2021 ANNUAL REPORT

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National Council For Construction

2021 Annual Report

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Vision

A Robust and Competitive Zambian Construction Industry

Mission

To regulate, promote and build capacity of the Construction industry for sustainable infrastructure development

Core Values

Integrity

Environmentalism

Inclusiveness

Efficiency

Professionalism

Fairness

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ACRONYMS

EIIP	Employment Intensive Investment Programme
EIZ	Engineering Institution of Zambia
EMP	Earth Moving Plant
ICT	Information and Communication Technologies
ILO	International Labour Organisation
IRCP	Improved Rural Connectivity Project
LBT	Labour Based Technology
MIHUD	Ministry of Infrastracture Housing and Urban Development
NAMSSC	National Association for Medium and Small Scale Contractors
NCA	National Construction Authority
NCC	National Council for Construction
NRFA	National Road Fund Agency
OSHE	Occupational Safety Health and Environment
PACRA	Patents and Companies Registration Agency
RDA	Road Development Agency
RRMP	Road Rehabilitation and Maintenance Programme
SI	Statutory Instrument
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority
UNEP	United Nations Environment Programme
UNZA	University of Zambia

CORPORATE PROFILE

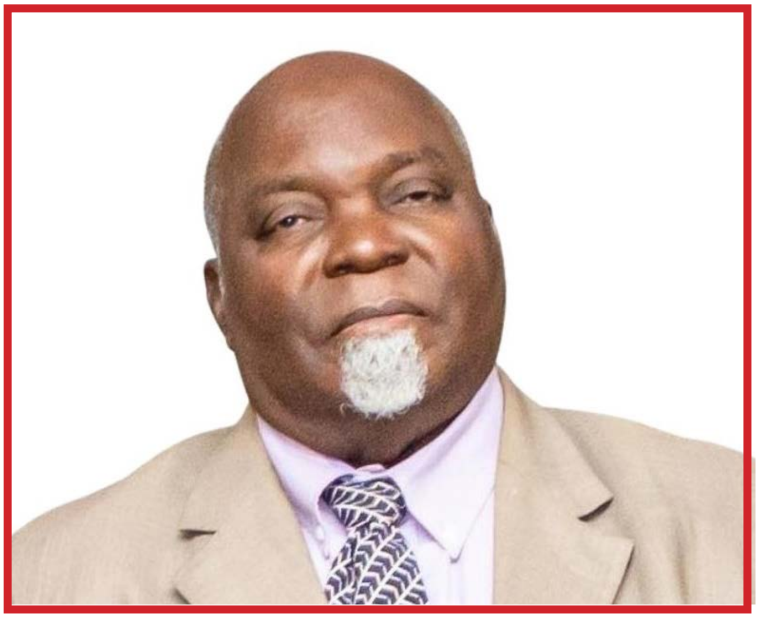
The National Council for Construction (NCC) is a statutory body under the Ministry of Infrastructure, Housing and Urban Development and derives its mandate from the National Council for Construction Act No. 10 of 2020. NCC was originally established under the National Council for Construction Act No.13 of 2003 which was repealed in 2020 and replaced with the NCC Act No. 10 of 2020.

The NCC Act No. 10 of 2020 provides for the promotion, development and regulation of the construction industry so as to promote economic growth and competitiveness and to create sustainable employment. Additionally, the NCC Act No. 10 of 2020 is meant to:

- continue the existence of the National Council for Construction and provide for its functions;
- enhance contractor capacity development and technical compliance in the construction industry;
- collaborate with professional bodies engaged in activities in the construction industry;
- continue the existence of the Construction School and rename it as the National Construction School;
- provide for a complaints and appeals procedure; repeal the National Council for Construction Act No. 13 of 2003;
  and provide for matters connected with, or incidental to, the foregoing

In fulfilling its mandate, NCC undertakes the following activities:

- Registration of contractors;
- Registration of Manufacturers and Suppliers;
- Registration of Projects;
- Testing of construction materials;
- Regulation of the Construction industry; and
- Capacity Development of contractors.



Hon. Eng. Vitalis M. Mooya

MESSAGE FROM THE CHAIRPERSON

Zambia's construction sector has the potential to create wealth and economic independence at national level if undertaken well, as the sector provides the infrastructure upon which every other sector relies.
Like any other sector the last two years have been challenging due to the impacts of COVID. However this has called for us to think outside of the normal and innovate ways in which to continue operations and at the same time look after the welfare of our employees.

It is my honour to present to you the 2021 National Council for Construction (NCC) Annual Report for the financial year ended 31st December 2021. I am pleased to report that despite the challenges, NCC continued to record growth in contractor registration as well as in the number of people attending courses with the National Construction School.

As the government's implementation body in the construction sector, I have noted that NCC continues to provide the expertise and tools to ensure meaningful transformation and growth. I have been monitoring activities of the organization and noted the solid foundation built by NCC over the years in its operations. It is however clear that there is need to implement positive strategic and structural changes in order to enhance its impact on society to enhance local and inclusive participation in the years ahead. I am glad to note that the National Council for Construction Act No. 10 of 2020 places NCC in a good position to attain this effectively once its statutory instruments are signed by the relevant authorities.

Working in this spirit of cooperation will lead us to a transformed and professional construction industry. As a Board, we remain committed to providing oversight on the implementation of NCCs strategic plan, to ensure the sector continues to embrace growth and enhanced local participation.

I express gratitude to the government for their continued support and would like to thank Management and Staff of NCC for their commitment to discharging the mandate of the institution.

Hon. Eng. Vitalis M. Mooya

Board Members

Chairperson

Hon. Eng. Vitalis M. Mooya

MINISTRY OF INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT.

Vice-Chairperson

Ms. Odetta Nakanyika Kaoma

TECHNICAL EDUCATIONAL VOCATIONAL AND ENTREPRENEUR-SHIP TRAINING AUTHORITY

Board Member

Ms. Pule Kumalinga

NATIONAL ASSOCIATION OF MEDIUM AND SMALL SCALE CONTRACTORS

Board Member

Mr. Edgar Siakacoma

QUANTITY SURVEYORS REGISTRATION BOARD

Board Member

Mr. Keith Kasongo Mateyo

MINISTRY OF JUSTICE

Board Member

Ms. Mutinta Mushabati Pensulo

MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT

Board Member

Eng. Steven Malubila

ZAMBIA INSTITUTE OF ARCHITECTS

Board Member

Mr. Owen Mathotho

ENGINEERING INSTITUTION OF ZAMBIA

Board Member

Eng. Ngenda Situmbeko

NATIONAL COUNCIL FOR CONSTRUCTION

Eng. Ernest Nshindano

MESSAGE FROM THE EXECUTIVE DIRECTOR

This report highlights activities undertaken by National Council for Construction (NCC) from 1st January to 31st December 2021. It can safely be stated that this was the first year out of a five-year strategic direction whose focus is to transform the sector, enhance contractor development, encourage local participation, promote ethics in performance from both contractors and NCC staff and towards becoming a highly efficient organization. It is anticipated that this period aligns well with the governments vision towards attaining value for money in the sector.

In terms of performance, it can be stated that COVID reminded us that there was need to pull up our socks in the catergory of General Building and housing, accounting for our operations institution's mandate. We clearly were not prepared for the pandemic, but it taught us the need to anticipate unexpected natural events. NCC had to innovate, especially in its use and improvement of ICT systems, in the way it undertook not only the courses but also contractor registration.

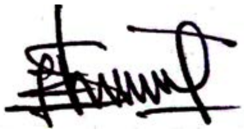
Despite these challenges, NCC issued a total of 10, 245 registration certificates as at 31st December 2021. This was the highest number of registrations recorded and a slight increase of 148 from the 2020 registrations. As is reflective of the current situation where there are a lot of buildings under construction, the highest number of registration certificates were issued in the category of General Building and Housing, accounting for 3,885 registrations.

The National Construction School trained 501 students by the end of the period under review. This compared to the 263 trained in 2020. The gender division for those trained continued to be skewed towards males with 399 male compared to 102 female participants. This clearly calls for NCC to do more in terms of encouraging participation of females.

The staff complement stood at 87 against an establishment of 132 as at 31st December, 2021. This was a slight reduction from 2020 where we had 91 staff. Losses were mainly due resignations and non-renewal of contracts.

NCC continued to engage with various stakeholders regarding the state of infrastructure and performance of contractors in the sector with a view to improving the participation of local contractors in the sector.

I wish to conclude by thanking Government, through the Ministry of Infrastructure, Housing and Urban Development for their continued oversight and stragetic guidance. I would also like to thank NCC management and staff for their dedication to attaining the institutions' mandate.



Eng. Ernest Nshindano

NCC SENIOR MANAGMENT

EXECUTIVE DIRECTOR

Eng. Ernest Nshindano

ACTING DIRECTOR REGISTRATION AND REGULATION

Arch. Jeremiah Sande

DIRECTOR FINANCE AND ADMINSTRATION

Mr. Kabondo Lucky Muntanga

ACTING/MANAGER BUSINESS DEVELOPMENT

Eng. Timothy Musole

PRINCIPAL NATIONAL CONSTRUCTION SCHOOL

Eng. Wendy Nambule Mukape

1.0 CORPORATE GOVERNANCE

NCC places high importance on corporate governance and is committed to its values which are Integrity, Environmentalism, Inclusiveness, Efficiency and professionalism. The ultimate goal of these values is to insure that NCC attains its mandate through continuous improvement to decision making processes and management systems through legal, organization and ethical directives as well as measures to enhance transparency.

1.1 NCC BOARD OF DIRECTORS

The NCC Act provides for 11 board members, 10 of whom are Non-Executive while the NCC's Chief Executive Officer assumes the role of the only Executive member. The NCC Board of Directors was inaugurated on 17th May 2021 but later dissolved by the Minister in charge of Infrastructure, Housing and Urban Development in October 2021 in line with the established law. NCC therefore did not have an operational Board as at 31st December 2021.

In the absence of the Board, NCC reported to the Permanent Secretary in the Ministry of Infrastructure, Housing and Urban Development for all strategic and policy guidance issues as per the guidelines.
Activities of the Board of Directors are governed by a charter which outlines their roles and responsibilities in line with corporate governance principles

2.0 REPORT ON 2021 ACTIVITIES

The following section outlines the activities undertaken by the various sections at NCC.

2.1 REGISTRATION AND REGULATION

This section details activities undertaken by the Registration and Regulation Department during the year under review.

2.1.1 Contractor Registration

One of the key functions of NCC is to register contractors according to a self-assessment registration criterion which is subjected to due diligence. It is mandatory for contractors intending to undertake construction works to be registered with NCC. Over the years, NCC has seen a steady growth in the number of registration certificates issued to contractors wishing to participate in construction works in Zambia.
A ten-year trend analysis is shown in Figure 1:

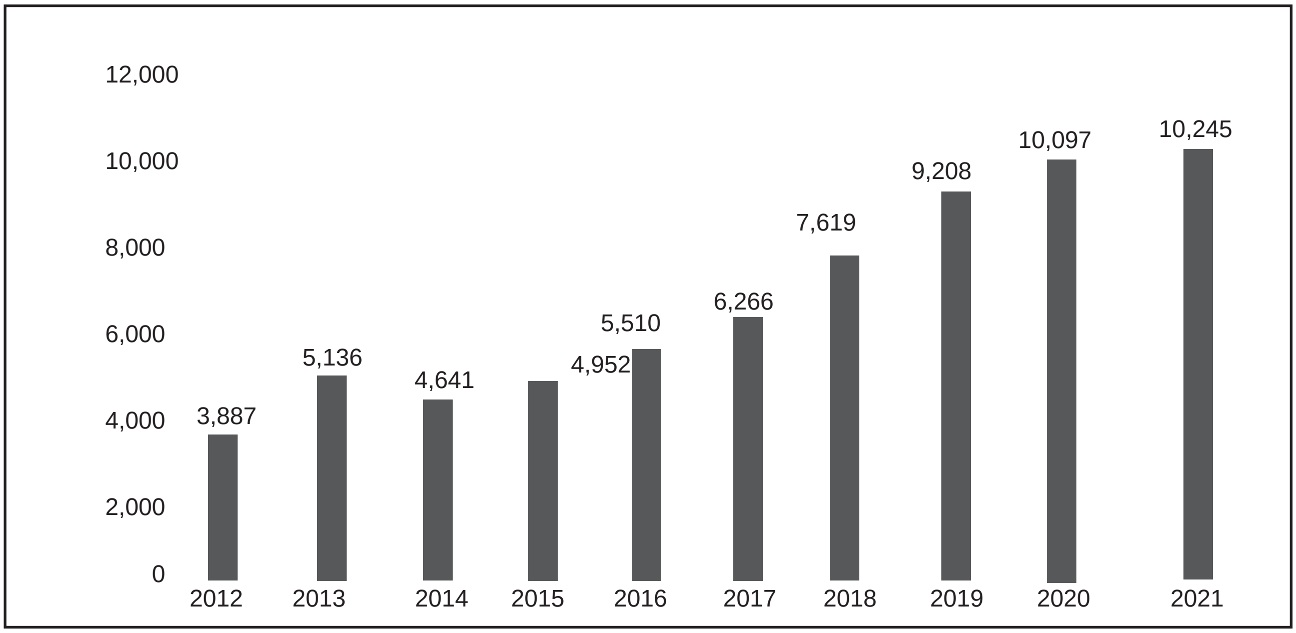


Figure 1. 10 Year Trend of Certificates of Registration Issued

The growth in the number of registration certificates issued may be attributed to the robust investment in the public and private infrastructure development projects by the Government and other stakeholders. The last 5 years saw large scale investments in socio-economic infrastructure such as roads, health, education and administrative places of work. This, in turn, resulted in an increased demand for registered contractors who are competent to undertake such works.

By 31st December 2021, NCC had issued a total of 10,245 first and renewal registration certificates for the year 2021 under the various grades and categories on the NCC Contractor Registration Scheme. These are shown in Table 1.

Table 1: Types of Registration by Grade in 2021

Type of Application		Certificates Issued
Grade	1	291
Grade	2	218
Grade	3	287
Grade	4	829
Grade	5	2,494
Grade	6	6,100
Specialist		26
Total		**10,245**

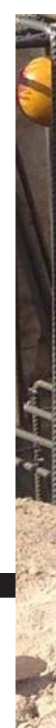
It can be noted that Grade 6 recorded the highest number of registrations in 2021, followed by Grades 5, 4, 3 1 and 2 as shown in Table 1.

NCC also noted that the General Building and Housing (B) category recorded the highest number of registration certificates (3,885) which were issued in the in the year under review followed by the General Roads and Earthworks (R) category which recorded a total of 3,180. The General Civil Engineering (C) category and the General Electrical and Telecommunications (E) categories recoded a total of 1,450 and 850 respectively. The Mining Services (M) category recorded 595 while the General Mechanical Engineering (ME) recorded a total of 259. The Specialized Class recorded 26, the least number of registrations recorded in the year under review.

Table 2: Registration Certificates Issued by Grade and Category

GRADE	B	C	E	M	ME	R	TOTALS
1	87	55	35	31	8	75	**291**
2	77	31	33	18	5	54	**218**
3	88	40	29	7	1	122	**287**
4	351	120	75	20	8	255	**829**
5	871	287	161	66	36	1,073	**2,494**
6	2,411	917	517	453	201	1,601	**6,100**
S-Class							**26**
TOTALS	**3,885**	**1,450**	**850**	**595**	**259**	**3,180**	**10,245**

Table 2 highlights registration statistics by category. Table 2 also shows that the highest number of registrations were recorded in Grade 6 accounting for 38 % of total registrations.



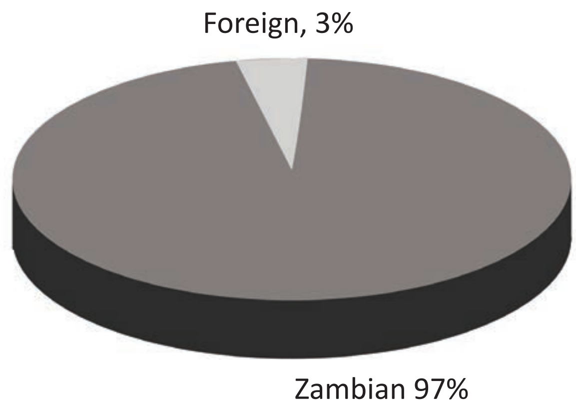


Figure 2: Registration by Ownership

Figure 2 shows that Zambian owned companies accounted for 9,960 registrations representing 97% of total registrations while the Foreign owned companies accounted for 285 registrations representing 3%.

2.1.2 Project Registration

A cumulative total of 120 projects were registered in 2021. The registration of projects was in accordance with the Registration of Projects Statutory Instrument No. 39 of 2015, which is currently under review to align with the recently enacted NCC Act No. 10 of 2020.

2.1.3 Regulation of Construction Industry

In order to enhance compliance to construction regulations and standards, NCC undertook quarterly routine and Ad hoc compliance monitoring activities. In this regard, NCC undertook a total of 519 inspections across the country. Some of the main issues encountered during the inspections related to inadequate attention to issues of health, safety and the Environment as well as abandoned projects.
Table 3 shows the number of projects inspected by region.

Table 3: Projects Inspected in 2021 by Region

Region	Central	Northern	Southern	Total
Number	231	136	152	519

2.2 NATIONAL CONSTRUCTION SCHOOL

This section details the major activities undertaken by the National Construction School in 2021

2.2.1 Capacity Building

One of the mandates of NCC is to enhance contractor capacity development and technical compliance in the construction industry. In this regard, The National Construction School (NCS) facilitated a robust program in pursuit of attaining this mandate.

A total of 501 personnel were trained in 2021. Table 4 provides a breakdown of the courses and participation. It can be noted that 102 females and 399 males were trained.

Table 4: Contractor Capacity Building Programmes Undertaken in 2021

Item	Course	Female	Male	Total
1	Bricklaying	0	23	23
2	Carpentry	1	13	14
3	Construction Financial Management	5	23	28
4	Construction Management	49	57	106
5	Construction Materials Testing	2	10	12
6	Earth Moving Plant Operators	4	63	67
7	Electrical	1	13	14
8	Occupational Safety and Health	17	40	57
9	Plumbing	2	10	12
10	Preparation of a Responsive Bid	7	26	33
11	Pricing - Buildings and Roads	4	36	40
12	Road Construction and Maintenance Supervision	5	18	23
13	Site Supervision	4	45	49
14	Steel Fixing	0	12	12
15	Sustainable Building Works Supervision	1	10	11
	Total	**102**	**399**	**501**

2.2.2 Capacity Building of Engineers in Local Authorities

NCC and National Road Fund Agency (NRFA) jointly facilitated two training workshops for Local Authorities in Lusaka and Luapula Provinces. These were conducted in conjunction with the Ministry of Local Government and Rural Development. The aim of the workshops was to build capacity in the areas of Materials Testing and Contracts Management in order to enhance the ability of Local Authorities to effectively undertake supervision of the Road Sector Projects. The target groups for this trainings were Directors of Works and Civil Engineers from Local Authorities.

2.2.3 Zambia Sugar Plc and International Labour Organisation (ILO)

NCC continued its partnership with International Labour Organisation (ILO) and Zambia Sugar Plc in capacity building of selected local contractors and upgrading of the Lubombo Road to a low volume sealed road. NCC carried out a re-scoping exercise of the works to include earthworks, drainage and pavement layer construction. The site survey targeted a sectional length of six kilometres. This activity was scheduled for completion in 2022.

2.2.4 eLearning Platform

NCC engaged the in – Service Training Trust (ISTT) to conduct a staff capacity building in the use of the Moodle Software in order to conduct e-Training. An ICT survey conducted by the Consultancy team, they recommended some configuration prior to the installation of the Moodle software to enable NCC get the full benefit of Moodle.

2.2.5 Lobito Corridor Project

NCC was appointed to undertake consultancy services by the African Development Bank through the Ministry of Commerce, Trade and Industry to conduct training of contractors along the Lobito Corridor in line with the Lobito Corridor Project. The purpose of the training was to enhance the capacity of the contractors within the Lobito Corridor in the North-western Province so as to heighten the competence of contractors in the area and to enable them effectively compete for infrastructure development projects.

The selection of courses was based on a training needs assessment which was conducted by NCC, the Technical Education Vocational and Entrepreneurship Training Authority (TEVETA) and Solwezi Trades Training Institute (SOTTI).

In this training, which took place at Solwezi Trades Training Institute (SOTTI), a total of one hundred (100) students were initially earmarked for training. However, the project only managed to train fifty-nine (59) participants drawn from various parts of the North Western Province. Table 5 shows the number of students trained:

Table 5: Number of trainees trained under the Lobito Project

Item	Course/Activity	Female	Male	Total
1	Basic Electricals	1	11	12
2	Construction Management	11	12	23
3	Steel Fixing	0	12	12
4	Plumbing	2	10	12
	Total	**14**	**45**	**59**

2.2.6 Memoranda of Understanding

NCC signed a Memorandum of Understanding (MoU) with Solwezi Trades Training Institute. The purpose of the MOU was to conduct training in construction courses in Solwezi using their facilities and personnel. Further, the MOU would ensure exchange of information, capacity building of staff and research in construction related courses.

The National Construction School also reviewed previous MOUs which were not renewed but were still important. The objective of this exercise was to explore possibilities of renewal of these MoUs to facilitate capacity building and income generation.

2.3 FINANCE AND ADMINISTRATION

This section details activities undertaken by the Finance and Administration Department in 2021.

2.3.1 Accounts

The section collected over 69 milllion kwacha during the year under review. The main sources of income were the registration fees, the government grant, fees collected through the National Construction School, Construction Materials Testing fees and hire of equipment and facilities. In addition, NCC received support from partners such as African Development Bank towards specific projects.

The section facilitated internal financial control and the completion of financial reports on revenue management, expenditure control, timely payment of service providers, fixed assets, debtors' management and the submission of all financial statutory reports and returns.

2.3.2 Human Resource and Administration

NCC continued to promote an efficient and effective workforce. In line with this, NCC facilitated participation of various staff in continuous professional development activities with the aim to improve service delivery and meet the challenges of the changing business environment. In addition, NCC provided a conducive environment for staff wishing to pursue further education.

2.3.2.1 Staff Complement

The staff complement stood at 87 against an establishment of 132 as at 31st December, 2021 compared to the year 2020 where NCC had 91 members of staff signifying a slight decrease. The decrease was a result of staff separations necessitated by deaths, resignations and non-renewal of contracts. The current breakdown of staff is as listed in Table 6:

Table 6: Staff Complement by Region and Gender

Region	Male	Female	Total
Head Office	39	21	60
Central	7	5	12
Southern	4	2	6
Northern	5	4	9
Total	**55**	**32**	**87**

2.3.2.2 Staff Wellness Activities

NCC has an employee wellness scheme, which is subscribed to by all staff. It was established to promote a healthy workforce through fitness programs and encouragement of lifestyle changes. Under the scheme, employees are encouraged to participate in structured physical activities and health talks as organized by the institution. However, during the year under review, these activities reduced due to the COVID-19 pandemic. During the year under review, employee relations remained stable and cordial between management and members of staff.

2.3.2.3 Staff Recognition Activities

As part of its Labour Day commemorations, NCC recognized the performance of various members of staff in various categories for their outstanding contribution towards attaining the aspirations of the institutions goals. The national activities were commemorated under the theme “Promoting Industrialization Through Productivity, Decent Work and Sustainable Economic Growth amid COVID – 19”.

Internships: NCC continued to mentor members of the community by providing six internship opportunities during the year. Interns were engaged in the accounts, audit, construction school, registration and regulation departments of NCC.

2.3.3 Information Communications Technology

The section was quite busy during the year as it facilitated activities to ensure NCC staff were able to work remotely during the peak of the COVID Pandemic. ICT Provided on and offsite support to staff and members of the public utilizing the NCC Online platform. These enabled contractors to submit applications online. The system was also enabled to allow staff to process applications remotely.

2.4 INTERNAL AUDIT

Internal Audit exists as an independent and objective function that renders assurance and consulting services to management and the Board of Directors for the National Council for Construction. To this end, Internal Audit provides them with information on the state of Governance, Risk and Compliance as well as associated recommendations and other information concerning activities.

2.5 CONSTRUCTION MATERIALS TESTING

The following activities were undertaken by the construction materials testing section of NCC:

2.5.1 Testing of Construction Materials

The Laboratory conducted 542 construction materials tests during the period under review. Table 7 indicates the material tests undertaken.

Table 7: Construction Materials Tests Conducted in 2021

NO.	Description	Quantity
1	Slump Test	198
2	Particle Size distribution	38
3	Maximum dry density/ moisture content	14
4	Atterberg Limits	22
5	California bearing Ratio (CBR)	22
6	Sand Replacement test	6
7	Field density	24
8	Loss Angeles Abrasion test	4
9	Aggregate crushing value	2
10	Aggregate Impact Value	4
11	Specific gravity	31
12	Water absorption	5
13	Compressive strength test	13
14	Density test on Asphalt cores	133
15	Bitumen content	26
	Total	**542**

2.5.2 Inter-Laboratory Comparison Tests

The laboratory participated in the inter-laboratory comparison testing in soils and gravel with the following laboratories:

- The University of Zambia (UNZA)
- Rankin Engineering Consultants
- Road Development agency (RDA)
- The Zambia Bureau of Standards (ZABS)

The essence of conducting Inter-Laboratory comparison tests was to monitor the performance of the laboratories in terms of the proficiency of personnel as well as equipment.

2.5.3 Construction Materials Testing Course

The laboratory was involved in conducting training of students who enrolled in the Construction Materials Testing course which was undertaken from 15th February to 9th April 2021. The number of students enrolled was 12 with 10 Males and 2 Females

2.5.4 Review of Standards

The Laboratory conducted a workshop in collaboration with the Registration and Regulation department to review standards by the ZABS/NCC standards Development technical committee. A total of 45 standards were deliberated on, and the following resolutions were made:

- 31 International standards were approved for adaption.
- 11 International standards were approved for adoption
- 2 Zambian standards were deferred for reference standards inclusion/update. 1 Zambian standard was reviewed and approved.

Initially a total of 54 standards were planned for consideration and were categorized as follows:

- General standards (2),
- Road standards (2),
- Energy building standards (6),
- Tests on soils, gravels, and aggregates (36),
- Tests on Asphalt and bituminous binders (6),
- Tests on concrete and aggregates (2).

However, 45 standards were considered due to the unavailability of some.

2.5.5 Quality Monitoring of Construction projects

The Laboratory staff in conjunction with technical staff from the Road Development Agency (RDA) conducted core tests on selected rehabilitated/constructed roads in the country. This was to ascertain if the roads constructed conformed to the required stndards.

Some roads on the L400 Project in Lusaka and the Zambia Township Road Project on the Copperbelt were sampled. The towns that were visited on the Copperbelt were, Kitwe, Mufulira and Chingola. A total of 20 roads were sampled both in Lusaka and the Copperbelt Provinces.

It can be noted that preliminary findings revealed that the roads met the design specifications.

2.6 PUBLIC RELATIONS

The Public Relations section engaged with various stakeholders and disseminated information about the roles and various activities about NCC.

2.6.1 Media Monitoring

Media monitoring was conducted to determine the types of construction related stories being covered. NCC monitored the Times of Zambia and Zambia Daily Mail for this activity. A total of 305 clippings were captured in 2021. Distribution by month is shown in Figure 3.

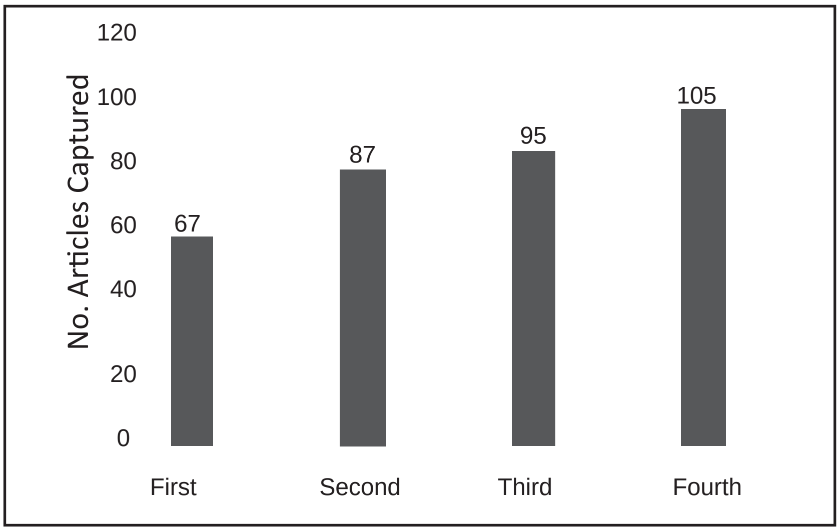


Figure 3: Number of Articles Captured by Quarter in 2021

The general subjects under discussion related to projects under construction, abandoned works, contractor performance and statements on the state of infrastructure from various stakeholders.

2.6.2 Maintaining Active Digital Platforms

Various information regarding the industry and how to access services provided by NCC were uploaded on the NCC Website and Facebook pages for review by members of the public. Notices on contractor registration and school adverts were also placed on the platform. NCC maintained two SMS platforms for communication with contractors.

2.6.3 Facilitate Roadshows, Advertising and Marketing Campaigns

As part of planned awareness activities, NCC facilitated sponsorship of national coverage of the launches of the Munali, Longacres and Kazungula Bridges.

NCC placed advertisements on ZNBC Radio 4 and on ZNBC TV1, in addition, spot adverts were placed on 10 community radio stations in the ten provinces. The topics of advertisements aligned to the activities of NCC and therefore targeted contractor registration topics and construction school courses. Advertisements were also used to publicise the provisions of the NCC Act No. 10 of 2020.

NCC also placed advertisements in the Directory of the Ministry of Foreign Affairs and Zambian Diplomatic Missions and provided a statements for the Construction Buyers Guide issues which are produced quarterly.

2.6.4 Facilitate Roadshows, Advertising and Marketing Campaigns

As part of planned awareness activities, participated in the commemoration of the 2021 Anti-Corruption Day which was held on 9th December 2021 under the theme “Your Right, Your Role, Say NO to Corruption”. NCC also participated in the launch of the Indigenous Zambian Contractors Association. A graduation ceremony was also held for students who undertook courses supported under the Africa Development Bank in collaboration with Solwezi Trades.

2.6.5 Coordinate and Package Radio and TV Programmes

NCC facilitated airing of two TV and two Radio spot adverts on selected media outlets on one national and 10 community radio stations. NCC sponsored a programme called Men Can Cook which featured the Executive Director and other CEOs to discuss their roles in their various sectors.

2.6.6 Publish communication materials

NCC produced and distributed brochures, National Construction School Prospectus, diary notebooks, annual reports and calendars for the institution to various stakeholders.

2.6.7 Corporate Social Responsibility

Focused on support towards prevention of communicable diseases such as COVID and cholera. In this regard, NCC donated facemasks and cleaning and sanitizing materials to various stakeholders and provided the excavator for use by the local authority during their cleanup exercises.

2.7 INTEGRITY COMMITTEE

The role of the Integrity Committee is to ensure that there is a platform where prevention, enforcement and education on issues of corruption can be addressed. During the period under review the following activities were undertaken by the Integrity Committee:

NCC appointed a new Integrity Committee to replace the previous one whose three-year term of office had expired.

NCC participated in workshops organized by the Anti-Corruption Commission (ACC) and shared the experiences by NCC in mainstreaming integrity in its operations.

NCC also participated in the commemoration of the 2021 International Anti-Corruption Day on 9th December 2021 the Integrity Committee members as well as selected members of staff participated in the march past and awareness activities organised conducted awareness sessions at Head Office and all Regional Offices.

NATIONAL COUNCIL FOR CONSTRUCTION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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The Directors submit their report together with the audited financial statements for the year ended 31 December 2021, which disclose the state of affairs of the Council.

PRINCIPAL ACTIVITIES

The principal activity of the Council is to promote the development of construction industry by regulating and assessing the performance of contractors and conducting training of persons in the Construction Industry in Zambia.

RESULTS AND DIVIDENDS

	2021 2 ZMW	020 ZMW
Income 6	9,981,422	58,743,660
Expenditure	62,225,770	61,063,575
Surplus/(Deficit)t for the year 7	,755,652	(2,319,915)

The surplus of ZMW 7.7million for the year has been added to retained earnings compared to a deficit of (2020: ZMW 2.3 million).

NUMBER OF EMPLOYEES AND REMUNERATION

The total remuneration of employees during the period amounted to ZMW 17.4 Million (2020: ZMW 18.3 Million). The numbers of employees during the period were 88 (2020:94).

The Council recognises its responsibility regarding the occupational health, safety and welfare of its employees and has put in place measures to safeguard them.

GIFTS AND DONATIONS

During the period, the council did not make any donations.

PROPERTY AND EQUIPMENT

The Council purchased property and equipment amounting to ZMW 3.1 million (2020: ZMW 2.8 million) during the period. In the opinion of the directors, the carrying value of property and equipment is not less than its recoverable amount.

RESEARCH AND DEVELOPMENT

During the period, the Council did not incur any costs on research and development (2020: ZMW Nil).

DIRECTORS

The Members of the Board, who held office until 31 October 2021:

Mr. Edward Mpepo	-	Chairperson
Mr. Abel Ngandu	-	Vice Chairperson
Dr. Janice Sakwanda	-	Member
Ms. Phyllis Kasonkomona	-	Member
Mr. Rapheal Ngulube	-	Member
Mrs. Ngoza Munthali	-	Member
Mr.Eddie Kwesa	-	Member
Mr. Keith K. Mateyo	-	Member

Senior Management

Ernest Nshindano	-	Executive Director
Lucky K. Muntanga	-	Director Finance and Administration
Musonda Mulenga	-	Principal Construction School
Jeremiah Sande	-	Director Registration and Regulation

AUDITORS

The auditors, Mark Daniels, have indicated their willingness to continue in office and a resolution for their reappointment will be proposed at the next annual general meeting.

By order of the Board

29/08/2022

Council Secretary
Lusaka

The Zambia Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Council as at the end of the financial year and of its statement of comprehensive income. It also requires the Directors to ensure that the Council keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Council. The Directors are also responsible for safeguarding the assets of the Council.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of the Zambia Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Council and of its profit in accordance with International Financial Reporting Standards. The Directors are also responsible for such internal control, as the Directors determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Hon. Eng. Vitalis Moonga Mooya
Board Chairperson

Ernest Nshindano
Acting Executive Director

29/10/2022

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 are 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 corporation'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 Council or to cease operations, or have no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Council's reporting process.

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 control 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 Council's internal control.

- 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 Council'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 con clusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial statements, including the dis closures, 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 busi ness activities within the Council to express an opinion on the financial statements.

- We are responsible for the direction, supervision and performance of the Council 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.

Report on other Legal and Regulatory Requirements

In accordance with National Council for Construction Act No.13 of 2003, we report that, in our opinion, the required accounting records, other records and registers required by the Act have been properly kept in accordance with the Act.

29/08/2022

Chartered Accountants
Lusaka

Frederick Banda AUD/F000169
Partner signing on behalf of the firm

Statement of Income and Expenditure and Other Comprehensive Income

	Notes	2021 ZMW	2020 ZMW
Income			
Grants	**9(a)**	3,329,721	4,076,481
Fees	**9(a)**	60,179,434	51,989,549
Other Income	**9(b)**	6,092,588	2,516,173
Interest Income	**9(c)**	379,679	161,457
Total income		69,981,422	58,743,660
Operating Expenditure			
Strategic plan output driven costs		(6,333,521)	(4,589,154)
Administrative expenses		(13,392,379)	(17,443,086)
Staff costs		(42,499,870)	(39,031,335)
Surplus /(Deficit) for the year		7,755,652	(2,319,915)

There were no items of other comprehensive income during the period.

The notes on pages 11 to 33 form an integral part of these financial statements.

Statement of financial position

	Notes	2021 ZMW	2020 ZMW
ASSETS			
Non-current assets			
Property and equipment	**15(a)**	32,977,139	31,284,864
Intangible assets	**15(b)**	38,366	490,379
		33,015,505	31,775,243
Current assets			
Inventories	**16**	784,949	582,608
Trade receivables	**12(a)**	1,929,682	-
Other receivables	**12(b)**	1,405,927	2,900,160
Cash and cash equivalents	**12(c)**	12,060,427	13,455,291
		16,180,985	16,938,059
TOTAL ASSETS		**49,196,490**	**48,713,302**
LIABILITIES			
Non-current liabilities			
Finance lease	**14**	-	150,863
		-	150,863
Current liabilities			
Trade and other payables	**13(a)**	9,828,729	12,101,481
Deferred Income	**13(b)**	14,715,888	18,890,312
Finance lease	**14**	157,743	372,038
		24,702,360	31,363,831
EQUITY			
Equity attributable to owners			
Capital grant	**17(a)**	7,976,947	8,437,077
Revaluation reserves	**17(b)**	15,920,365	16,375,232
Accumulated Fund	**17(c)**	596,818	(7,613,701)
Total equity		24,494,130	17,198,608
TOTAL EQUITY AND LIABILITIES		**49,196,490**	**48,713,302**

The notes on pages 11 to 33 form an integral part of these financial statements.

The financial statements on pages 7 to 33 were approved for issue by the board of directors on 29/08/2022 and signed on its behalf by:

Hon. Eng. Vitalis Moonga Mooya
Board Chairperson

Ernest Nshindano
Executive Director

Statement of changes in equity

	Capital Grants ZMW	Revaluation Reserves ZMW	Accumulate funds ZMW	Total ZMW
Year ended 31 December 2020				
At start of year (Note 17(d))	6,651,114	16,830,100	(6,868,575)	16,612,639
Prior year adjustment			1,119,92	1,119,921
Restated balance	6,651,114	16,830,100	(5,748,654)	17,732,560
Amortisation revaluation reserve	-	(454,868)	454,868	-
Additions capital grant	2,565,916	-		2,565,916
Amortisation of capital grants	(779,953)	-	-	(779,953)
Comprehensive income				
Deficit for the year	-	-	(2,319,915	(2,319,915)
Total comprehensive loss	-	-	(2,319,915	(2,319,915)
At end of year	8,437,077	16,375,232	(7,613,701)	17,198,608
Year ended 31 December 2020				
At start of year	8,437,077	16,375,232	(7,613,701)	17,198,608
Amortisation of revaluation reserve	-	(454,867)	454,867	-
Amortisation of capital grants	(460,130)	-	-	(460,130)
Comprehensive income				
Surplus for the year	-	-	7,755,652	7,755,652
Total comprehensive	-	-	7,755,652	7,755,652
At end of year	7,976,947	15,920,365	596,818	24,494,130

The notes on pages 11 to 33 form an integral part of these financial statements.

Statement of cash flows

	Notes	2021 ZMW	2020 ZMW
Surplus/(Deficit) for the year		7,755,652	(2,319,915)
Adjustments for:			
Depreciation (Note 15 (a))		1,364,167	1,743,000
Prior year adjustment (Note 15 (a)		-	1,119,921
Amortisation of software		452,013	452,011
Amortisation of capital grants		(460,132)	(779,953)
Amortisation of revaluation Reserve			-
Interest received		(379,679)	(161,457)
Changes in working capital:			
- inventory		(202,341)	(128,983)
- trade receivables		(435,449)	2,045,919
- Deferred income		(4,174,424)	1,070,253
- trade and other payables		(2,272,752)	2,254,519
Cash generated from operations		1,647,056	5,295,315
Interest received		379,679	161,457
Net cash generated from operating activities		2,026,734	5,456,772
Cash flows from investing activities			
Purchase of property, plant & equipment	**15(a)**	(3,108,929)	(2,752,595)
Proceeds sale of assets		52,489	555,493
Intangible Assets		-	-
Donated Assets		-	2,565,916
Finance Lease		(365,158)	(277,929)
Net cash (used on)/from investing activities		(3,421,598)	90,885
(Decrease)/increase in cash and cash equivalents		(1,394,864)	5,547,657
Movement in cash and cash equivalents			
At start of year		13,455,291	7,907,634
(Decrease)/Increase		(1,394,864)	5,547,657
At end of year	**12(c)**	12,060,427	13,455,291

The notes on pages 11 to 33 form an integral part of these financial statements.

Notes

1 General information

The National Council for Construction is a body corporate established under the Nation al Council for Construction Act No. 13 of 2003. The principal activities of the Council are to promote the development of the construction industry by regulating and assessing the performance of Contractors and conducting training of persons in the Construction Industry in Zambia.

2. Ownership

The Council is wholly owned by Government of the Republic of Zambia.

3. 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

Title	Key requirements	Effectivdate*
Covid-19-related Rent Concessions – Amendments to IFRS 16	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 not 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. 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. * 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. 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. 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.	1 June 2020/ 1 April 2021 *

Noted continued

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

(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

Title	**Key requirements**	**Effective date***
Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 •	• 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. • Affected entities need to disclose information about the nature and extent of risks arising from IBOR inform to which the entity is exposed, how the entity manages those risks, and the entity is exposed, how the entity manages those risks, and the entity's progress in com pleting the transaction to alternative benchmark rates and how it is managing the transition. Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries.	1 January 2021

Noted continued

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

(b) Forthcoming requirements

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

Title	Key requirements	Effective date*
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of: • discounted probability-weighted cash flows • an explicit risk adjustment, and • a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period. The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferredthe applcation date of IFRS 17 to 1 January 2023.	January 2023 (deferred from 1 January 2021)
Property, Plant and Equipment: Proceeds before intended use – Amend-ments to IAS 16	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 intend-ed 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. 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.	1 January 2021)

Noted continued

3. 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*
Reference to the Conceptual Framework – Amendments to IFRS 3	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 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.	1 January 2022
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: • IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities. • IFRS 16 Leases – 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 First-time Adoption of International Financial Reporting Standards – 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. • IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post- tax basis.	1 January 2022
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	The narrow-scope amendments to IAS 1 Presentation of Financial Statements 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 waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. 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 Accounting Policies, Changes in Accounting Estimates and Errors.	1 January 202 (deferred from 1 January 2022)

Noted continued

3. 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 material rather than their significant accounting policies. The amendments define what 'material accounting policy information' is 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 Making Materiality Judgements 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 Accounting Policies, Changes in Accounting Estimates and Errors 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
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • right-of-use assets and lease liabilities, and • decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.	1 January 2023

Noted continued

3. 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*
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	The IASB has made limited scope amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non- monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognize the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognized by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. ** In December 2015 the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.	n/a **

Notes (continued)

4. 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) Basis of preparing financial statements-going concern basis

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Council meets its day to day working capital requirements through funds generated from its operations and Grants from the Government of the republic of Zambia and National Road Fund Agency (NFRA)

At the statement of financial position date, the council's current liabilities exceeded its current assets by ZMW 8,521,375

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

The validity of this assumption depends on the Government of the Republic of Zambia's continued support and the Council's ability to generate its own revenues from Registration and Regulation as well as training.

If the Council were unable to continue in operational existence for the foreseeable future, adjust ments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise and reclassify fixed assets as current as sets.

(b) Revenue recognition

Revenue represents the fair value of the consideration received or receivable, net of discounts and sale-related taxes. Revenue from sales of goods is recognised when the goods are delivered, and title has passed. Revenue for services is recognised when the service has been rendered.

Interest income is recognised on a time proportion basis when it is determined that such income will accrue to the Council.

(c) Functional currency and translation of foreign currencies

(i) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary eco nomic environment in which the entity operates ('the functional currency').
The financial statements are presented in Zambian Kwacha ("ZMW") which is the Council's functional currency.

(ii)Transactions and balances
Foreign currency transactions are translated into the functional currency of the respective entity 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 translation and from the translation at year-end exchange rates of monetary assets and liabilities

Notes (continued)

(c) Functional currency and translation of foreign currencies (continued)

ii)Transactions and balances (continued)
denominated in foreign currencies are recognised in the statement of comprehensive income. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other income' or 'other expenses.

(d) Property and equipment

All property and equipment are initially stated at historical cost and subsequently measured at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of these assets. 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 corporation and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on the straight line basis to write down the cost of each asset, to its residual value over its estimated useful life as follows:

Buildings 40 years – 2.5%
Laboratory equipment 4years – 25%
Furniture, fittings 4 years- 25%
Workshop equipment 4 years 25%
Office equipment 3 years 33%
Intangibles 3 years - 33%
Motor vehicles 4 years - 25%
The residual values of assets and their useful lives are reviewed and adjusted if appropriate, at each statement of financial position date.

Property 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 and equipment are determined by comparing proceeds with their carrying amounts and are taken into account in determining profit.

(e) Employee benefits

Retirement benefit obligations
The Council has registered all its employees with the statutory pension scheme (NAPSA) and a private pension scheme with ZSIC Life Limited. These are both defined contribution schemes.

A defined contribution scheme is a pension plan under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods.

The Council's contributions to the defined contribution scheme are charged to the income
statement in the period to which they relate.

Notes (continued)

4. Summary of significant accounting policies (continued)

(f) Financial assets

Classification

The council classifies its financial assets in the following measurement categories:

those to be measured subsequently at fair value (either through OCI or through profit or loss), and those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the council has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The council reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the corporation commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the council has transferred substantially all the risks and rewards of ownership.

Measurements

At initial recognition, the council measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss

Equity instruments

The council subsequently measures all equity investments at fair value. Where the council's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes (continued)

4. Summary of significant accounting policies (continued)

Impairment

The council assesses on a forward-looking basis the expected credit loss associated with its debt in struments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the council applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note **7(b)** for further details.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment when ever 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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet

(i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw- down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extin guished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option.

Notes (continued)

4. Summary of significant accounting policies (continued)

(i) Borrowings (continued)

This is recognised and included in shareholders' equity, net of income tax effects. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non- cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial lia bility and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(j) Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 12(a) for further information about the council's accounting for trade receivables and note 7(b) for a description of the council's impairment policies

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the council prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(l) Provisions

Provisions are recognised when the Council has present legal or constructive obligations as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(m) Inventories

Inventory is stated at the lower of cost or net realisable value. Cost is determined on a first in first out basis and includes all expenditure incurred in the normal course of business in bringing the goods to their present location and condition, including production overheads based on normal level of activity. Net realisable value takes into account all further costs directly related to marketing, selling and distribution. Provision is made for obsolete and slow moving inventories

Notes (continued)

5. Critical accounting estimates and judgments

The corporation makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6. Financial Risk management

Exposure to currency, interest rate and credit risk, arises in the normal course of the corporation's business.

Currency risk

The corporation incurs currency risk as a result of bank balances denominated in foreign currencies. The Corporation has operational bank accounts in US Dollars. No hedge is taken out for this risk.

Interest rate risk

The Corporation is exposed to interest rate risk to the extent of the balance of the bank accounts.

Credit risk

No collateral is required in respect of financial assets. The corporation has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

Credit evaluations are performed on all customers requiring credit over a certain amount.

At the statement of financial position date, there were no significant concentrations of credit risks (2020: ZMW Nil).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

Liquidity risk arises in the general funding of the corporation's activities.

Liquidity management is directed towards ensuring that all the corporation's operations can meet their funding needs, whether this is to replace existing funding as it matures, or is withdrawn.

Notes (continued)

7. Financial instruments

Exposure to currency, interest rate, credit and liquidity risk arises in the normal course of the corporation business.

(a) Credit risk

Credit risk is the risk of financial loss to the corporation if a customer or counterparty to a financial instru ment fails to meet its contractual obligations and arises principally from the corporation's receivables and cash balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2021	2020
	ZMW	ZMW
Cash and cash equivalents	12,060,427	13,455,291
Trade receivables	1,929,682	-
Other receivables	1,405,927	2,900,160
	15,396,036	16,355,451

The bank accounts are held with reputable banks.

(b) Impairment losses

The aging of trade and other receivables at the reporting date was:

31 December 2021	Current	1-30 days past due	31- 60 days past due	61-90 days past due	Over 90 days	Total
Expected loss rate	-	-	-	-	100%	
Gross carrying amount – trade receivables	-	-	-	-	4,118,481	4,118,481
Loss allowance	-	-	-	-	(2,188,799)	(2,188,799)
	-	-	-	-	1,929,682	1,929,682

31 December 2021	Current	1-30 days past due	31- 60 days past due	61-90 days past due	Over 90 days	Total
Expected loss rate	-	-	-	-	100%	
Gross carrying amount– trade receivables	-	-	-	-	5,938,414	5,938,414
Loss allowance	-	-	-	-	(5,938,414)	(5,938,414)
-						

The loss allowances for trade receivables and other debtors as at 31 December reconcile to the opening loss allowances as follows.

Trade receivables	**2021**	**2020**
	ZMW	**ZMW**
Opening loss allowance at 1 January	**5,938,414**	**744,498**
(Reduction)/increase in loss allowance recognised in profit or loss during the period	**(3,749,615)**	**5,193,916**
Closing loss allowance at 31 December	**2,188,799**	**5,938,414**

Notes (continued)

7. Financial instruments (continued)

Trade receivables and other debtors are written off where there is no reasonable expectation of recovery. In dicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the corporation, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables and other debtors are presented as net impairment losses within op erating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(c) Liquidity risk

The following are the contractual maturities of financial liabilities.

31th December 2021

	Carrying amount ZMW	Contractual cash flows ZMW	Within 1 year ZMW	1-2 years ZMW	2-5 years ZMW
Financial liabilities					
Trade and other payables	9,828,729	9,828,729	9,828,729	2,175,843	- -
Finance Lease	157,743	157,743	157,743		-
Total	9,989,472	9,989,472	9,989,472	2,175,843	-

31st December 2020

	Carrying amount **ZMW**	Contractual cash flows **ZMW**	Within 1 year **ZMW**	1-2 years **ZMW**	2-5 years **ZMW**
Financial liabilities					
Trade and other payables	12,008,682	12,008,682	12,008,682	-	-
Finance Lease	522,900	522,900	372,037	150,863	-
Total	12,531,582	12,531,582	12,380,719	1 5 0 , 8 6 3	

-

8. Revenue from contracts with customers

Revenue represents receipts from tuition fees, registration fees, annual fees, Government grants, interest earnings and miscellaneous income.

Notes (continued)

9. (a) Disaggregation of revenue from Grants and fees

	2020 ZMW	2019 ZMW
Road Sector Capacity Building- NRFA Grant	-	426,700
Government Grant	2,869,589	2,869,828
Transfer from capital Grant	460,132	779,953
	3,329,721	4,076,481
Registration, scrutiny and Annual fees	59,179,434	51,752,307
Tuition fees	1,027,253	237,242
	60,179,434	51,989,549

9. (b) Other income

Hire of Facilities	-	494,660
African Development Bank	1,980,288	1,350,288
Other Income	228,344	651,975
Rental Income	134,341	19,250
Bad debt recovered	3,749,615	-
	6,092,588	2,516,173

9. (c) Interest Income

Bank Interest	379,679	148,957
Interest on Staff Loans	-	12,500
	379,679	161,457

10 Expenses by nature

Strategic plan output driven costs	6,333,522	4,589,154
Administrative expenses	13,392,379	17,443,086
Staff costs	42,499,870	39,031,335

11 Employee benefits expense

The following items are included within employee benefits expense		
Salaries and wages	17,367,452	18,345,962
Retirement benefits costs:		
- National Pension Scheme Authority	899,297	1,067,733
	18,266,749	19,413,695

Notes (continued)

	2021 ZMW	2021 ZMW
12. (a) Trade and other receivables		
Trade receivables from contracts with customers	4,118,481	5,938,414
Less:		
Provision for impairment losses	(2,188,799)	(5,938,414)
	1,929,682	-

Classifications as trade receivables
Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The council holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the council's impairment policies and the calculation of the loss allowance are provided in note 7(b).

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure
Information about the impairment of trade receivables and the council's exposure to credit risk and foreign currency risk can be found in note 7(a) and (b).

	2021 ZMW	2021 ZMW
12. (b) Other financial assets at amortised cost		
Other receivables	1,405,927	2,900,160
Less:		
Provision for impairment losses	-	-
	1,405,927	2,900,160

Classification of financial assets at amortised cost
The council classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest. See note 4 (c) for the remaining relevant accounting policies.

Other receivables
These amounts generally arise from transactions outside the usual operating activities of the council.

Notes (continued

	2021 ZMW	2020 ZMW
12. (c) Cash and cash equivalents		
ABSA bank kwacha	4,321,979	6,234,782
Atlas mara kwacha	1,732,641	1,107,646
ZICB Fixed Deposit	1,124,042	1,069,450
ZICB Current account	920,805	597,888
First National Bank	3,637,449	3,774,516
ABSA kwacha – NRFA RSCB	260,358	516,974
Barclays Staff loans	63,153	154,035
Cash in hand and at bank	12,060,427	13,455,291

Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2021 ZMW	2020 ZMW
Balances as above	12,060,427	13,455,291
Bank overdrafts	-	-
Balances per statement of cash flows	12,060,427	13,455,291

	2021 ZMW	2020 ZMW
13. (a) Trade and other payables		
Current liabilities		
ZSIC Ltd (Fund Manager)	464,442	830,180
Other Payables	215,184	2,790,103
Statutory Payables	6,973,261	8,481,198
Gratuity	2,175,843	-
	9,828,729	12,101,481
13. (b) Deferred Income		
Registration Fees	14,715,888	18,890,312
	14,715,888	18,890,312

Deferred income relates mainly to registration fees paid in advance for the following year.

Notes (continued)

	2021 ZMW	2020 ZMW
14. Finance Lease Obligations		
Motor Vehicle finance Lease	-	522,901
Due within 12 months	157,743	372,038
Due after 12 months	-	150,863
	157,743	522,901

Notes (continued)

15 (a) Property and equipment

	Land and buildings	Office equipment	Equipment	Motor vehicles	Furniture & fittings	Total
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
At 1 January 2020						
Cost	31,504,352	4,268,768	2,791,538	14,352,646	2,343,355	55,260,659
Accumulated depreciation	(2,419,110)	4,014,402)	(2,494,428)	(13,604,491)	(1,897,466)	(24,429,897)
Net book amount	29,085,242	254,366	297,110	748,155	445,889	30,830,762
Year ended 31 December 2020						
Opening net book amount	29,085,242	254,366	297,110	748,155	445,889	30,830,762
Additions	2,365,682	288,691	48,601	-	49,621	2,752,595
Disposal-cost	-	(122,140)	-	(1,775,620)	-	(1,897,760)
Disposal-accumulated depreciation	-	104,419	-	1,237,848	-	1,342,267
Depreciation charge	(846,751)	(203,006)	(306,211)	(210,383)	(176,649)	(1,743,000)
Closing net book amount	30,604,173	322,330	39,500	-	318,861	31,284,864
At 31 December 2020						
Cost	33,870,034	4,435,319	2,840,139	12,577,026	2,392,976	56,115,494
Accumulated depreciation	(3,265,861)	(4,112,989)	(2,800,639)	(12,577,026)	(2,074,115)	(24,830,630)
Net book amount	30,604,173	322,330	39,500	-	318,861	31,284,864

Notes (continued)

15 (b) Property and equipment (continued)

	Land and buildings	Office Equipment	Equipment	Motor vehicles	Furniture, fittings	Total
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
Year ended 31 December 2021						
Opening net book amount	30,604,173	322,330	39,500	-	318,861	31,284,864
Additions	-	657,449	-	2,442,530	8,950	3,108,929
Disposal-cost	-	(65,000)	-	-	-	(65,000)
Disposal-accum depreciation	-	12,513 -	-	-		12,513
Depreciation charge	(846,751)	(306,543)	(12,161)	(50,886)	(147,826)	(1,364,167)
Closing net book amount	29,757,422	620,749	27,339	2,391,644	179,985	32,977,139
At 31 December 2021						
Cost	33,870,034	5,027,768	2,840,139	15,019,556	2,401,926	59,159,423
Accumulated depreciation	(4,112,612)	(4,407,019)	(2,812,800)	(12,627,912)	(2,221,941)	(26,182,284)
Net book amount	29,757,422	620,749	27,339	2,391,644	179,985	32,977,139

Notes (continued

15. (b) Intangible asset	**2021 ZMW**	**2020 ZMW**
At start of year	490,379	942,390
Prior year adjustment	-	-
Restated balance	490,379	942,390
Additions	-	-
Amortisation	(452,013)	(452,011)
At end of year	38,366	490,379

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

16. Inventories		
Stocks	784,949	582,608
	784,949	582,608

17. (a) Capital grants		
At beginning of the year	8,437,077	6,651,114
Additions	-	2,565,916
Capital grants amortised	(460,130)	(779,953)
At end of the year	7,976,947	8,437,077

The capital grant represents funding from African Development bank.

17. (b) Revaluation reserves		
At beginning of the year	16,375,232	16,830,100
Realisation of revaluation reserves	(454,867)	(454,868)
At end of the year	15,920,365	16,375,232

The revaluation reserve account records the difference between the new value of the revalued assets and their net book values, which is represented by cost less accumulated depreciation.

Notes (continued)

	2021 ZMW	2020 ZMW

17 (c) Accumulated Fund

	2021 ZMW	2020 ZMW
At beginning of the year	**(7,613,701)**	(6,868,575)
Prior year adjustment	**-**	1,119,921
Amortisation of revaluation reserves	**454,867**	454,868
Surplus/(Deficit) for the year	**7,755,652**	(2,319,915)
At end of the year	**596,818**	(7,613,701)

The accumulated fund account represents the accumulation of annual surplus. Accumulated fund have continued to rise from a deficit of ZMW 7,613,701 (FY2020) to a positive balance of ZMW 596,818 owing to the reported Lower surplus of ZMW 7,755,652 recorded during the year ended 31st December 2021.

17 (d) Prior year adjustment

	2021 ZMW	2020 ZMW
Gratuity premiums	-	1,119,921
Intangible Asset		
Car loan deduction	-	-
At end of the year		1,119,921

The prior year adjustment relates to premiums that were accrued for Mr Matthews Ngulube who has since left the Council and is no longer on the Scheme. ZSIC issued a Credit note to this effect.

18 Related party transactions

The Council is controlled by Government of the Republic of Zambia.
The following transactions were carried out with related parties:

i) Key management compensation

Key management includes directors (executive and non-executive) and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2021 ZMW	2020 ZMW
Government funding Received	2,869,589	2,869,827
Salaries and other short term employment benefits	1,966,266	3,687,432

Notes (continued)

19 Commitments

Capital commitments

There were no capital commitments at the reporting date.

20 Contingent liabilities

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

21 Events occurring after balance sheet date

The council is not aware of any matter or circumstances since the financial year end and the date of this report, not otherwise dealt with in the financial statements, which significantly affects the financial position of the council and the results of its operations.

22 Comparative figures

Previous year's figures have been reclassified wherever necessary to make them comparable to those of the current year

Detailed Operating Statement

Revenue	2021 ZMW	2020 ZMW
Grants	3,329,721	4,076,481
Fees	60,179,434	51,989,549
Other operating Income	6,092,588	2,516,173
Interest Income	379,679	161,457
	69,981,422	58,743,660
Operating expenses		
Audit fees	92,800	92,800
Available & Accessible Equipment for Hire	-	110,168
Bank charges	139,563	129,557
Consumables and cleaning material	598,784	373,594
Canteen expenses	494,646	307,095
Communication	439,467	294,350
Cobblestone technology expense	86,700	31,753
Depreciation	1,816,181	2,195,013
Sage annual subscription	367,484	352,502
Loss on disposal	-	101,017
Electricity and water	277,779	230,673
Expenses for hire of equipment	53,931	26,389
Fuels and oils	1,796,003	1,914,954
Finance lease charge	158,632	246,481
Freight & Courier Charges	57,152	47,229
Plant/Machine operators course	112,050	16,660
Sanitary Collection	9,000	35,755
Insurance and taxes	426,404	527,297
Staff professional membership	118,350	107,143
Printing and stationery	1,803,921	1,138,494
Procurement Committee Expenses	46,668	154,339
Sundry accounting expenses	67,850	49,122
Provision for impairment losses	-	5,193,916
Rates and rents	203,702	200,523
Repairs and maintenance	1,642,351	1,243,969
Staff workshops & seminars	706,116	328,256
Road construction & maintenance course	143,727	218,862
Tractor demonstration unit	142,202	318,018
Protective clothing and uniforms	320,270	312,970
Travel local and international executive director	279,478	133,118
Security services	274,774	293,764
Women’s day celebrations	149,200	124,937
Labour day celebrations	180,000	-
Youth day celebrations	70,958	40,120
Gender commemoration	73,075	56,340
Newspapers	75,369	-
Refuse collection	37,144	29,974
African development bank – capacity building	20,480	576,102
	13,392,379	17,443,086

	2021	2021
Strategic plan output driven costs	**ZMW**	**ZMW**
Improved competence levels	105,165	145,359
Attitude change to work	-	4,451
Contractor development program	-	4,802
Coordinated organisational performance	149,755	149,081
Centralised management information systems	99,839	-
Reliable ICT infrastructure	1,817,995	1,084,847
Assured internal controls	-	60,456
Harmonised construction registration	43,925	-
Effective corporate governance	1,196,911	1,731,639
Increased student enrolments	16,750	19,816
Enhanced employment opportunities in labour	405,508	156,040
Enhanced partnership	39,669	6,000
Enhanced laboratory	109,720	95,259
Enterprise Risk Management	-	43736
Coordinated trade in services	-	1,744
Enhanced contractor registration	2,100	94,001
Earth Moving Equipment Course	10,400	-
Construction Material Testing Course	136,712	-
Lobito	943,810	-
Enhanced Training of Skilled Workers &Site Supervisors	44,980	-
Enhanced use of Local Construction Materials	73,022	-
Enhanced compliance	601,923	429,424
Construction standards developed	-	80,434
Enhanced corporate communications	196,565	387,201
Reduced corruption incidences	67,100	28,600
Quality construction works	78,141	44,520
Enhanced NCC visibility	193,531	16,000
New revenue sources	-	5,744
	6,333,521	4,589,154

Staff costs		
Salaries and wages	17,367,452	18,345,962
NAPSA	899,297	1,067,733
PAYE	10,019,303	10,059,039
Pension contribution	2,638,097	2,489,656
Group life assurance	277,101	465,135
Medical expenses	1,832,144	1,385,936
Leave benefits	3,387,168	2,711,739
Staff welfare	463,309	623,861
Workers compensation	43,753	37,099
Gratuity contributions	1,229,888	642,459
Staff acting allowance	912,701	410,286
Internships costs	239,258	126,647
National Health Insurance	428,824	250,680
Overtime allowance	585,732	415,103
	42,499,870	39,031,335
Total Expenses	62,225,771	61,063,575
Surplus/(Deficit) for the year	7,755,652	(2,319,915)

NCC

NATIONAL COUNCIL FOR CONSTRUCTION