



Equity
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ZICA PROPERTY FUND

FUND MANAGERS REPORT

31 DECEMBER 2021 (30 JUNE 2022)

BY: TEAM EQUITY CAPITAL RESOURCES PLC (JACK SIEVU)

FOR: ZICA 2022 AGM

12TH AUGUST 2022

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Prototype of the ZICA OFFICE PARK

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INTRODUCTION

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- **The Zambia Institute of Chartered Accountants (ZICA) Property Fund**
 - Part of the Equity Capital Resources Unit Trust (ECRUT)
 - USD denominated Unit Trust
 - Fund meant for construction of real estate
 - Minimum holding period of seven (7) years.
 - Close-ended fund
 - ✦ Can only be traded through the Fund Manager
 - ✦ After the minimum holding period of 7 years.

2. INTRODUCTION

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- **During the year:**
 - Custodian - Stanbic Bank Zambia
 - Auditor – HLB Zambia
 - Trustee – AMG Global
- **This year marks 15th Anniversary of the ECRUT**
 - As an investment vehicle in Unit Trust for our retail institutional clients

FUND PERFORMANCE

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- Contribution segmentation as at 30/06/2022

DETAILS	1-99 (USD)	100-500 (USD)	501-999 (USD)	1,000 - 2,542 (USD)
Amount	183,228.00	23,513.00	31,508.00	39,939.00
Number of Unit Holders	4,119	77	46	19

FUND PERFORMANCE

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- ZICA Property Fund Performance/Movement

Year	30/06/2022	2021	2020	2019
Gross Funds	297,214.00	288,474.00	275,561.00	206,197.00
Net Funds	292,155.00	283,349.00	271,484.00	203,465.00
Number of Units	27,157	26,669	25,979	20,220
Unit Price	10.76	10.55	10.45	10.06

FUND PERFORMANCE' CONT'D

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- **As at 31st December 2021**
 - Gross asset value stood @ USD288,474.00
 - Compared to USD275,561.00 the same period in 2020
 - Representing a marginal 4.7% growth

- **As at 30th June 2022**
 - Gross asset value stood @ USD297,214.00
 - Representing marginal growth of 3.03% compared to close of the year 2021.

4 YEAR CONTRIBUTION TREND

Member contribution

- USD23,55616 in 2018
- USD178,358.22 in 2019
- USD68,019.00 in 2020
- USD9,076.00 in 2021
- USD6,664.70 as at 30th June 2022.
- The growth of the fund in 2019 is attributed to the mandatory subscription that was imposed by ZICA

Details	2018	2019	2020	2021	30/6/22	Total
Members Contribution	23,556.16	178,358.22	68,019.00	9,076.00	6,664.70	285,674.08
Percentage Change	100%	757%	-1.622%	-6.494%	-362%	

ASSETS HELD AS AT 30/06/2022

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ISSUE DATE	MATURITY DATE	INSTITUTION INVESTED	NOMINAL VALUE	INTEREST RATE	MARKET VALUE	ASSET CLASS
26/12/21	25/12/22	Atlas Mara	280,000.00	4%	284,918.00	FD
31/06/22		Cash	12,295.00	N/A	12,295.00	Cash
Total			292,295.00		297,213.00	

MEMBER REGISTER

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- **As at 31st December 2021**
 - Issued units 26,669
 - Represented by 4,261 Unit Holders.
- **As at 30th June 2022**
 - Issued units 26,916
 - Represented by 4,261 Unit Holders.
- **NOTE:**
 - Register is available for inspection and verification by members

NET ASSET VALUE

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- Opening balance as at 1st January 2021
 - USD271,484.00
 - Closed the year at \$283,349.00
 - Accrued expenses at the year end were \$5,124
 - ✦ Already netted off in the above balances. The fund gross contribution for the period (2021) under review was \$9,076.00.

DETAILS	2020	Q1	Q2	Q3	Q4
Net Asset at start of period		271,484	276,032	282,010	284,030
Net Asset at close of period	271,484	276,032	282,010	284,030	283,349
Average investment		273,758	279,021	283,020	283,690
Profit for the quarter		2,360	1,714	92	(1,378)
Fund Return (ARR)		0.86%	0.61%	0.03%	(0.49%)

FINANCIAL PERFORMANCE (INCOME)

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	2021 (USD)	2020 (USD)	2019 (USD)
Revenue from placement	8,610	11,820	4,446
Administrative expenses	(5,820)	(4,177)	(2,935)
Profit for the year	2,790	7,643	1,511

Source ZICA Property Fund-31 December 2021 audited accounts (HLB Zambia)

FINANCIAL PERFORMANCE (STATEMENT OF FINANCIAL POSITION)

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	2021 (USD)	2020 (USD)	2019 (USD)
ASSETS			
Bank and cash balances	8,342	18,993	19,848
Held to maturity	280,132	256,568	186,289
Sundry receivables	0	0	60
Total assets	288,474	275,561	206,197
UNIT HOLDERS FUND			
Unit holds funds	283,349	271,484	203,465
LIABILITIES			
Sundry payables	5,124	4,077	2,732
Total unit holders funds and liabilities	288,474	275,561	206,197

FINANCIAL PERFORMANCE

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- **Unit Price:**
 - USD10.06 at the start of the year 2019
 - USD10.45 at close of the year 2020
 - USD10.55 at close of the year 2021
- **Return on Investment (ROI):**
 - 0.74% in 2019
 - 2.82% in 2020
 - 0.98% in 2021
- **Expense Ratio:**
 - 1.42% for 2019
 - 1.52% for 2020
 - 2.05% for 2021

CONCLUSION

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- **ZICA contributions have shown;**
 - The Fund recorded significant growth in 2019 while in 2020 and 2021 growth was insignificant.
 - The fund will only see significance growth once all members participate as they do with subscription.
 - Members should view the ZICA Property Fund both as an investment and also as an obligation they owe to the institute for all the benefit that have accrued to them by virtual of being Accountants and ZICA members.

ZICA PROPERTY FUND RECEIPTS ACCOUNT

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- Account name: ECRUT ZICA Property Fund Receipts Account
- Account number: 9130004461855
- Bank: Stanbic Bank Zambia Limited
- Branch code: 040007
- Branch: Industrial Branch
- ***PLEASE NOTE THAT THIS IS WHERE YOU NEED TO DEPOSIT YOU FUNDS FOR THE ZICA PROPERTY FUND.***

FINALLY

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THE END

I THANK YOU ALL