



**NATIONAL COUNCIL  
FOR CONSTRUCTION**

# **2024 ANNUAL REPORT**



# Message from the Board Chairperson



On behalf of the Board of Directors of the National Council for Construction (NCC), I am pleased to present the 2024 Annual Report, which outlines the NCC's performance, governance outcomes, and strategic progress during the year under review.

The construction sector remains a cornerstone of Zambia's socio-economic development, underpinning growth in infrastructure, employment creation, skills development, and private sector participation. As a statutory regulator, promoter, and capacity-building institution, NCC occupies a critical position in ensuring that construction activities across the country are executed in a professional, ethical, and sustainable manner. The Board remains fully committed to providing effective policy oversight that supports this mandate while safeguarding public interest and promoting industry confidence.

During 2024, the Board continued to discharge its responsibilities in line with the NCC Act No. 10 of 2020, with particular focus on strengthening governance, enhancing regulatory effectiveness, and aligning institutional performance to the 2022–2026 Strategic Plan.

The year under review was characterised by a dynamic operating environment, influenced by market fluctuations, evolving policy expectations, and increased public demand for accountability in infrastructure delivery. In response, the Board provided policy guidance aimed at reinforcing compliance, improving service delivery, and strengthening institutional resilience. Key areas of oversight included contractor and project registration systems, inspection and enforcement outcomes, financial sustainability, and capacity-building interventions across the construction value chain.

Notably, the Board took cognisance of the NCC's sustained regulatory presence during 2024, as evidenced by increased inspection activity, strengthened enforcement actions, and improved project monitoring outcomes. These efforts are essential in upholding quality standards, ensuring public safety, and reinforcing professionalism within the industry. The Board also noted progress made in expanding stakeholder engagement, including collaboration with Government agencies, local authorities, training partners, and cooperating institutions.

In line with its policy role, the Board continued to emphasise inclusiveness and citizen participation in the construction sector. While recognising the dominance of Zambian-owned firms in contractor registration, the Board remains concerned about persistent disparities in project value participation and gender representation within the industry. These issues underscore the need for continued



policy interventions that promote equitable access, skills development for women and youth, and enhanced participation of local enterprises in high-value projects.

The National Construction School (NCS) remains a key strategic asset for the Council in this regard, the Board provided policy direction to strengthen training relevance, curriculum review, and alignment with national development priorities, including labour-based technologies, climate-resilient construction, and occupational safety and health standards. The Board is encouraged by ongoing efforts to position the NCS as a responsive and industry-driven centre of excellence.

The Board also exercised oversight over financial and administrative matters, ensuring that resources were managed prudently and aligned with strategic priorities. Despite operating within a constrained resource environment, the NCC maintained financial stability through disciplined expenditure management and diversified revenue streams.

As we look ahead, the Board remains focused on steering the Council towards the successful implementation of the remaining period of the 2022–2026 Strategic Plan. Priority areas

include enhanced digitalisation of core business processes, strengthened compliance mechanisms, expanded regional presence, and deeper stakeholder partnerships. These interventions are critical to positioning NCC as a modern, responsive, and credible regulator in an evolving construction landscape.

On behalf of the Board, I extend sincere appreciation to the Minister of Infrastructure, Housing and Urban Development for policy guidance, to our cooperating partners and stakeholders for their continued collaboration, and to Management and staff of NCC for their dedication and professionalism during the year under review.

The Board reaffirms its commitment to providing sound policy oversight and strategic leadership in pursuit of NCC's Vision of "A Robust and Competitive Zambian Construction Industry."

A handwritten signature in black ink, appearing to read 'Situmbeko', written in a cursive style.

**Eng. Ngenda Situmbeko**

Board Chairperson

## BOARD OF DIRECTORS



**Eng. Ngenda Situmbeko**  
Board Chairperson



**QS. Collins Mabuku Sitali**  
Vice Chairperson



**Dr. Richard Banda**  
Board Member



**Mr. Edgar Siakacoma**  
Board Member



**Ms. Mutinta Mushabati Pensulo**  
Board Member



**Arch. Luse Namutowe Katanekwa**  
Board Member



**Eng. Fanizani Phiri**  
Board Member



**Mrs. Rudo Banda**  
Board Member



**Prof. Paul L. K Makasa**  
Board Secretary

## MESSAGE FROM THE EXECUTIVE DIRECTOR



The 2024 Annual Report provides an opportunity to reflect on the operational performance of the National Council for Construction and to account for progress made in implementing our mandate during the year under review.

Guided by the NCC Act No. 10 of 2020 and the 2022–2026 Strategic Plan, Management remained focused on delivering effective regulation, promoting industry development, and strengthening capacity across the construction sector. Our operational priorities were anchored on improving compliance, enhancing service delivery, and ensuring that our interventions remained responsive to the needs of industry stakeholders.

During 2024, the Registration and Regulation Department continued to play a central role in upholding standards and professionalism within the sector. A total of 13,431 contractors were registered, with Zambian-owned firms accounting for the majority. While this

represented a marginal decline from the previous year, the registration profile reflected sustained engagement with the regulatory framework and continued confidence in NCC's systems.

Inspection and enforcement activities intensified during the year, with a notable increase in the number of construction projects inspected nationwide. These efforts resulted in improved compliance outcomes, enforcement actions where necessary, and increased project completions compared to the previous year. Monitoring of project market share and employment distribution further provided valuable insights into sector dynamics, including the need to address gender imbalances and enhance local participation in high-value projects.

The National Construction School remained a key delivery arm for capacity building. In 2024, the School conducted TEVET-accredited programmes and short intensive courses aimed at strengthening technical, supervisory, and management skills within the industry. While overall participation demonstrated strong demand for practical training, enrolment levels highlighted the need for enhanced outreach, flexible delivery modes, and targeted support for women and youth.

The Materials Testing Laboratory contributed to quality assurance efforts and revenue generation, despite fluctuations linked to project-based demand. Management has identified opportunities to expand services, secure longer-term engagements, and improve marketing in order to stabilise and grow this function.

From an administrative and financial perspective, the Council maintained operational stability throughout the year. Prudent financial management ensured alignment between revenue and expenditure, while investments in ICT infrastructure

supported improved connectivity and system reliability across regional offices. Progress was also made in reviewing ICT policies and aligning systems with strategic digitalisation objectives.

Human resource development remained a priority, with continued support for staff training, wellness initiatives, and performance management. The increase in staff complement reflected efforts to strengthen operational capacity, even as Management remained mindful of the need to optimise resources and improve efficiency.

Public relations and stakeholder engagement activities enhanced visibility of NCC's mandate and services through media engagements, national events, exhibitions, and digital platforms. These initiatives supported awareness, compliance, and access to training and regulatory services.

As we look ahead, Management remains

committed to consolidating the gains made in 2024 while addressing identified gaps. Key priorities include advancing digitalisation of registration and monitoring systems, expanding training partnerships, strengthening compliance mechanisms, and improving turnaround times for service delivery.

I wish to express my appreciation to the Board of Directors for strategic guidance, to the Ministry of Infrastructure, Housing and Urban Development for policy support, and to our stakeholders for their continued collaboration. I also commend the Management team and staff for their dedication and professionalism.

Together, we remain focused on delivering a responsive, efficient, and credible institution.

A handwritten signature in black ink, appearing to read 'Paul L. K. Makasa'.

**Prof. Paul L. K. Makasa**

## SENIOR MANAGEMENT



**Prof. Paul L. K. Makasa**  
Executive Director



**Arch. Chance Kaonga**  
Director Registration and  
Regulation



**Eng. Wendy N. Mukape**  
Principal Construction  
School



**Mr. Kabondo L. Muntanga**  
Director Finance and  
Administration



**Ms. Tumba Makayi**  
Manager Internal Audit



**Mr. Mfanyana Madima**  
Legal counsel

## LIST OF ACRONYMS

<b>CDF</b>	Constituency Development Fund
<b>CPD</b>	Continuous Professional Development
<b>EIA</b>	Environmental Impact Assessment
<b>EPB</b>	Environmental Project Brief
<b>ICT</b>	Information and Communications Technology
<b>MoU</b>	Memorandum of Understanding
<b>NCC</b>	National Council for Construction
<b>NCS</b>	National Construction School
<b>OSHE</b>	Occupational Safety, Health and Environment
<b>PPP</b>	Public – Private Partnership
<b>TEVET</b>	Technical Education, Vocational and Entrepreneurship Training
<b>WAN</b>	Wide Area Network
<b>ZAFOD</b>	Zambia Federation of the Disabled
<b>ZEMA</b>	Zambia Environmental Management Agency
<b>ZITF</b>	Zambia International Trade Fair



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# 1. Introduction

National Council for Construction (NCC) is a statutory body established under the ACC Act No. 10 of 2020 to regulate, promote, and build the capacity of the construction industry in Zambia. NCC ensures that construction activities are carried out in a professional, ethical, and sustainable manner.



## MISSION

The mission of the NCC is to regulate, promote, and build capacity in the construction industry for sustainable infrastructure development.



## VISION

NCC envisions a robust and competitive Zambian construction industry.

## CORE VALUES

The Council upholds the values of:



- Efficiency



- Environmentalism



- Fairness



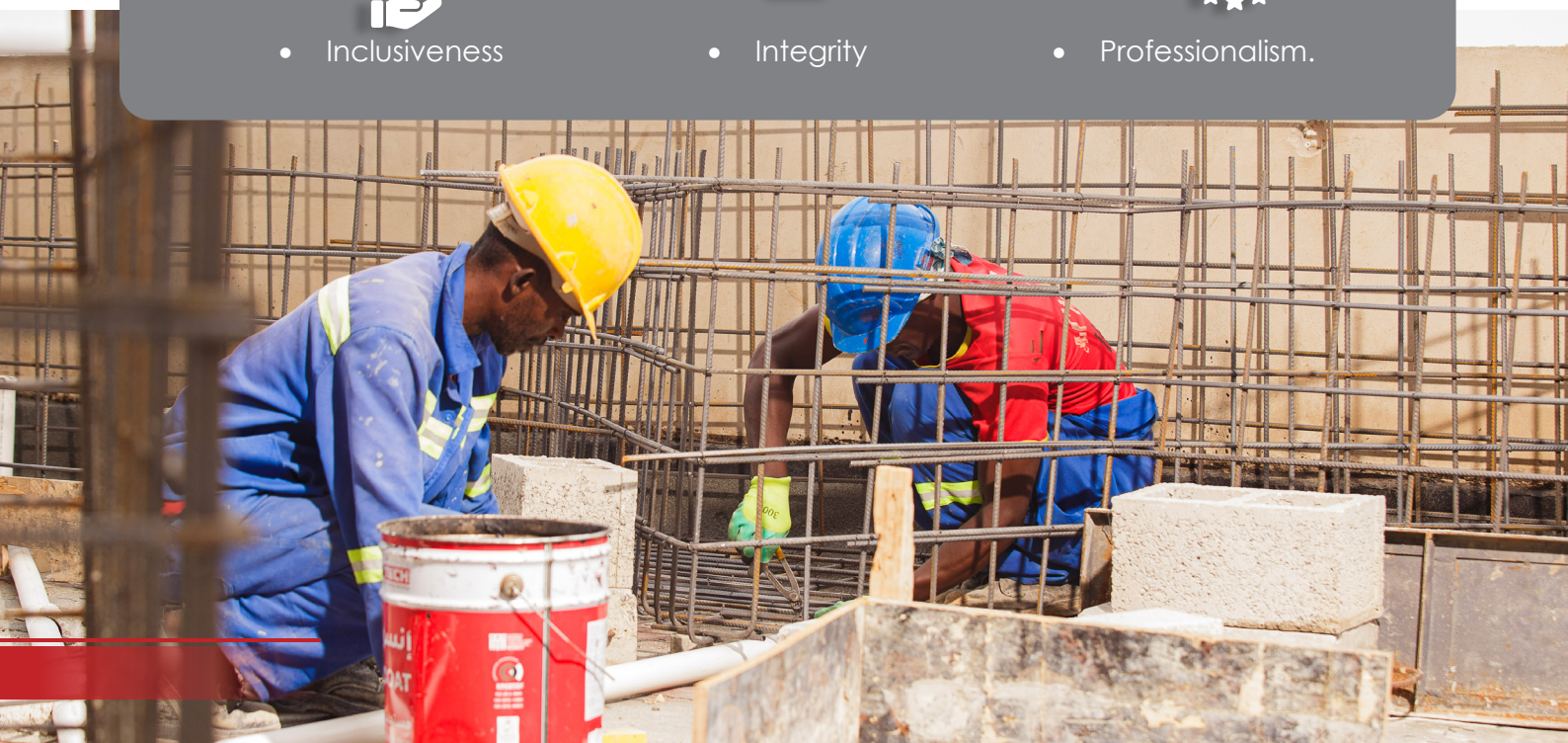
- Inclusiveness



- Integrity



- Professionalism.



## 2. Key Activities Undertaken in 2024

In order to effectively undertake its mandate, NCC is administratively divided into three main departments namely:

1. Registration and Regulation
2. National Construction School; and
3. Finance and Administration

This report therefore details activities undertaken by the three Departments in 2024.

### 2.1 REGISTRATION AND REGULATION

The Registration and Regulation Department plays a pivotal role in ensuring compliance, efficiency, and professionalism within Zambia's construction sector. The department is responsible for contractor registration, construction project monitoring, compliance

enforcement, and stakeholder engagements. By maintaining a robust regulatory framework, it enhances the credibility and growth of the construction industry, ensuring that all players adhere to established legal and ethical standards.

#### 2.1.1 CONTRACTOR REGISTRATION

In 2024, NCC registered a total of 13,431 contractors, marking a 4.7% decrease from the 14,096 registered in 2023. The decline was attributed to fewer market projects and non-renewals. Of the total registrations, 97.6% were Zambian-owned firms, while 2.4% were

foreign-owned. Most of The highest number of registrations handled consisted of renewals, accounting for 86.9%, followed by upgrades at 7.8%, first-time registrations were at 4.2%, and downgrades were at 1%. This is illustrated in Table 1.

**Table 1: 2024 Registrations by Grade and Category**

GRADE	CLASSIFICATION / CATEGORISATION									TOTALS
	OWNERSHIP	B	C	E	M	ME	R	S-A	S-B	
1	Zambian	42	21	7	11	2	30			113
	Foreign	71	42	28	38	7	37			223
	<b>TOTAL</b>	<b>113</b>	<b>63</b>	<b>35</b>	<b>49</b>	<b>9</b>	<b>67</b>			<b>336</b>
2	Zambian	66	18	27	11	3	48			173
	Foreign	34	15	22	12	4	9			96
	<b>TOTAL</b>	<b>100</b>	<b>33</b>	<b>49</b>	<b>23</b>	<b>7</b>	<b>57</b>			<b>269</b>
3	Zambian	89	75	75	6	6	101			352
4	Zambian	399	253	193	45	24	238			1,152
5	Zambian	1,258	526	357	140	55	952			3,288
6	Zambian	3,639	1,248	727	635	242	1520			8,011
S-CLASS	Zambian							1	20	21
	Foreign							2	0	2
<b>TOTALS</b>		<b>5598</b>	<b>2198</b>	<b>1436</b>	<b>898</b>	<b>343</b>	<b>2935</b>	<b>3</b>	<b>20</b>	<b>13,431</b>

NCC has three Regional Offices in the Country i.e. Central covering Lusaka, Central and Eastern Provinces), Northern Region (Copperbelt, North western, Luapula, Northern and Muchinga Provinces) and Southern Region ( Southern and Western Provinces) In

this regard, The Central Region recorded the highest number of contractor registrations, accounting for 66.8% of the total, while the Northern and Southern regions accounted for 26.7 and 6.5 respectively.

### 2.1.2 MONITORING AND ENFORCEMENT

During the fourth quarter of 2024, NCC conducted inspection of 718 construction projects nationwide, representing a 32% increase from the 544 projects inspected in the fourth quarter of 2023. Compliance enforcement measures included issuing warnings to 40 contractors and 5 clients,

charging 36 contractors and 5 clients, closing down 20 construction sites, and noting 259 stalled or abandoned sites. Project completions also improved significantly, with 96 projects completed in the fourth quarter of 2024, a 55% increase from 62 in the corresponding quarter of 2023.

### 2.1.3 PROJECT MARKET SHARE

Zambian-owned contractors accounted for 18.11% of the total project value, slightly decreasing from 18.52% in the fourth quarter of 2023. Foreign-owned contractors dominated

the sector, controlling 81.89% of total project values. The trend the Council was actively addressing as it was worrisome.

### 2.1.4 EMPLOYMENT DISTRIBUTION

The total workforce employed in the construction sector stood at 21,555 in the fourth quarter of 2024, an 86% increase from 11,566 recorded during the same period in 2023. Zambian employees constituted 96.6% (20,826) of the workforce. However,

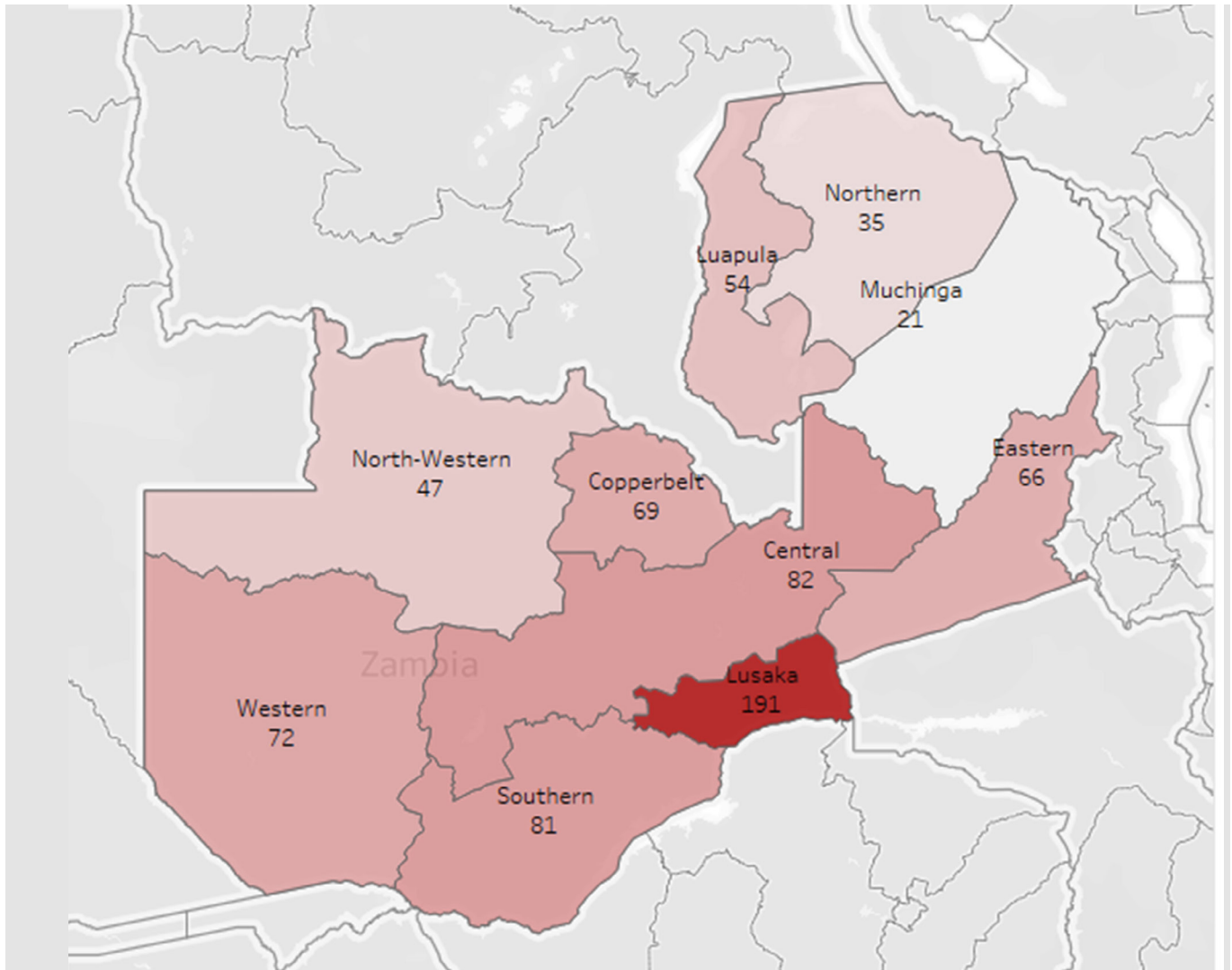
gender disparity remained a concern, with the workforce being 95% male and only 5% female.



## 2.1.5 REGISTRATION OF CONSTRUCTION PROJECTS

A total of 203 construction projects were registered in 2024. The fourth quarter saw a sharp increase in registrations, reaching 160 compared to 45 in the same period of 2023.

The General Building and Housing category accounted for the highest number of registered projects, totaling 126.



**Figure 1: Map of Project distribution by Province**

## 2.1.6 STAKEHOLDER ENGAGEMENTS

NCC participated in the evaluation of bids for two road projects under the Public-Private Partnership framework. Additionally, it reviewed Environmental Impact Assessments (EIAs) and Environmental Project Briefs (EPBs)

for the Zambia Environmental Management Agency (ZEMA). The Council also intervened in unauthorized construction activities with the local authority in Lusaka.

## 2.2 NATIONAL CONSTRUCTION SCHOOL

In 2024, the National Construction School remained committed to its mandate of enhancing skills development in the construction sector through specialized training programs. The school played a pivotal role in equipping industry professionals with

essential competencies, offering a range of short intensive courses tailored to meet the evolving demands of the construction industry. This section highlights key achievements, aimed at strengthening the school's impact and relevance in the industry.

### 2.2.1 TRAINING PROGRAMS

In 2024, the National Construction School (NCS) conducted six Technical Education Vocational and Entrepreneurship Training (TEVET) accredited courses, as outlined in Table 2.

**Table 2: TEVET courses conducted in 2024 by the NCS**

Course	Male	Female	Total
Construction Materials Testing	5	2	7
Earth Moving Plant Operation	89	6	95
Management of Civil Engineering Construction Processes	13	1	14
Occupational Safety, Health and Environment (OSHE)	7	2	9
Road Construction and Maintenance Supervision	47	9	56
Sustainable building works supervision	7	0	7
<b>Total</b>	<b>168</b>	<b>20</b>	<b>188</b>

A total of 188 trainees participated in these programs, with youth comprising 77% of the total enrollment. However, female participation remained significantly low at 10%. A total of

15 trainees received sponsorship through the Constituency Development Fund (CDF). Despite the overall success of the programs, enrollment fell short of expectations.

### 2.2.2 SHORT INTENSIVE COURSES

The short intensive courses offered by the National Construction School reveals a strong demand for training in key construction-related skills. A total of 473 participants enrolled

across five courses, with 403 males (85.2%) and 70 females (14.8%), highlighting a significant gender disparity. This is shown in Table 3.

**Table 3: Attendance to Short intensive courses in 2024**

Course	Male	Female	Total
Contracts Management	107	17	124
Site Supervision	121	18	139
Occupational Safety, Health and Environment (OSHE)	41	17	58
Pricing of Construction works	36	6	42
Responsive bid preparation	25	4	29
<b>Total</b>	<b>403</b>	<b>70</b>	<b>392</b>

The most attended course was Site Supervision, which accounted for 139 participants

(35.5%), emphasizing the industry's need for skilled supervisors. This was followed by

Contracts Management, which attracted 124 participants (31.6%), demonstrating the importance of legal and contractual knowledge in construction.

The Occupational Safety, Health, and Environment (OSHE) course had 58 participants (14.8%), reflecting a growing awareness of workplace safety and compliance in the

### 2.2.3 MATERIALS TESTING LABORATORY

The Materials Testing Laboratory conducted 42 tests on construction materials in 2024, generating a total revenue of K301,667.00. The highest earnings were recorded in the third quarter at K151,800.00, while the lowest revenue was in the fourth quarter at K59,317.00. The unit faced challenges related to revenue

### 2.2.4 OTHER KEY ACTIVITIES

NCC collaborated with Zambia Sugar Plc to train 22 Site Agents, 42 Site Foremen and 21 Artisans in Building Construction Works through the Recognition of Prior Learning programme. The training incorporated the rehabilitation of two housing units, which were used as practical demonstration sites to strengthen hands-on skills development.

In partnership with the Ministry of Commerce, Trade and Industry and NCC signed a Memorandum of Understanding and trained 42 Small and Medium Enterprises in Road Construction and Maintenance under the Lobito Trade Facilitation Project, financed by the African Development Bank.

Under the Improved Rural Connectivity Project, funding was allocated for the construction of 8 kilometres of selected roads in Chibombo District using Labour-Based Technologies. This initiative was designed to demonstrate the potential of labour-based approaches to generate employment, which is a core objective of the project. As the national provider of Labour-Based Technology training,

sector. Meanwhile, Pricing of Construction Works enrolled 42 participants (10.7%), indicating moderate interest in cost estimation and budgeting. The least subscribed course was Responsive Bid Preparation, with only 29 participants (7.3%), suggesting that fewer professionals are seeking training in competitive bidding, despite its critical role in securing contracts.

fluctuations due to project-based demand. To address this, recommendations included expanding service offerings, securing long-term contracts, and enhancing marketing efforts to ensure more consistent revenue streams.

NCC was mandated to spearhead the implementation of this component.

In collaboration with TEVETA, NCC funded the curriculum review of the Diploma in Highway Engineering and the Diploma in Building Works Monitoring and Management. Following the review process, the National Construction School was scheduled to commence offering these diploma programmes in 2025.

As part of its broader strategy to enhance industry capacity and promote inclusive development, NCC, through the NCS, pursued Memoranda of Understanding with key stakeholders including Bridges to Prosperity and Caltech Materials Testing Laboratory.

NCC participated in the Zambia Energy Efficiency and Sustainable Transformation (ZEEST) Programme supported by the European Union in collaboration with the Ministry of Finance and the Ministry of Energy. Through this programme, NCC received energy audit equipment and office equipment to support the establishment of an Energy Efficiency Advisory Unit.

Additionally, the Ministry of Education engaged NCC to train Assistant Building Officers across all districts of Western Province. These officers will be responsible for supervising and monitoring block moulding and construction works

on site. A total of sixteen Assistant Building Inspectors were trained in block moulding, drawing interpretation, quality assurance and an introduction to contract management.

## 2.3 FINANCE AND ADMINISTRATION

The Finance and Administration Department continued to make notable progress in financial management, budgeting, and fostering a motivated workforce. The department remained focused on improving administrative efficiency despite challenges such as limited financial resources and the need for greater technological integration.

To sustain and build on these achievements,

the department is prioritizing:

- Enhanced financial planning for resource optimization.
- Continuous staff training to strengthen competencies.
- Improved compliance mechanisms for financial and operational integrity.
- Greater interdepartmental coordination to enhance overall efficiency.

### 2.3.1 FINANCIAL PERFORMANCE

In 2024, the organization maintained a stable financial position, recording revenue and expenditure in line with operational and strategic objectives. While revenue generation was influenced by market trends, project cycles, and economic conditions, prudent financial management ensured the efficient

allocation of resources. Key revenue streams included registration, verification and penalty fees, grants, and strategic partnerships, while expenditures were primarily directed toward operational costs, capacity-building initiatives, and infrastructure improvements.

### 2.3.2 HUMAN RESOURCE AND ADMINISTRATION

This unit continued to prioritize the development of a skilled and capable workforce by supporting NCC staff participation in Continuous Professional Development (CPD) activities. This effort was aimed at improving

service delivery in response to the changing business environment. In addition, NCC fostered a supportive atmosphere for staff members wishing to pursue further education.

#### 2.3.2.1 Staff Complement

As of December 31, 2024, the total staff count stood at ninety-eight (98), reflecting a variance of twenty-two (22) from the approved staff establishment of one hundred and twenty (120). This marks an increase from the eighty-nine (89) staff members recorded in 2023. The net increase was due to new hires, despite separations resulting from death, resignation,

and dismissals.

Table 4 outlines the current staff distribution as of December 31, 2024, by office:

**Table 4: Staff Complement by Region and Gender**

Region	Male	Female	Grand Total
Head Office	46	27	<b>73</b>
Central	6	4	<b>10</b>
Northern	4	4	<b>8</b>
Southern	6	1	<b>7</b>
<b>Totals</b>	<b>62</b>	<b>36</b>	<b>98</b>

In 2024, four (4) staff separations occurred, while two (2) disciplinary cases were attended to.

### 2.3.2.2 Staff Wellness Activities

NCC continued to exploit the established Wellness Scheme to promote a healthy workforce through fitness programs and encouragement of healthy lifestyle. Under the scheme, employees are encouraged to

participate in structured physical activities and health talks as organized by the institution. During the year under review, employee relations remained cordial between management and employees.

### 2.3.2.3 Staff Recognition Activities

The national Labour Day commemoration was marked by honoring several staff members for their exceptional performance and significant contributions towards NCC's institutional

objectives. The theme for the 2024 day was "Building Resilience: Workers at the Heart of Zambia's Economic Recovery."

### 2.3.2.4 Internships

Throughout the year, NCC maintained its commitment to community mentorship by offering fifteen (15) internship opportunities. Interns were involved across various

departments including Human Resources, Workshop, Accounts, Audit, Construction School, Registration and Regulation at NCC.

## 2.3.3 INFORMATION COMMUNICATIONS TECHNOLOGY (ICT)

In 2024, the ICT unit continued to play a critical role in driving operational efficiency and service excellence. Through proactive system support and maintenance, the unit ensured the seamless availability of computing and communication infrastructure essential for business operations. Key initiatives included server upgrades, user PC enhancements, network stabilization, and the reconfiguration of the Wide-Area-Network (WAN) to establish a direct and more efficient connection between regional offices and the head office.

Additionally, the unit undertook a comprehensive review of the ICT policy,

streamlining governance and administrative frameworks to enhance ICT management. Progress was also made in the ongoing review of the ICT strategy, ensuring alignment with the NCC 2022–2026 Strategic Plan.

Looking ahead, the ICT unit's priorities include:

- Digitalization and automation of core business processes.
- Enhancing IT infrastructure to ensure business continuity.
- Strengthening cybersecurity through a robust information security framework to safeguard digital assets.

### 2.3.4 PUBLIC RELATIONS

The Public Relations Section continued to ensure strategic communication, stakeholder engagement, media relations, and brand visibility. Through targeted initiatives, the PR Section enhanced public awareness of NCC's mandate, activities, and achievements, reinforcing its commitment to fostering a robust and competitive construction industry in Zambia.

The section conducted 4 press briefings and media engagements to communicate NCC's policies, projects, and regulatory updates. The section facilitated over 40 media appearances across television, radio, and digital platforms,

increasing NCC's visibility.

During the year NCC successfully participated in national events such as International Womens' Day, Labour Day and 16 Days of Gender Activism. NCC also participated in the Zambia International Trade Fair (ZITF) and the Agricultural and Commercial Show.

The section also continued to provide updates for the NCC social media pages with information related to NCC activities, regulatory requirements and capacity building programmes available with NCC.

## 2.4 FUTURE OUTLOOK

In 2024, NCC remained steadfast in its commitment to regulating, promoting, and building capacity within the construction industry. Through strategic initiatives, policy enhancements, and stakeholder engagements, NCC continued to foster a robust and competitive sector, ensuring quality standards, skills development, and sustainable infrastructure growth.

Despite challenges such as fluctuating market conditions, resource constraints, and industry compliance issues, NCC implemented progressive reforms, capacity-building programs, and digital transformation efforts to enhance service delivery.

Moving forward, NCC remains dedicated to strengthening regulatory frameworks, fostering innovation, and expanding industry partnerships to drive inclusive and sustainable growth in the construction sector.

As we look ahead to 2025, NCC will continue to champion efficiency, integrity, and professionalism, ensuring that Zambia's construction industry remains resilient, competitive, and globally aligned



**NATIONAL COUNCIL  
FOR CONSTRUCTION**

REPORT AND FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED

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**31 DECEMBER 2024**



**National Council for Construction  
For the year ended 31 December 2024**

**CORPORATE INFORMATION**

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**Nature of business and 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.

**Directors who held office**

Hon. Eng. Vitalis M. Mooya	- Chairperson-Retired on 8 May 2025
Eng. Ngenda Situmbeko	- Vice Chairperson-Retired on 8 May 2025
Mrs. Mutinta Mushabati Pensulo	- Member-Retired on 8 May 2025
Mr. Edgar Siakacoma	- Member-Retired on 8 May 2025
Eng. Stephen Malubila	- Member-Retired on 8 May 2025
Ms. Pule Kumalinga	- Member Retired on 8 May 2025
Qs. Keith K Mateyo	- Member- Retired on 8 May 2025
Dr. Richard Banda	- Member-Retired on 8 May 2025
Ms. Luse Katenekwa	- Member-Retired on 8 May 2025

Note: The above directors served during the financial year and retired prior to the signing of these financial statements.

**Directors appointed after the financial year end**

Eng. Ngenda Situmbeko	- Chairperson-Appointed on 9 May 2025
QS. Collins Mabuku Sitali	- Vice Chairperson-Appointed on 1 August 2025
Mr. Edgar Siakacoma	- Member-Appointed on 9 May 2025
Mrs. Mutinta Mushabati Pensulo	- Member-Appointed on 9 May 2025
Arch. Luse Namutowe Katanekwa	- Member-Appointed on 9 May 2025
Dr. Richard Banda	- Member-Appointed on 9 May 2025
Mrs. Rudo Banda	- Member Appointed on 9 May 2025
Eng. Fanizani Phiri	- Member- Appointed on 9 May 2025
Prof. Paul Makasa	- Secretary

Note: These appointments occurred subsequent to the financial year end and prior to the approval of these financial statements.

**Senior Management**

Prof. Paul.L.K.Makasa	- Executive Director
Arch. Chance Kaonga	- Director Registration and Regulation
Mr.Kabondo L.Muntanga	- Director Finance and Administration
Eng. Wendy.N.Mukape	- Principal Construction School
Ms.Tumba Makayi	- Manager Internal Audit
Mr.Mfanyana Madima	- Legal counsel

**Registered Office and Principal Place of Business**

Plot 1612/1623, Luchengo Road

Off Sheki Sheki Road, Light Industrial Area  
P.O. Box 39548  
Lusaka

**Bankers**

Zambia National Commercial Bank Limited  
Farmers House, Central Park  
CNR Cairo Road & Church Road  
P.O. Box 30228  
Lusaka

First National Bank Zambia Limited  
Stand number 22768  
CNR Great East Road and Thabo Mbeki Road  
P. O. Box 36187  
Lusaka

Absa Bank Zambia Plc  
Elunda office  
Plot 4643 and 4644  
Addis Abba Round about  
Rhodes Park  
Lusaka

Atlas Mara Bank Zambia Limited  
Chanik House  
Cairo Road  
Lusaka

**Auditors**

Mark Daniels Chartered Accountants  
CHAZ Complex  
Plot No.2882/B/5/10  
Third Floor, Suite F3-10/F3-11  
Off Great East Road  
Mission Drive, Waters  
Lusaka



NATIONAL COUNCIL FOR CONSTRUCTION  
Report and Financial Statements  
For the year ended 31 December 2024

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NATIONAL COUNCIL FOR CONSTRUCTION  
 Directors' Report  
 For the year ended 31 December 2024

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The Directors submit their report together with the audited financial statements for the year ended 31 December 2024, 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

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Income	<u>72,162,398</u>	<u>67,050,922</u>
Expenditure	<u>(83,972,613)</u>	<u>(70,798,310)</u>
Deficit for the year	<u><u>(11,810,214)</u></u>	<u><u>(3,747,388)</u></u>

The deficit of ZMW 11.8 million for the year has been deducted from accumulated funds compared to a deficit of (2023: ZMW 3.7 million).

### NUMBER OF EMPLOYEES AND REMUNERATION

The total remuneration of employees during the period amounted to ZMW 48.2 million (2023: ZMW 43.8 million). The numbers of employees in 2024 were 98 (2023:83).

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 0.074 million (2023: ZMW4.1 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 (2023: ZMW Nil).

### EVENTS AFTER THE REPORTING DATE

There were no significant events after the reporting date



NATIONAL COUNCIL FOR CONSTRUCTION  
Directors' Report  
For the year ended 31 December 2024

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**DIRECTORS**

The Members of the Board, who held office during the year under review:

Hon. Eng. Vitalis M. Mooya	-	Chairperson-Retired on 8 May 2025
Eng. Ngenda Situmbeko	-	Vice Chairperson-Retired on 8 May 2025
Mrs. Mutinta Mushabati Pensulo	-	Member-Retired on 8 May 2025
Mr. Edgar Siakacoma	-	Member-Retired on 8 May 2025
Eng. Stephen Malubila	-	Member-Retired on 8 May 2025
Ms. Pule Kumalinga	-	Member Retired on 8 May 2025
Qs. Keith K Mateyo	-	Member- Retired on 8 May 2025
Dr. Richard Banda	-	Member-Retired on 8 May 2025
Ms. Luse Katenekwa	-	Member-Retired on 8 May 2025

Note: The above directors served during the financial year and retired prior to the signing of these financial statements.

Directors appointed after the financial year end

Eng. Ngenda Situmbeko	-	Chairperson-Appointed on 9 May 2025
QS. Collins Mabuku Sitali	-	Vice Chairperson-Appointed on 1 August 2025
Mr. Edgar Siakacoma	-	Member-Appointed on 9 May 2025
Mrs. Mutinta Mushabati Pensulo	-	Member-Appointed on 9 May 2025
Arch. Luse Namutowe Katanekwa	-	Member-Appointed on 9 May 2025
Dr. Richard Banda	-	Member-Appointed on 9 May 2025
Mrs. Rudo Banda	-	Member Appointed on 9 May 2025
Eng. Fanizani Phiri	-	Member- Appointed on 9 May 2025
Ms. Luse Katenekwa	-	Member- Appointed on 9 May 2025
Prof. Paul Makasa	-	Secretary

Members of the management of the council during the year were as follows:

**Senior Management**

Prof. Paul.L.K.Makasa	-	Executive Director
Arch. Chance Kaonga	-	Director Registration and Regulation
Mr. Kabondo L. Muntanga	-	Director Finance and Administration
Eng. Wendy.N.Mukape	-	Principal Construction School
Ms. Tumba Makayi	-	Manager Internal Audit
Mr. Mfanyana Madima	-	Legal Counsel

**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 ordinary Meeting.

By order of the Board

Council Secretary  
Lusaka

19th September 2025

NATIONAL COUNCIL FOR CONSTRUCTION  
Statement of Directors' Responsibilities  
For the year ended 31 December 2024

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Part II Sections 11 and 12 of the National Council for Construction Act No. 10 of 2020 require the Council to maintain proper books of accounts and to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Council and of the surplus or deficit for that period. In preparing these financial statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed the applicable accounting standards. The Directors are responsible for ensuring that the Council keeps proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Council. The Directors are also responsible for safeguarding the assets of the Council and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Part II Sections 11 and 12 of the National Council for Construction Act No. 10 of 2020, we the Directors of the Council are of the opinion that:

- a) The statement of financial position is drawn up so as to give a true and fair view of the state of the affairs of the Council as at 31 December 2024; and
- b) The statement of comprehensive income is drawn up so as to give a true and fair view of the performance of the Council for the year ended 31 December 2024;
- c) There are reasonable grounds to believe that the Council will be able to meet all its financial obligations and pay its debts as and when they fall due.

The Directors are also responsible for the Council's system of internal controls. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss.

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.

The financial statements which appear on pages 7 to 10 were approved by the Directors.

A handwritten signature in black ink, appearing to read 'Situmbeko'.

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**Eng. Ngenda Situmbeko**  
Board Chairperson

A handwritten signature in black ink, appearing to read 'Paul L K Makasa'.

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**Prof. Paul L K Makasa**  
Executive Director



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MINISTER OF INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT**

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### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of National Council for Construction, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of National Council for Construction as at 31 December 2024 and of its financial performance and cash flows for the year ended and have been properly prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. (IASB).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 4(a) in the financial statements, which indicated that the company's current liabilities exceeded its current assets by ZMW 29,694,638. As stated in the note, these events or conditions along with other matters, indicated that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, our opinion on the financial statements has not been qualified in this respect.

#### **Other information**

Directors are 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT (CONTINUED)**

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### **Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

Directors 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 conclusions 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 disclosures, 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 business activities within the Council to express an opinion on the financial statements.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MINISTER OF INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT  
(CONTINUED)**

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- 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.10 of 2020, 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.

*Mark Daniels*  
**Chartered Accountants  
Lusaka**

19th September **2025**

*WKKK Kasongo*  
Winston Kasongo AUD/F003127  
**Partner signing on behalf of the firm**



NATIONAL COUNCIL FOR CONSTRUCTION  
 Financial Statements  
 For the year ended 31 December 2024

**Statement of Income and Expenditure and Other comprehensive income**

	Notes	2024 ZMW	2023 ZMW
<b>Income</b>			
Grants	9(a)	3,070,663	3,691,450
Fees	9(a)	63,861,850	53,016,387
Other Income	9(b)	4,365,366	9,499,197
Interest Income	9(c)	<u>864,519</u>	<u>843,888</u>
<b>Total income</b>		72,162,398	67,050,922
<b>Operating Expenditure</b>			
Strategic plan output driven costs	10	(8,733,129)	(5,060,266)
Administrative expenses	10	(27,052,318)	(21,870,018)
Staff costs	10	<u>(48,187,165)</u>	<u>(43,868,026)</u>
<b>Deficit for the year</b>		<u>(11,810,214)</u>	<u>(3,747,388)</u>

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

The notes on pages 11 to 27 form an integral part of these financial statements.



NATIONAL COUNCIL FOR CONSTRUCTION  
Financial Statements  
For the year ended 31 December 2024

**Statement of financial position**

	Notes	2024 ZMW	2023 ZMW
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	14(a)	<u>30,708,413</u>	<u>33,511,728</u>
<b>Current assets</b>			
Inventories	15	1,141,945	1,011,857
Other receivables	12(a)	2,542,241	4,092,604
Cash and cash equivalents	12(b)	<u>11,206,656</u>	<u>5,674,198</u>
		<u>14,890,842</u>	<u>10,778,659</u>
<b>TOTAL ASSETS</b>		<b><u>45,599,255</u></b>	<b><u>44,290,387</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13(a)	31,085,508	18,123,731
Deferred Income	13(b)	10,936,666	13,020,650
Bank Loan	13(c)	<u>2,563,306</u>	<u>-</u>
		<u>44,585,480</u>	<u>31,144,381</u>
<b>FUNDS</b>			
<b>Capital and reserves</b>			
Capital grant	16(a)	6,801,722	7,123,739
Revaluation reserves	16(b)	14,555,761	15,010,629
Accumulated Fund	16(c)	<u>(20,343,708)</u>	<u>(8,988,362)</u>
		<u>1,013,775</u>	<u>13,146,006</u>
<b>TOTAL LIABILITIES AND FUNDS</b>		<b><u>45,599,255</u></b>	<b><u>44,290,387</u></b>

The notes on pages 11 to 27 form an integral part of these financial statements.

The financial statements on pages 7 to 27 were approved for issue by the board of directors on 19th September 2025 and signed on its behalf by:

Eng. Ngenda Situmbeko  
Board Chairperson

Prof. Paul L K Makasa  
Executive Director



NATIONAL COUNCIL FOR CONSTRUCTION  
 Financial Statements  
 For the year ended 31 December 2024

**Statement of changes in capital and reserves**

	<b>Capital Grants ZMW</b>	<b>Revaluation reserves ZMW</b>	<b>Accumulated funds ZMW</b>	<b>Total ZMW</b>
<b>Year ended 31 December 2023</b>				
At start of year	7,516,815	15,465,497	(5,695,842)	17,286,470
Amortisation of revaluation reserve	-	(454,868)	454,868	-
Amortisation of capital grants	(393,076)			(393,076)
<b>Comprehensive income</b>				
Deficit for the year	-	-	(3,747,388)	(3,747,388)
At end of year	7,123,739	15,010,629	(8,988,362)	13,146,006
<b>Year ended 31 December 2024</b>				
At start of year	7,123,739	15,010,629	(8,988,362)	13,146,006
Amortisation revaluation reserve		(454,868)	454,868	-
Amortisation of capital grants	(322,017)	-	-	(322,017)
<b>Comprehensive income</b>				
Deficit for the year	-	-	(11,810,214)	(11,810,214)
At end of year	6,801,722	14,555,761	(20,343,708)	1,013,775

The notes on pages 11 to 27 form an integral part of these financial statements.

NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

**Statement of cash flows**

		<b>2024 ZMW</b>	<b>2023 ZMW</b>
Deficit for the year	<b>Notes</b>	(11,810,214)	(3,747,388)
Adjustments for:			
Profit on disposal of assets		-	(1,407,960)
Depreciation (Note 14)		2,877,776	2,330,696
Amortisation of capital grants		(322,017)	(393,076)
Interest received		(864,519)	(843,888)
Changes in working capital:			
– inventory		(130,088)	217,318
– trade receivables		1,550,363	(628,442)
– Deferred income		(2,083,984)	(5,608,283)
– trade and other payables		<u>12,961,777</u>	<u>3,106,211</u>
Cash generated from/(used on) operations		2,179,094	(6,974,812)
Interest received		864,519	843,888
Net cash generated from/(used on) operating activities		<u>3,043,613</u>	<u>(6,130,924)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment	<b>14</b>	(74,461)	(4,112,763)
Proceeds sale of assets		-	1,442,897
Proceeds from bank loan		<u>2,563,306</u>	-
Net cash flows/(used on) investing activities		2,488,845	(2,669,866)
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>5,532,458</u>	<u>(8,800,790)</u>
<b>Movement in cash and cash equivalents</b>			
At start of year		5,674,198	14,474,988
Increase/(decrease)		<u>5,532,458</u>	<u>(8,800,790)</u>
At end of year	<b>12(b)</b>	<u>11,206,656</u>	<u>5,674,198</u>

The notes on pages 11 to 27 form an integral part of these financial statements.

NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

## Notes

### 1 General information

The National Council for Construction is a body corporate established under the National Council for Construction Act No. 10 of 2020. 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 2024

Title	Key requirements	Effective date*
Amendments to IFRS 16	These amendments address lease liability in a sale and leaseback transaction. For entities that engage in sale and lease back transaction, these amendments will affect how lease liabilities are measured and accounted for. There will be need to reassess and possibly update accounting policies to comply with these changes.	1 January 2024
IAS 1 Presentation of financial statements	Amendments related to the classification of liabilities as current or non-current and non-current liabilities with covenants. The amendments related to the classification of liabilities as current or non-current could influence financial ratios and potentially affect loan covenants.	1 January 2024
IAS 7 Statement of cash flows and IFRS 7 Financial Instruments disclosures	Amendments concerning supplier finance arrangements require new disclosures about the nature and extent of supplier finance arrangements. With the amendments on supplier finance arrangements, there will be new disclosure requirements. There would be need to provide more detailed information about these arrangements, which could affect financial statements and transparency with stakeholders.	1 January 2024
IFRS S1 General requirements for disclosure of sustainability-related financial information	This new standard sets out the general requirements for disclosing sustainability-related financial information, focusing on consistency and comparability.  For entities that are required or choose to disclose sustainability-related financial information, this new standard will guide how to present such data. It emphasizes consistency and comparability, so aligning reporting with these requirements will be essential.	1 January 2024
IFRS S2 Climate-related disclosures	This standard provides guidance on climate-related financial disclosures, requiring detailed information on how climate-related risks and opportunities affect financial performance and position. Entities in industries significantly impacted by climate change will need to adhere to these new disclosure guidelines. This involves providing detailed information on how climate-related risks and opportunities affect their financial position and performance.	1 January 2024

NATIONAL COUNCIL FOR CONSTRUCTION  
 Financial statements  
 For the year ended 31 December 2024

**Notes (Continued)**

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

**(b) Forthcoming requirements**

There are a number of standards, amendments to standards, interpretations which have been issued by the IASB that are effective in future periods and the company has decided not to adopt early.

<b>Title</b>	<b>Key requirements</b>	<b>Effective date*</b>
Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	This amendment addresses how to account for situations where exchangeability between two currencies is lacking.	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	These amendments will address financial assets with ESG-linked features and the settlement of financial liabilities by electronic payments.	1 January 2026
Annual Improvements to IFRS Accounting Standards	These improvements will address various aspects of IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	This new standard will provide guidance on presentation and disclosure requirements in financial statements.	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	This standard will focus on disclosure requirements for subsidiaries without public accountability.	1 January 2027

NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

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## **Notes (continued)**

### **4. Summary of other material 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 (NRFA)

At the statement of financial position date, the council's current liabilities exceeded its current assets by ZMW 29,694,638 (Refer note 22)

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, adjustments 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 assets. .

#### **(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 economic 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

NATIONAL COUNCIL FOR CONSTRUCTION  
 Financial statements  
 For the year ended 31 December 2024

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**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	4 years- 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***

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.



NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

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## **Notes (continued)**

### **4. Summary of other 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.

NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

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## Notes (continued)

### 4. Summary of material accounting policies (continued)

#### Impairment

The council assesses on a forward-looking basis the expected credit loss associated with its debt instruments 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 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 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 extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option.

NATIONAL COUNCIL FOR CONSTRUCTION  
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For the year ended 31 December 2024

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## **Notes (continued)**

### **4. Summary of material 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 liability 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 and other 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.

#### **(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*

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.



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For the year ended 31 December 2024

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## 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 (2023: 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.

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Financial statements  
For the year ended 31 December 2024

**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 instrument 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:

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Cash and cash equivalents	11,106,656	5,674,198
Other receivables	<u>2,542,241</u>	<u>4,092,604</u>
	<u>13,748,897</u>	<u>9,766,802</u>

The bank accounts are held with reputable banks.

**(b) Impairment losses**

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

<b>31 December 2023</b>	<b>Current</b>	<b>1-30 days past due</b>	<b>31- 60 days past due</b>	<b>61-90 days past due</b>	<b>Over 90 days</b>	<b>Total</b>
Expected loss rate	-	-	-	-	-	-
Gross carrying amount – trade receivables	-	-	-	-	-	-
<b>Loss allowance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-	-
<b>31 December 2022</b>	<b>Current</b>	<b>1-30 days past due</b>	<b>31- 60 days past due</b>	<b>61-90 days past due</b>	<b>Over 90 days</b>	<b>Total</b>
Expected loss rate	-	-	-	-	-	-
Gross carrying amount – trade receivables	-	-	-	-	-	-
<b>Loss allowance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-	-

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

<b>Trade receivables</b>	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
<b>Opening loss allowance at 1 January</b>	<u>-</u>	<u>-</u>
Reduction in loss allowance recognised in profit or loss during the period	<u>-</u>	<u>-</u>
<b>Closing loss allowance at 31 December</b>	<u>-</u>	<u>-</u>

NATIONAL COUNCIL FOR CONSTRUCTION  
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For the year ended 31 December 2024

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**Notes (continued)**

**7. Financial instruments (continued)**

Trade receivables and other debtors are written off where there is no reasonable expectation of recovery. Indicators 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 operating 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.

**31<sup>st</sup> December 2024**

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>
	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>
<b>Financial liabilities</b>					
Trade and other payables	31,085,508	31,085,508	31,085,508	-	-
Bank Loan	2,563,306	2,563,306	926,026	926,026	711,254
<b>Total</b>	<b>33,648,814</b>	<b>33,648,814</b>	<b>32,011,534</b>	<b>926,026</b>	<b>711,254</b>

**31<sup>st</sup> December 2023**

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>
	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>	<b>ZMW</b>
<b>Financial liabilities</b>					
Trade and other payables	18,123,731	18,123,731	18,123,731	-	-
<b>Total</b>	<b>18,123,731</b>	<b>18,123,731</b>	<b>18,123,731</b>	<b>-</b>	<b>-</b>

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For the year ended 31 December 2024

**Notes (continued)**

**8. Revenue from contracts with customers**

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

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

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Government Grant	2,748,646	3,298,374
Transfer from capital Grant	322,017	393,076
	<u>3,070,663</u>	<u>3,691,450</u>
Registration, scrutiny and Annual fees	61,792,272	50,512,640
Tuition fees	2,069,578	2,503,747
	<u>63,861,850</u>	<u>53,016,387</u>

**9. (b) Other income**

Hire of Facilities	321,154	10,620
Lobito Corridor Trade Facilitation Project	2,714,815	-
Other Income	1,014,959	9,468,027
Rental Income	5,250	8,750
Material Testing Laboratory	301,667	-
Sundry Income Disposal of Asset	7,521	11,800
	<u>4,365,366</u>	<u>9,499,197</u>

**9. (c) Interest Income**

Interest on staff loans	135,550	89,727
Bank Interest	728,969	754,161
	<u>864,519</u>	<u>843,888</u>

**10 Expenses by nature**

Strategic plan output driven costs	8,733,129	5,060,266
Administrative expenses	27,052,318	21,870,018
Staff costs	<u>48,187,165</u>	<u>43,868,026</u>

The following items are included within employee benefits expense

Salaries and wages	19,688,341	17,918,966
Retirement benefits costs		
- National Pension Scheme Authority	1,158,306	1,368,340
	<u>20,846,647</u>	<u>19,287,306</u>

NATIONAL COUNCIL FOR CONSTRUCTION  
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For the year ended 31 December 2024

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**Notes (continued)**

**11. Employee benefits expense**

	2024 ZMW	2023 ZMW
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**12. (a) Other financial assets at amortised cost**

Other receivables	2,542,241	4,092,604
Less:		
Provision for impairment losses	-	-
	2,542,241	4,092,604

**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.

**Other receivables**

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

**12. (b) Cash and cash equivalents**

	2024 ZMW	2023 ZMW
--	-------------	-------------

Cash in hand and at bank	11,206,656	5,674,198
	11,206,656	5,674,198

**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:

Balances as above	11,206,656	5,674,198
Balances per statement of cash flows	11,206,656	5,674,198
	11,206,656	5,674,198



NATIONAL COUNCIL FOR CONSTRUCTION  
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For the year ended 31 December 2024

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**Notes (continued)**

**13. (a) Trade and other payables**

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Current liabilities		
Statutory Payables	19,656,816	11,072,392
Gratuity	<u>11,428,692</u>	<u>7,051,339</u>
	<u>31,085,508</u>	<u>18,123,731</u>

**13. (b) Deferred Income**

Registration Fees	<u>10,936,666</u>	<u>13,020,650</u>
	<u>10,936,666</u>	<u>13,020,650</u>

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

**13 (c) Bank Loan**

ZANACO Loan	<u>2,563,306</u>	<u>-</u>
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As at 31 December 2024 the council had an outstanding bank loan facility with Zambia National Commercial Bank amount to ZMW2,563,306. The loan was obtained on 23<sup>rd</sup> February, 2023 to finance the purchase of motor vehicles.

NATIONAL COUNCIL FOR CONSTRUCTION  
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For the year ended 31 December 2024

**Notes (continued)**

**14 Property, plant and equipment**

	Land and buildings	Office Equipment	Equipment	Motor vehicles	Furniture and equipment	Total
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
<b>At 31 January 2022</b>						
Cost or valuation	33,870,034	5,706,302	2,840,139	15,019,556	2,521,227	59,957,258
Accumulated depreciation	(4,959,363)	(4,825,542)	(2,824,950)	(13,238,545)	(2,344,261)	(28,192,661)
<b>Net book amount</b>	<b>28,910,671</b>	<b>880,760</b>	<b>15,189</b>	<b>1,781,011</b>	<b>176,966</b>	<b>31,764,597</b>
<b>Year ended 31 December 2023</b>						
Opening net book amount	28,910,671	880,760	15,189	1,781,011	176,966	31,764,597
Additions	-	551,740	194,184	3,075,176	291,664	4,112,764
Disposal on cost	-	(616,644)	(528,557)	(1,696,978)	(142,771)	(2,984,950)
Depreciation charge on disposal	-	582,827	528,557	1,696,978	141,651	2,950,013
Depreciation charge	(846,751)	(542,062)	(65,551)	(738,765)	(137,567)	(2,330,696)
<b>Net book amount</b>	<b>28,063,920</b>	<b>856,621</b>	<b>143,822</b>	<b>4,117,422</b>	<b>329,943</b>	<b>33,511,728</b>
<b>At 31 December 2023</b>						
Cost or valuation	33,870,034	5,641,398	2,505,766	16,397,754	2,670,120	61,085,072
Accumulated depreciation	(5,806,114)	(4,784,777)	(2,361,944)	(12,280,332)	(2,340,177)	(27,573,344)
<b>Net book amount</b>	<b>28,063,920</b>	<b>856,621</b>	<b>143,822</b>	<b>4,117,422</b>	<b>329,943</b>	<b>33,511,728</b>

NATIONAL COUNCIL FOR CONSTRUCTION  
Financial statements  
For the year ended 31 December 2024

Notes (continued)

14 Property, plant and equipment (continued)

	Land and buildings	Office Equipment	Equipment	Motor vehicles	Furniture and equipment	Total
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
<b>Year ended 31 December 2024</b>						
Opening net book amount	28,063,920	856,621	143,822	4,117,422	329,943	33,511,728
Additions	-	61,979	-	-	12,482	74,461
Depreciation charge	(846,751)	(477,966)	(67,118)	(1,379,427)	(106,514)	(2,877,776)
Net book amount	<b>27,217,169</b>	<b>440,634</b>	<b>76,704</b>	<b>2,737,995</b>	<b>235,911</b>	<b>30,708,413</b>
<b>At 31 December 2024</b>						
Cost or valuation	33,870,034	5,703,377	2,505,766	16,397,754	2,682,602	61,159,533
Accumulated depreciation	(6,652,865)	(5,262,743)	(2,429,062)	(13,659,759)	(2,446,691)	(30,451,120)
Net book amount	<b>27,217,169</b>	<b>440,634</b>	<b>76,704</b>	<b>2,737,995</b>	<b>235,911</b>	<b>30,708,413</b>

NATIONAL COUNCIL FOR CONSTRUCTION

Financial statements

For the year ended 31 December 2024

**Notes (continued)**

**15. Inventories**

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Stationery and consumables	<u>1,141,945</u>	<u>1,011,857</u>
	<u>1,141,945</u>	<u>1,011,857</u>

**16. (a) Capital grants**

At beginning of the year	7,123,739	7,516,815
Capital grants amortised	<u>(322,017)</u>	<u>(393,076)</u>
<b>At end of the year</b>	<u>6,801,722</u>	<u>7,123,739</u>

The capital grant represents funding from African Development bank.

**16. (b) Revaluation reserves**

At beginning of the year	15,010,629	15,465,497
Realisation of revaluation reserves	<u>(454,868)</u>	<u>(454,868)</u>
<b>At end of the year</b>	<u>14,555,761</u>	<u>15,010,629</u>

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.

**16. (c) Accumulated Fund**

At beginning of the year	(8,988,362)	(5,695,842)
Amortisation of revaluation reserves	454,868	454,868
Deficit for the year	<u>(11,810,214)</u>	<u>(3,747,388)</u>
<b>At end of the year</b>	<u>(20,343,708)</u>	<u>(8,988,362)</u>

The accumulated fund account represents the accumulation of annual surpluses or Deficits. Accumulated fund continues to be in negative and in fact this negative balance has increased year on year from ZMW 8.9 million in 2023 to ZMW20.3 million in 2024. This is because NCC posted a deficit of ZMW 11.8 million in 2024. (2023: Deficit of ZMW 3.7 million)

## NATIONAL COUNCIL FOR CONSTRUCTION

Financial statements

For the year ended 31 December 2024

**Notes (continued)****17. Related party transactions**

The Council is controlled by Government of the Republic of Zambia.

The following transactions were carried out with related parties:

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Government funding Received	2,748,646	3,298,374
Salaries and other short term employment benefits	5,648,336	1,409,415
Directors' fees	<u>2,006,676</u>	<u>2,775,528</u>
	<u>8,396,982</u>	<u>7,483,317</u>

**18 Commitments****Capital commitments**

There were no capital commitments at the reporting date.

**19 Contingent liabilities**

There were no contingent liabilities as at the period-end (2023: ZMW Nil)

**20. Events occurring after balance sheet date**

On 8 May 2025, the following directors retired from the Board: Hon. Eng. Vitalis M. Mooya, Eng. Ngenda Situmbeko, Mrs. Mutinta Mushabati Pensulo, Mr. Edgar Siakacoma, Eng. Stephen Malubila, Arch. Owen Mathotho, Ms. Pule Kumalinga, Qs. Keith K Mateyo, Dr. Richard Banda, and Ms. Luse Katenekwa.

On 9 May 2025, Eng. Ngenda Situmbeko, QS. Collins Mabuku Sitali, Mr. Edgar Siakacoma, Mrs. Mutinta Mushabati Pensulo, Arch. Luse Namutowe Katenekwa, Dr. Richard Banda, Mrs. Rudo Banda, and Eng. Fanizani Phiri, were appointed as new board members. These changes occurred prior to the signing of the financial statements.

**21. Comparative figures**

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

**22 Working capital position**

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
Current assets	14,890,842	10,778,659
Current liabilities	<u>(44,585,480)</u>	<u>(31,144,380)</u>
	<u>(29,694,638)</u>	<u>(20,365,721)</u>

The negative working capital position might lead to doubts over going concern status especially since the position Keeps getting worse year on year.

NATIONAL COUNCIL FOR CONSTRUCTION

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For the year ended 31 December 2024

**Detailed Operating Statement**

	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
<b>Revenue</b>		
Grants	3,070,663	3,691,450
Fees	63,861,850	53,016,387
Other operating Income	4,365,366	9,499,197
Interest Income	864,519	843,888
	<u>72,162,398</u>	<u>67,050,922</u>
<b>Operating expenses</b>		
Audit fees	126,000	92,800
Bank charges	690,207	724,929
Board expenses	2,006,676	2,775,528
Canteen expenses	1,055,367	931,147
Communication	451,616	924,286
Consumables and cleaning material	925,778	863,759
Depreciation	2,877,776	2,330,696
Electricity and water	326,642	294,942
Finance lease charge	592,508	-
Freight & Courier Charges	187,611	121,166
Fuels and oils	3,793,537	2,594,403
Gender commemoration	71,350	6,800
Insurance and taxes	394,149	581,001
Labour day celebrations	200,000	92,000
Legal fees	2,895,847	-
Newspapers	96,889	43,471
Printing and stationery	1,721,771	2,191,041
Procurement Committee Expenses	122,600	127,087
Protective clothing and uniforms	373,638	308,746
Rates and rents	221,630	219,296
Recruitment Costs	64,100	37,760
Refuse collection	50,448	25,100
Repairs and maintenance	4,446,017	3,175,179
Sage annual subscription	567,203	997,230
Sanitary Collection	31,300	31,500
Security services	734,831	682,650
Staff professional membership	110,517	129,458
Staff workshops & seminars	1,348,198	1,121,555
Sundry accounting expenses	22,708	45,789
Travel local and international executive director	375,504	128,838
Women's Day celebrations	169,900	205,860
Youth Day celebrations	-	66,000
	<u>27,052,318</u>	<u>21,870,017</u>

## NATIONAL COUNCIL FOR CONSTRUCTION

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	<b>2024</b>	<b>2023</b>
	<b>ZMW</b>	<b>ZMW</b>
<b>Strategic plan output driven costs</b>		
Assured internal controls	-	30,981
Conducive Work	21,400	
Effective ICT Policy framework	25,550	-
Enhanced compliance	-	1,742,449
Enhanced contractor registration	-	139,951
Enhanced employment opportunities in labour	-	1,134,180
Expanded Resource base	7,800	
Increased footprint	25,094	-
Increased Skills Development for Youths and Women	3,136,622	
Improved Client Satisfaction Levels	1,173,773	928,806
Improved staff performance	632,804	-
Improved Accountability	68,656	-
Improved competence levels	-	677,228
Improved compliance	2,245,879	-
Improved Registration	-	196,898
Integrity committee	-	93,701
Lobito	1,174,216	82,624
Membership of professional bodies	13,200	2,250
Public service day	-	31,200
Registry Re-Organisation	115,402	-
Review of strategic plan	92,733	-
	<u>8,733,129</u>	<u>5,060,268</u>
<b>Staff costs</b>		
Gratuity contributions	7,677,284	3,757,302
Group life assurance	297,844	468,515
Internships costs	141,066	336,684
Leave benefits	2,401,401	2,062,108
Medical expenses	1,865,179	2,969,539
Monthly vehicle allowances	1,150,856	2,607,130
NAPSA	1,158,306	1,368,340
National Health Insurance	589,329	576,343
Overtime allowance	524,381	372,769
PAYE	11,005,672	9,276,742
Pension contribution	1,347,815	1,453,626
Salaries and wages	19,578,235	17,918,966
Staff acting allowance	391,688	699,961
Workers' compensation	58,109	-
	<u>48,187,165</u>	<u>43,868,025</u>
<b>Total Expenses</b>	<u>(83,972,612)</u>	<u>70,798,310</u>
<b>Deficit for the year</b>	<u>(11,810,214)</u>	<u>(3,747,388)</u>







## **NATIONAL COUNCIL FOR CONSTRUCTION**

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