



ZiCA

Competence, Integrity and Virtue

Zambia Institute of Chartered Accountants

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

HIGHLIGHTS



The key financial highlights below are based on the audited financial statements for the period ended 31 December 2021

PRESENTATION OUTLINE



1. INCOME

2. EXPENDITURE

4. FINANCIAL POSITION
EXTRACTS



3. SURPLUS

INCOME

The Income for the year was ZMW52.895 million as compared to ZMW49.963 million earned in 2020 representing an increase of 5.8%.

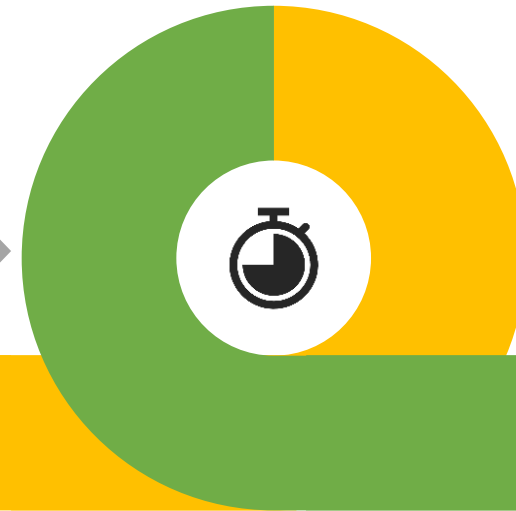
The growth in income was mainly attributed to:



Increase in income from workshops - Most of the workshops were over subscribed.

Examinations & Sale of Manuals

Increases in Examination income and sale of manuals



Increase in membership & student fees

The income growth was subdued because there was no increase in membership and student fees.

EXPENDITURE



The expenditure incurred during the year was ZMW52.147million against ZMW43.706million in 2020 representing an increase of 19%. The increase was attributed to the following:



Fuel increases & Currency fluctuations

The fuel price increases and currency fluctuations continued to impact on the overall cost of goods and services.



Establishment Expenses

Members of staff were awarded an average of 5% increase.



EXPENDITURE CONT'D



Other Operating Expenses

The increases of other operating expenses as compared to previous year (2020) were as follows:



AGM Expenses K0.874m

This increased by 46% due to the increase in number of participants. This comprises the cost of meals and hire of venue



Advertising and Publicity K1.482m

This increased by 134% due to increased marketing activities as a result of relaxed COVID-19 restrictions. In 2020 marketing activities were reduced due to the outbreak of COVID-19

EXPENDITURE CONT'D



Examination Expenses K5.497m

The increase of 11% was attributed to the increased cost of quarterly examinations.



Motor vehicle expenses K1.060m

The 12% increment was mainly attributed to the increase in fuel prices.



Inventory Write down: K0.690m

The write off related to financial accounting and taxation manuals which were obsolete due to changes of standards and tax rates.



EXPENDITURE CONT'D



Seminars and Workshops K8.281m

The 64% increment related to the increased number of workshops and increases in hotel charges for food and beverages. In 2020 the number of physical workshops held were less due to COVID-19 restrictions.



Subscriptions K1.208m

The increase of 29% related to the forex-based subscriptions due to the currency depreciation. The Institute is a member of IFAC, PAFA and CAW.




SURPLUS

The surplus for the year was ZMW0.747million compared to ZMW6.256million recorded in 2020 representing a decline of 88%. This was mainly attributed to the following;



High Cost of Goods

High cost of goods and services due to increase in the price of fuel and the depreciation of the kwacha.



Reduced Number of Student subscriptions

Reduced number of students renewing their subscriptions in the Diploma categories of student membership.



Gain on fair value

The gain on fair value of investment properties for the year was ZMW0.205million compared to ZMW4.514million in 2020

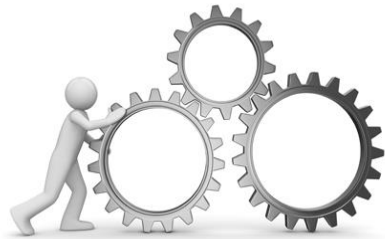
FINANCIAL POSITION EXTRACTS

Equity Investments

The reported increase was attributed to the good performance of the Institute's share holding which recorded a gain of ZMW1.732m.

Intangible Assets

The decrease relates to the amortisation of development costs for the ZICA Qualifications (CA, Diploma in Accountancy, Public Sector Financial Management programmes) and software costs which amounted to ZMW3.058m.



Property Plant & Equipment

Additions of ZMW1.312M were mainly attributed to the acquisition of a motor vehicle and computers.



Inventories

The decrease of ZMW0.682m relate to the increased sales and write off of obsolete manuals.

FINANCIAL POSITION EXTRACTS CONT'D

Other Reserves

Other reserves comprise the Equity Investment reserve and the whistle blower protection fund. The aggregate reserve of ZMW1.538m was due to the gain on revaluation of the Equity Investment at Fair Value through Other Comprehensive Income(FVOCI)

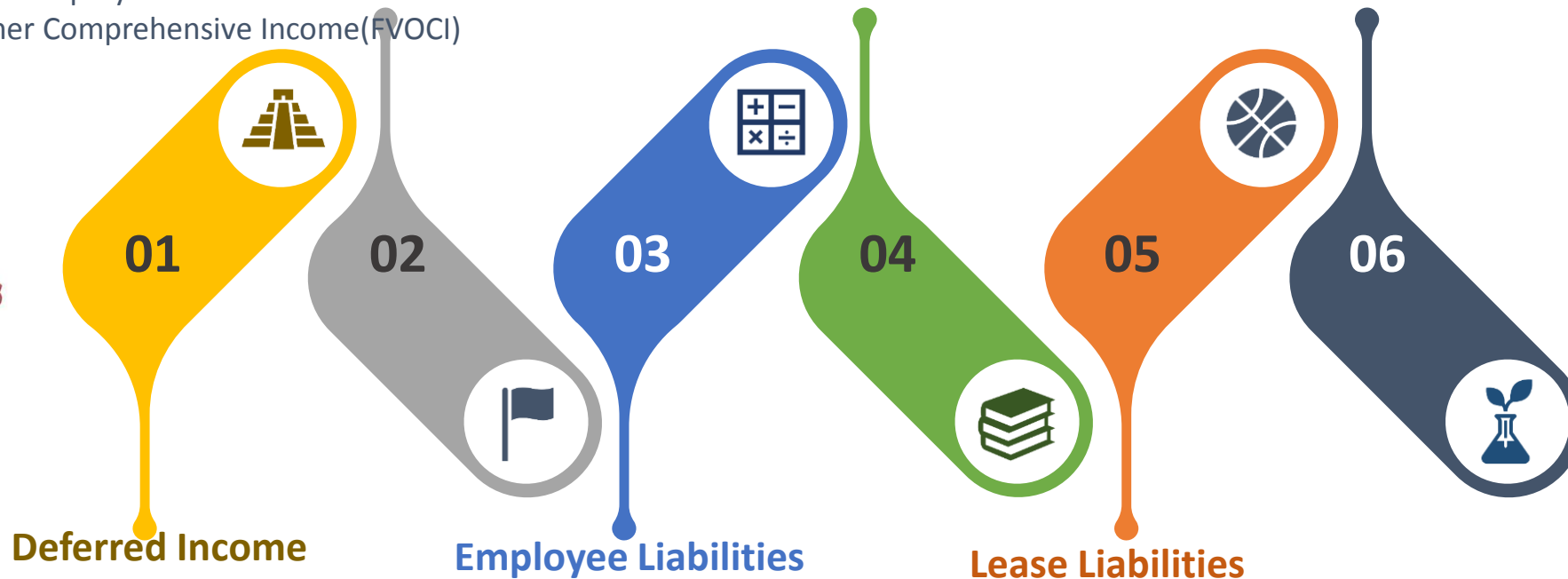


Other Payables

The decrease of ZMW1.695m was due to payments related to BPP for manuals and other sundry creditors.

Contract Liabilities

The increase was due to Subscriptions received in advance of ZMW5.444m



Deferred Income

Employee Liabilities

Lease Liabilities

The movement related to the amortization of the capital grant amounting to ZMW1.751m.

The reduction of ZMW0.625m relate to the net gratuity payments made during the year.

The reduction of ZMW0.933m related to payment of lease rentals and redemption of the motor vehicle lease.

