for the year.



Investment Property under development

- The investment property under development of ZMW28.1m (2019:ZMW23.6m) . The increase was mainly attributed to the revaluation gain of ZMW 4.5m.



Equity Investments

- The decrease was due to the reduction in the market value of shares held by the Institute. Equity investments depreciated by ZMW29,392.

FINANCIAL POSITION EXTRACTS



Intangible Assets

Intangible assets comprise the development costs and software costs.

- Development costs (ZMW6.7m) relate to expenditure on the ZICA qualifications for syllabi development and review.
- Software costs (ZMW0.543m) relate to the IMIS membership database software which is now fully operational
- The decrease of 23% relate to the amortisation charge for the year

Right of Use Assets

The Right of use Assets was ZMW35.8m compared to ZMW36.6m in 2019. The reduction in the right of use asset was as a result of the depreciation charge for the year.

Inventories

The Inventories decreased to ZMW1.9m compared to ZMW2.0m in 2019. The reduction in inventories was as a result of increased sale of manuals during the year.

*Based on audited financial statements for year ended
31 December 2020*

FINANCIAL POSITION EXTRACTS



INVESTMENT

Investment Securities

The investment securities increased to ZMW 1.9m compared to ZMW 1.1m during the year due to additional investments in fixed deposit during the year.



Deferred income

The decrease of ZMW1.7m was due to the amortisation of the capital grants. The grants were received from GRZ for the construction of the Institute's Head Office and the World Bank for the development of the CA Zambia programme.



Lease Liabilities

The lease liabilities were ZMW3.0m compared to ZMW2.5m in 2019. The increase in the lease liabilities was as a result of the exchange losses on the dollar denominated lease.

*Based on audited financial statements for year ended
31 December 2020*

FINANCIAL POSITION EXTRACTS



Other Payables

- Other payables were ZMW4.4m compared to ZMW5.4m in 2019. The decrease was due to the liquidation of amounts owed to various creditors.



Contract Liabilities

Contract liabilities were ZMW2.9m compared (2019: ZMW4.9m). The decrease was due to delay in concluding the 2020 budget which resulted in sending the subscription notices late. The delay in concluding the budget resulted from the late hosting of the AGM which was held in October 2020, with the approvals of the budget commencing in November & concluding in December 2020

*Based on audited financial statements for year ended
31 December 2020*

QUESTION AND ANSWER SESSION

