



**ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT**



# **ANNUAL REPORT**

## **2022**



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**ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT**

Lake Manyame (West Bank)  
Off Robert Mugabe Highway  
Darwendale

*All communications should be addressed to:*

**“The Director General of ZIPAM”**

P. O. Box 126

Norton

Zimbabwe

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13 September 2023

**The Minister**

Honourable July Moyo

Ministry of Public Service, Labour and Social Welfare

9<sup>th</sup> Floor Kaguvi Building

P O Box CY17

Causeway

Harare

Dear Honourable. Minister

**RE: ZIPAM ANNUAL REPORT AND AUDITED FINANCIALS FOR THE YEAR  
2022**

In accordance with section 49(1) (d) of the Public Finance Management Act [*Chapter 22:19*], I have pleasure in submitting to you the ZIPAM Annual Report and Financial Statements for the year ended 31<sup>st</sup> December 2022.

Yours faithfully

A handwritten signature in black ink, appearing to read 'N.M. Matimba', is written over a light blue horizontal line.

N.M. Matimba

**BOARD CHAIRMAN**

## INTRODUCTION

ZIPAM is an Apex training institute of public administration and management in Zimbabwe and a parastatal under the Ministry of Public Service, Labour and Social Welfare. The Complex is located on the western shores of Lake Manyame in Darwendale National Park, some 75km west of Harare, off Robert Mugabe Highway. Its core mandate is to assist public sector organisations, Non-Governmental Organisations and the Private sector organisations meet their management skills needs through training, consultancy and research services in terms of the ZIPAM ACT [Chapter 25:17], Section 15. ZIPAM Hotel offers accommodation, meals and conferencing facilities to the training participants and non-training groups.

## VISION MISSION AND VALUES

### VISION

A premier Institute for the transformation and empowerment of the public and private sector management by 2030.

### MISSION

To enhance professionalism in public and private sector leadership, management and administration through human capital development of middle and senior managers for effective service delivery.

## OUR VALUES

### Professionalism

*We are competent, considerate and respectful in all we do*

### Integrity

*We are trustworthy, honest and reliable*

### Accountability

*We have authority, responsibility and ownership of our actions in meeting our stakeholder expectations*

### Transparency

*All our dealings are simple, lucid and intelligible*

### Teamwork

*We have a shared purpose to achieve common goals*

## WHAT WE DO

### *TRAINING*

ZIPAM offers a wide range of courses which are all demand driven. The wider mandate includes competency based training courses offered to senior managers in the public service. This is comprised of Government ministries, Local Authorities and Commissions. Generic short courses in management and other business-related areas are also offered to local government authorities, state enterprises, parastatals, non-governmental organisations and the private sector. The Institute is developing new courses targeted at closing gaps identified through training needs analyses and enhancing the public sector performance in meeting the new dispensation goals.

#### SHORT TERM TRAINING PROGRAMMES

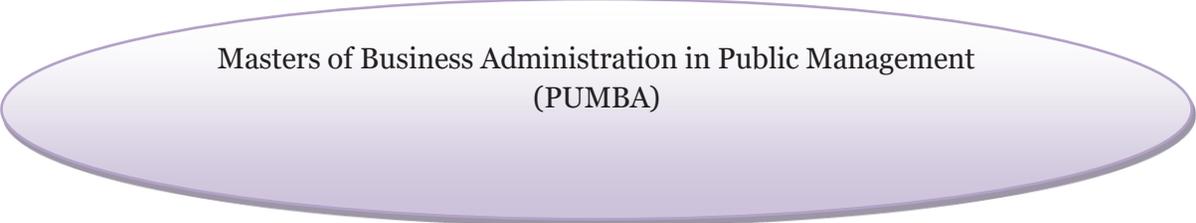
- Applied Research Techniques
- Conflict Management
- Corporate Governance for State Enterprises and Parastatals
- Crafting and Implementing Strategy
- Entrepreneurial Skills
- Executive Management Development Programmes
- Finance for Non-Finance Managers
- Fundamentals of Project Management
- Health and Wellness Management
- ICT Skills Training for Senior managers
- Integrated Results Based Management (IRBM)
- Leadership Skills for Women Managers
- Leadership Development Programme
- Management Development Programme 1 and 2
- Management of Local Authorities Business
- Managerial Skills Development
- Managing Agricultural Enterprises
- Managing Time for Personal Effectiveness
- Performance Management
- Pre-Retirement Planning
- Public Sector Procurement and Disposal of Public Assets
- Rapid Results Approach (RRA)
- Risk Management
- Strategic Thinking and Analysis
- Stress Management
- Train the Trainer
- Transformational Leadership
- Workers Committee Skills Development

## LONG TERM TRAINING PROGRAMMES

### DEGREE PROGRAMMES

ZIPAM also offers a Masters degree. The degree programme is run in affiliation with National University of Science and Technology (NUST).

#### **POSTGRADUATE DEGREE (NUST)**



Masters of Business Administration in Public Management  
(PUMBA)

#### ***LEARNING ENVIRONMENT***

The complex is endowed with natural beauty and tranquillity that is conducive for learning. At the heart of the complex lies ZIPAM Hotel. The hotel has 102 standard rooms with bed capacity of 165 guests and 6 executive rooms. There is an up-market kitchen and a dining hall that accommodates 200 people at a time. Clients are trained in the comfort of ZIPAM conferencing facilities surrounded by beautiful gardens sometimes used for morning and afternoon teas and breakaway sessions.

### **ZIPAM Hotel Executive Rooms**



### **ZIPAM Restaurant**



## OUR SERVICE PROMISE

### TRAINING

- ✚ We will respond to all written enquiries within 48 hours
- ✚ Face to face and telephone enquiries will be handled in a courteous manner.
- ✚ We conduct training needs assessments for our client
- ✚ We involve our clients and stakeholders in developing and reviewing our curriculum to keep up to date with our clients' needs.
- ✚ We provide world class training services across the board
- ✚ We offer value for money training

### HOSPITALITY

- ✚ We keep our hotel rooms clean and fresh always.
- ✚ We check in our clients within 10 minutes of arrival
- ✚ We serve fresh and delicious food to our clients in the dining.
- ✚ We keep our conference facilities neat and comfortable



### RIGHTS AND OBLIGATION

#### OUR OBLIGATIONS

- ✚ We **strive** to always treat you fairly and honestly.
- ✚ Our services to you **aim** to be : efficient : accurate : reliable.
- ✚ We **aim** to make our contact with you: timely : professional : courteous : fair
- ✚ Our staff **aims** to be: accessible : provide accurate information : accept and respond to your feedback.

#### YOUR RIGHTS

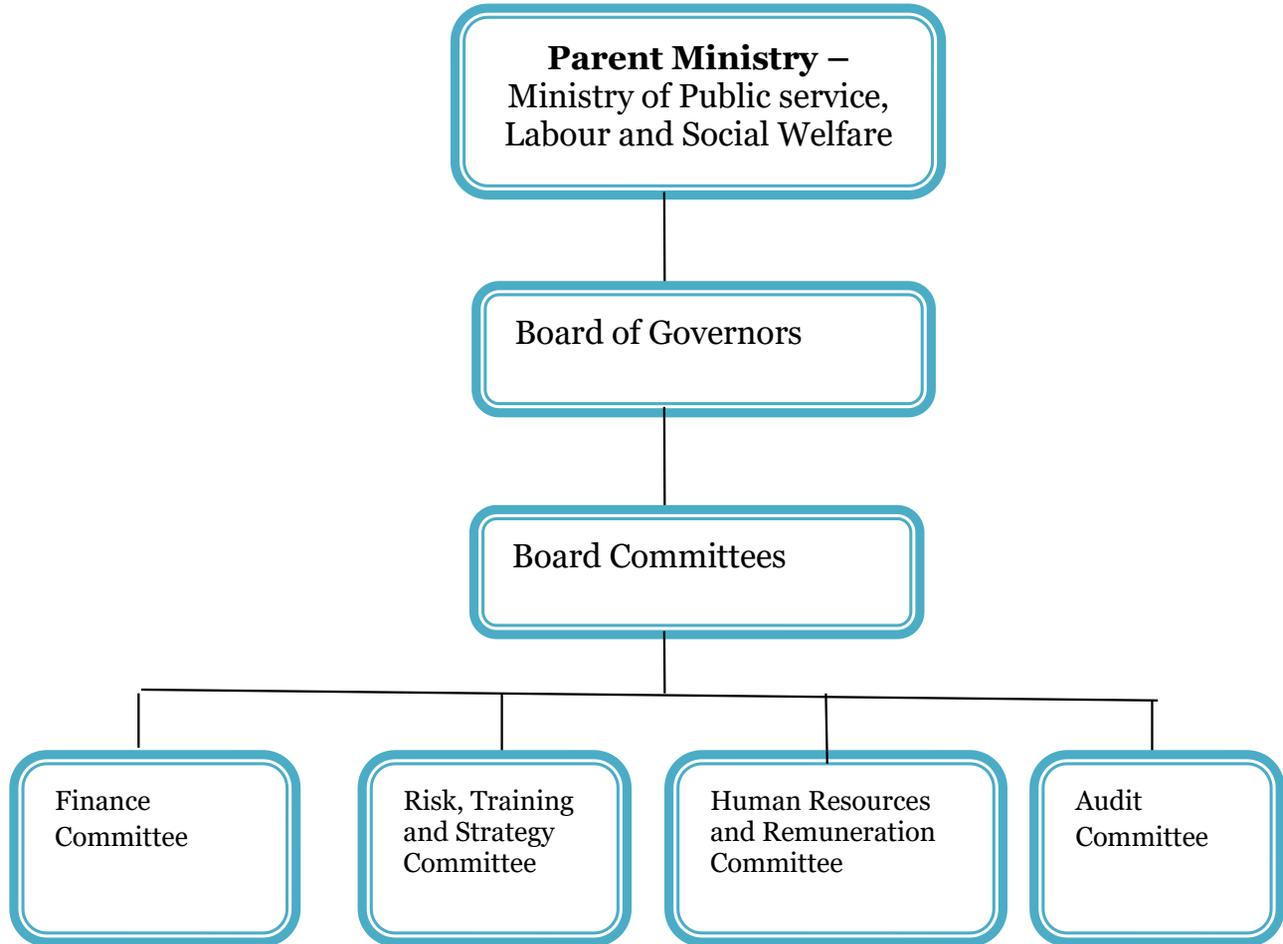
- ✚ You have the right to be served with respect, dignity and speed.
- ✚ You have the right to lodge a complaint.
- ✚ You have the right to confidentiality with regards to your information.

#### WE EXPECT OUR CLIENTS TO:

- ✚ Provide us with accurate information.
- ✚ Pay the required fees within the agreed time period.
- ✚ Respect the intellectual property rights of any materials acquired through the Institute.
- ✚ Abide by legal requirements of our services.
- ✚ Respect the privacy of other guests on site.

# STRUCTURES

## *CORPORATE STRUCTURE*



## ***BOARD OF GOVERNORS***



### **Mr. Noah. M. Matimba – Board Chairman**

Mr Noah Matimba is a Business Management Consultant in the areas of strategy development and implementation spanning over 35 years. He has extensive experience in the mining and manufacturing sectors, as well as private, public and non-governmental organisations. He worked in different countries in Southern Africa. He holds amongst other qualifications a Bachelor of Accountancy (Hons) Degree from the University of Zimbabwe and a Masters in Business Leadership from the University of South Africa. Besides ZIPAM, he is currently Chairman of Association of Healthcare Funders of Zimbabwe (AHFoZ), Chairman and Director at Q Partnership Consultancy and Honorary Treasurer of the Zimbabwe Agriculture Society.



### **The late Mrs. Fortunate Sekeso – Vice Board Chairperson**

Mrs F. Sekeso had a significant wealth of relevant managerial experience, having worked in the following capacities: Institute of People Management Zimbabwe (IPMZ) - The Executive Director, Small Enterprises Development Corporation (SEDCO) - General Manager, Strategos Consulting - Managing Consultant, Time Bank-General Manager, CBZ Bank - Training Manager, Barclays Bank-Training Officer. She had a wealth of experience in banking and finance, strategic planning, general management, human resources development and management, marketing, quality customer service and corporate governance. Among her qualifications, she held: MSc in Strategic Management; Diploma - Institute of Bankers (IOB); Institute of Chartered Secretaries and Administrators in Zimbabwe (ICSAZ) and a Diploma in General Nursing. May her soul rest in peace.



### **DR Rosemary Tsitsi Choruma – Board Member**

Dr Choruma is a specialist in human capital development & management, business development and educational leadership. She has a wealth of knowledge and extensive practical leadership experience in social and economic development issues, and in high level public administration and management having worked many years in leadership positions in various national and global institutions where she superintended transformative production, investment and trade-related activities in Africa, Asia, Europe and North America.

Dr Choruma has worked as a director of several international organisations including Fair Trade in Kenya and Bonn Germany; Catholic Institute for International Relations; Oxfam; and Action Aid.

In 2018 she was appointed Commissioner for the Public Service Commission and she was instrumental in, among other things, the establishment of the Public Service Academy, the Job Evaluation Exercise, and also contributed significantly to the development of the first Gender Policy in the Public Sector, which was launched by Government in July 2022. She is currently the Secretary to the Commissions.

Other notable achievements by Dr Choruma include: sitting as an advisory board member of the Graca Machel Foundation, the Zimbabwean Chapter; and sitting on the board of Oiko Credit International.

Dr Choruma holds a Master of Public Administration from the University of Zimbabwe; Master of Science in Management from the Academy of Social Sciences in Sofia, Bulgaria; a Master's degree in Public Administration from the University of Zimbabwe; and a PhD in Educational Leadership from Seattle University in the USA.



**Professor Charles. M. Nherera – Board Member**

Professor Charles M. Nherera is a full-time Professor at the University of Zimbabwe, in the Faculty of Education, Department of Technical Education. He was the Founding Vice Chancellor of the Chinhoyi University of Technology and former Pro Vice Chancellor of the Women's University in Africa. Professor Nherera holds the following qualifications: Doctor of Philosophy (PhD) degree in Technology Education from the University of London Institute of Education in England; Master of Arts (MA) degree in Technology Education from the University of Linköping in Sweden; Bachelor of Education Degree (B.Ed.) degree from the University of Exeter in England; a Secondary Teaching Diploma from Gweru Teachers College and a Higher Stage Certificate in Principles of Management from the London Chamber of Commerce and Industries. Among his other positions of responsibility, he is a Phd supervisor and External Examiner for UNISA.



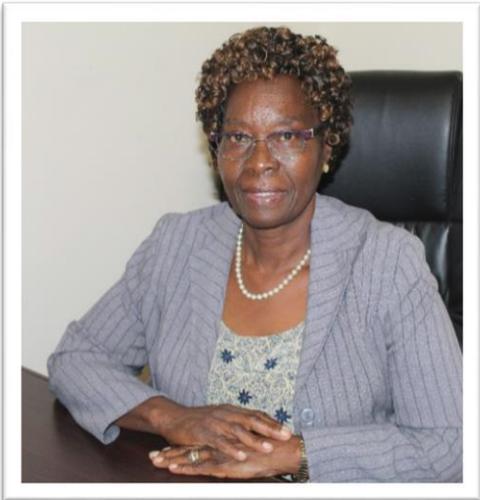
**Mrs. Arina Manyanya – Board Member**

Mrs A Manyanya is a Deputy Director – Recurrent Expenditure in the Ministry of Finance and Economic planning. She joined the Ministry in 1998 as an Economist and rose through the ranks to her current position. Other positions held include Senior Economist, Principal Economist and Chief Economist. She held several other key positions in Government programmes like, Agriculture Taskforce, Operation Maguta, and National Economic Development Priority Programme, Fertiliser and Agro Chemicals Sub Committee and Food Security taskforce. She participated in loan negotiations with EXIM-Bank of Russia in May 2006, with ADB/BADEA (1995), and with the World Bank and other bilateral donors for the funding of the Family Health Project 1 & 2. She was the Gender Focal person for Ministry of Finance in 2007 and is also an IRBM trainer. Mrs Manyanya holds the following qualifications: Masters Degree in Economics from University of Zimbabwe (UZ); BSc Hons Degree in Economics from University of Zimbabwe (UZ).



### **Mr. Fati Mpofu – Board Member**

Mr Fati Mpofu has vast experience in human resources management, human capital development and Industrial Relations management acquired through the various managerial positions, held in various organisations. He worked for various organisations in the following capacities: Hwange Colliery Company – Human Resources Manager, Hwange Colliery Company – Industrial Relations and Manpower Manager, Ingwebu Breweries – Human Resources Manager, African Associated Mines – Welfare Officer, Jairos Jiri Association – Welfare Officer. Mr Mpofu holds the following qualifications: Bachelor of Administration Degree from the University of South Africa; Diploma in Social Work (UZ); Post Graduate Diploma in Marketing Management from University of South Africa (UNISA) and a Teaching Certificate from United College of Education in Bulawayo



### **Mrs. Constance Chigwamba – Board Member**

Mrs. Constance Chigwamba, is a seasoned Educationist and Trainer, Programme Facilitator especially Logframe and IRBM processes, Strategic Planner, Human Resources Practitioner, Public Administrator, Negotiator and Counsellor. She holds amongst other qualifications, a Diploma in Teaching from Gweru Teachers College, a Diploma in Personnel Management (IPMZ), a Bachelor of Education (Mathematics and Education) Degree, University of Zimbabwe and a Masters of Education (Curriculum Studies) Degree, University of Zimbabwe. She has been a member of various Boards from 2003 to date. Currently she also sits on the following Boards besides ZIPAM, Marondera University of Agricultural Sciences and Technology (MUASt) as Chairperson, Murambinda Mission Hospital as Chairperson, HelpAge Zimbabwe as Vice Chairperson, and St Martins Primary School. Mrs Chigwamba retired from the Public Service having been Permanent Secretary in various Ministries. She is currently the Executive Director of Mashambanzou Care Trust.



### **Mr. Langton Ngorima - Board Member**

Mr Langton Ngorima is a labour Expert, with vast experience spanning over 22 years having worked in various capacities in the Ministry of Public, Service, Labour and Social welfare from 2000 to date. He holds a number of qualifications which include, a Bachelor of Science (Honours) in Political Science and Administration, (University of Zimbabwe), and a Masters in Industrial and Employment Relations, (University of Turin, Italy and the International Training Centre of the ILO Italy). He is currently the Deputy Director International Relations Division responsible for the coordination of all International Relations matters of the Ministry as well as, coordination of ILO, ARLAC, AU-Labour and Social Affairs Commission, and SADC-ELS activities of Government among other duties.



Dr Edgar. S. Makande – Director General

Dr. Edgar S. Makande joined the Institute as Deputy Director General and is currently the Director General. Before joining the Institute, he worked as an independent business consultant for several years gaining experience in management and leadership.

Dr. Makande has wide experience in business education. He was a full-time lecturer in the Graduate School of Business of the National University of Science and Technology where he taught Human Resources Management, Operations and strategic management to Executive MBA students. He has been a visiting part time lecturer to several other business schools in the region.

He has also worked with several other organizations including Fidelity Printers and Refiners (Reserve Bank subsidiary) as a mobilisation executive. He has also worked as a senior consultant (Training and Development) with Best Practices (Pvt) (Ltd).

He gained his operational, management, leadership experience over a period of 18 years in a state corporation where he rose from a chemist to General Manager and Chief Executive Officer. He is travelled and has published several business and technical papers. He holds a BSc degree in Physics and chemistry, a masters and doctoral degrees in business administration.

## ***BOARD COMPOSITION***

The Board has eight non-executive members, and one executive member, the Director General, in line with the ZIPAM Act. The Board composition has a fair gender balance of 4 women and 4 men, as well as fair regional representation. There were no changes on the Board membership during the year 2022

## ***BOARD SUB - COMMITTEES***

### **Risk, Training and Strategy Committee**

Commissioner Dr T Choruma - Chairperson  
Professor C. Nherera - Member  
Mrs. F. Sekeso - Member

### **Finance Committee**

Mrs. F. Sekeso - Chairperson  
Mrs. A. Manyanya - Member  
Mrs. C. Chigwamba - Member

### **Human Resources and Remuneration Committee**

Mr F. Mpofu - Chairperson  
Mrs. C. Chigwamba - Member  
Mr. L. Ngorima - Member

### **Audit Committee**

Professor C. Nherera - Chairperson  
Mr.F Mpofu - Member  
Mrs. F. Sekeso - Member

## *MANAGEMENT STRUCTURE*



Dr E.S Makande  
**Director General**



Mrs. T Mazvabo  
**Finance and Administration Manager**



Mr. A Marisa  
**Senior Consultant**



Mr. C Patel  
**Centre Manager**

## CORPORATE INFORMATION

**REGISTERED OFFICE:** ZIPAM COMPLEX  
Lake Manyame (West Bank)  
Off Robert Mugabe Highway  
Darwendale

**POSTAL ADDRESS:** P.O. Box 126, Norton

**CONTACT DETAILS:** Tel: 024215- 2174/ 2055/3580  
Email: zipamhot@mweb.co.zw

**AUDITORS:** Comptroller and Auditor General  
5th Floor Burroughs House  
48 George Silundika Avenue  
Harare

**PRINCIPAL BANKERS:** ZB Bank, Murombedzi.  
CBZ Bank, Samora Machel.

**ATTORNEYS:** Kantor and Immerman  
MacDonald House  
10 Selous Avenue  
Harare

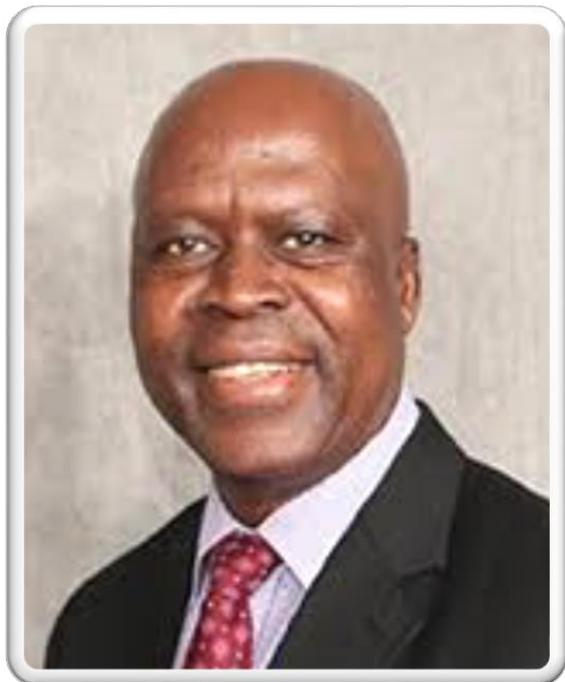
**Financial Statements**

**Currency of Accounts:** ZWL

**Period of Accounts:** Year ended 31 December 2022

## CHAIRMAN'S STATEMENT

### For the year ended 31 December 2022



#### 2022 Financial Highlights

Restated figures (ZWL)

	2022	2021	% Increase
Revenue	\$1,094b	\$344m	218% ↑
Training revenue	\$161m	\$31m	418% ↑
Hospitality revenue	\$826m	\$274m	202% ↑
Other Income	\$107m	\$39m	172% ↑
Expenditure	\$774m	\$328m	139% ↑
Surplus	\$320m	\$16m	1891% ↑
Monetary Loss	\$226m	\$341m	

#### INTRODUCTION

Honourable Minister of Public Service, Labour and Social welfare, Board of Governors, management and stakeholders, in line with our values of Professionalism, Integrity, Teamwork, Accountability and Transparency, it is my pleasure to present to you ZIPAM Annual report and the audited financial results for the year ended 31<sup>st</sup> December 2022.

#### OPERATING ENVIRONMENT

Similar to the previous year 2021 which had its challenges largely emanating from the effects of COVID-19 pandemic, the past year 2022 was characterised by liquidity challenges, price distortions and weak demand. This negatively affected ZIPAM's main mandate business of Human Capital Development especially during the third quarter when some programs were deferred as a consequence of the need to undertake price due diligence processes as directed by government in August 2022 to bring stability in the pricing systems. The Government also introduced a number of policy measures to address the challenges which included the introduction of the gold coins during the second half of the year to ease demand on the green back, stabilise the exchange rates and tame the resurgent inflation. This helped to stabilise the parallel market exchange rates and general prices in the economy up to the end of the year.

There was also a marked decline in COVID-19 cases during the period under review prompting the government to review the restrictive measures that had been put in place to curb the spread of the virus. The relaxation and eventual lifting of COVID-19 restrictions resulted in resurgence of economic activities in the various sectors of the economy including training.

The improvements in foreign currency availability, and stabilisation in exchange rates due to interventions by the Fiscal and Monetary authorities is expected to continue in the ensuing year with an anticipated economic growth of 3.8%

## **OPERATIONS OVERVIEW**

The Institute exercised due diligence on all its purchases and also implemented various cost control measures, whilst maintaining high quality service and ensuring financial viability.

A number of Public Service Academy coordinated programs were rolled out at a pronounced pace, during the year, resulting in a 215% increase in training volumes from 524 participants in prior year to 1649 participants. The training activities as well as accommodation and conferencing services were also boosted by the removal of the COVID-19 restrictive measures, following the continual decline in COVID-19 cases.

## **FINANCIAL PERFORMANCE**

The Institute's financial results have been prepared on an inflation adjusted accounting basis in line with the requirements of IAS 29 "Financial Reporting in Hyperinflation Economies" as the conditions for hyperinflation accounting reporting persisted into 2022. Historical financial statements have been presented as supplementary information.

### **Revenues**

Revenue increased by 218% from ZWL 344 million for the year 2021 to ZWL1.1 billion for the year 2022. The main contributors being the Training mandate which feeds into accommodation and conferencing services revenues.

### **Expenditure**

Operating expenditure increased by 139% up from ZWL328 million in 2021 to ZWL774 million in 2022(restated). Improved operational efficiencies and continued cost containment measures minimised the negative impact of the COVID-19 pandemic on the operations.

### **Financial Sustainability**

The Institute closed the year 2022 with a surplus of ZWL320 million up from ZWL16 million recorded in 2021 reflecting an improved performance. Below is a four-year performance trend.

## Performance Trend from 2019 -2022

Historical figures (ZWL 000)

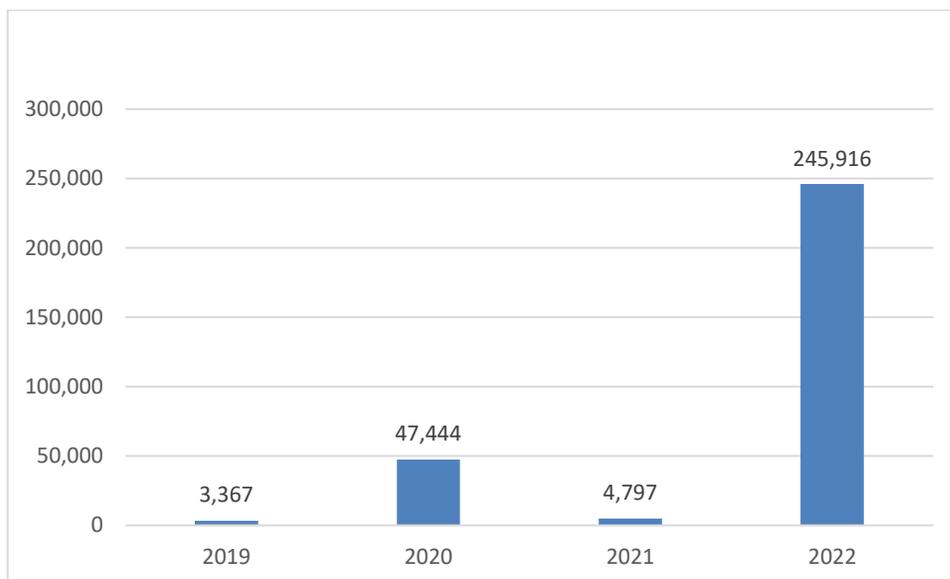


Fig 1: Surplus /(Deficit) per year – Historical.

## HUMAN RESOURCES

The Institute continues to review its human resource structures and policies to ensure stability within its human resources and as a consequence, ensure improved service offering and productivity. COVID- 19 awareness campaigns were continuously given to ZIPAM staff and the community at large, to minimise the impact of the pandemic with the focus being to ensure the safety of employees and stakeholders. The safety measures put in place which included vaccinations, yielded positive results as the Institute did not record any COVID-19 case throughout the year.

## CAPITALISATION

Re-Capitalisation of ZIPAM remains a major area of focus. The facility was built in 1984. Due to lack of resources, the Institution did not get adequate maintenance over a long period of time, resulting in extreme levels of decay in some areas. Engagements with various stakeholders continued to take place during the year as we sought additional support from development partners or donors to further refurbish and improve the hotel infrastructure. During 2022, the Institute undertook the following major capital expenditure projects which were financed through internal resources:

Description	Inflation Adjusted (ZWL)	Historical (ZWL)
Staff Bus (30 seater)	10 308 740	4 969 744
ICT Equipment	12 167 833	8 767 416
Furniture, Fittings & Equipment	13 484 715	9 975 381
<b>Total</b>	<b>35 961 288</b>	<b>23 712 541</b>

## **MARKETING**

The Institute launched a website and is also making use of various social network platforms to advertise its products, improve on visibility and market positioning for the ZIPAM brand.

## **OUTLOOK**

We appreciate the continuing efforts by Government and the Monetary Authorities in stabilising the exchange rates, controlling inflation and improving availability of foreign currency for our capital projects.

The Institute will focus on positioning itself to take advantage of the opportunities for human capital development in the civil service in line with NDS1 and in collaboration with the Public Service Academy. The Institute will also continue to invest in the upgrading of the infrastructure and ICT systems. The outlook in both the short and medium term will largely depend on the timely and successful implementation of the Public Service Academy which seeks to integrate the Public Service Commission Training Centres and ZIPAM. The Institute is well positioned to continue its role as the Apex Training Centre as well as to host the Headquarters of the Public Service Academy at implementation.

The revised investment policy and the re-engagement of the international community to do business with Zimbabwe as promulgated by Government, further gives impetus to efforts to seek collaborative and international partners in our endeavours to bring diversity and international flavour to our Training efforts.

## **APPRECIATION**

On behalf of the Board, I would like to express my sincere gratitude and appreciation to our shareholder and valued stakeholders for their continued and unwavering support. I also would like to extend my gratitude to my fellow Board members for their commitment and dedication to the Institute's business, and to management and staff for their resilience and determination to succeed.

Thank you



N.M. Matimba

**BOARD CHAIRMAN**

## DIRECTOR GENERAL'S REVIEW



Dr Edgar S. Makande

### OVERVIEW

The 2022 financial year commenced with satisfactory business prospects for both training, conferencing and accommodation domains at the Zimbabwe Institute of Public Administration and Management and ended on a positive note. A substantial revenue of ZWL 1.1 billion and surplus of ZWL 320 million were realised, thus sustaining the turnaround status that was initiated in 2015 and realised in 2018.

The Institute implemented a pricing regime for its services and products that ensured its viability as well as ensuring that quality of service was not compromised during the year under review. The economic environment continued to be inflationary and some client packages had to be customised to maintain affordability in harmony with their respective depressed coffers.

Due diligence initiatives on product pricing was adopted by the Institute during the last quarter of the year under review in response to the fiscal authority requirement to avoid overpricing by suppliers of services and products to the Institute.

### ESTABLISHMENT OF THE PUBLIC SERVICE ACADEMY (PSA)

The operationalization of the Public Service Academy (PSA) in terms of rolling out transformative training programs continued at pronounced pace in 2022.

In the 2021 ZIPAM Annual Report reference to the pending establishment of the Public Service Academy (PSA) was highlighted. Although there has been some debate around the institutional model of the PSA, it was generally regarded that the business model that is being applied at ZIPAM would be most appropriate for the Academy as well.

As reported in the 2021 Annual Report, the proposed establishment of the PSA is a direct response to the need within the public sector to impart new sets of skills, competences and culture among the members of the public sector. ZIPAM was designated the headquarters of the Academy.

## PERFORMANCE CONTRACTS AND PERFORMANCE REVIEWS

The Institute attended and participated in the inaugural global performance contracts signing ceremony which was officiated by H. E. The President in February 2022. At this ceremony the respective 2023 performance contracts for the Chairman and Director General were signed.

Quarterly performance assessments at Board and Director General levels were carried out in 2022 by an organisation that was appointed by the Office of the President and Cabinet to carry out the assignment for State Enterprises and Parastatals. ZIPAM 2022 targets were by and large met.

It is noted however that the ZIPAM hotel has not achieved competitive levels within its industry, although commendable effort has gone into improving the conditions of the kitchen, the dining hall, the laundry unit and the accommodation facilities.

## FINANCIAL PERFORMANCE

### REVENUE

The Institute recorded a total revenue of ZWL1.1 billion which is a 218% increase from prior year total revenue of ZWL344 million. The hospitality business contributed 75% (ZWL826 million), training business contributed 15% (ZWL161 million) and other Income contributed 10% (ZWL107 million).

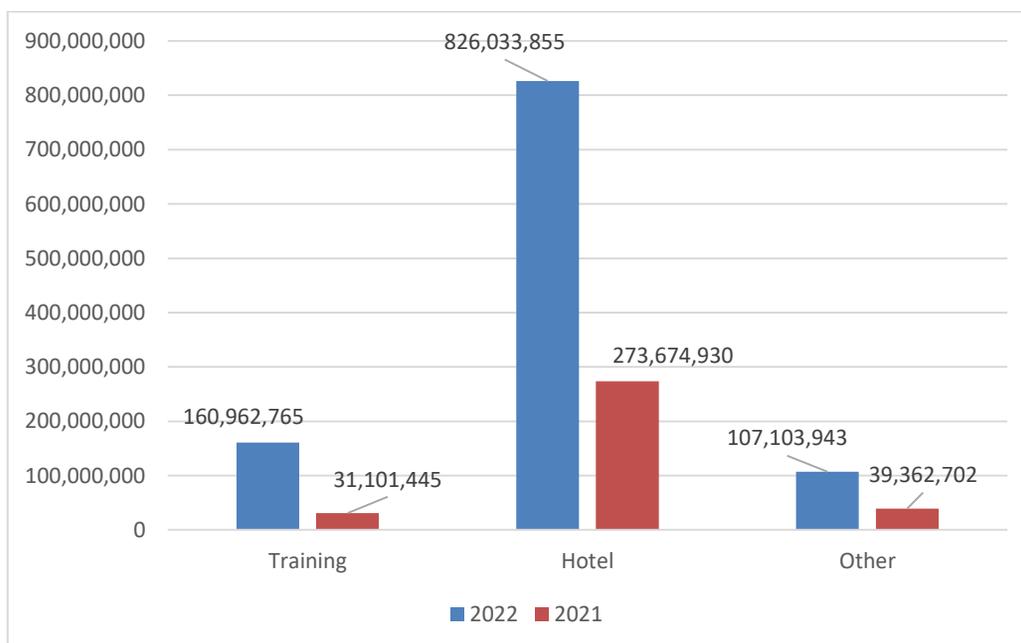


Figure1: Revenue by Category (ZWL restated)

## EXPENDITURE

Total expenditure for the year was ZWL774 million recording an increase of 139% from ZWL328 million of 2021. Cost containment measures put in place were continuously reviewed in line with the business strategy on financial sustainability. An operating surplus of ZWL 320 million was recorded for the period, showing an increase of 1900 % from an operating surplus of ZWL16 million in 2021.

Marketing efforts were intensified across all advertising platforms to widen the client base and increase the revenue streams within the Institute's mandate. Fig 2 below shows the trend on revenue and expenditure for four years from (2019 to 2022).

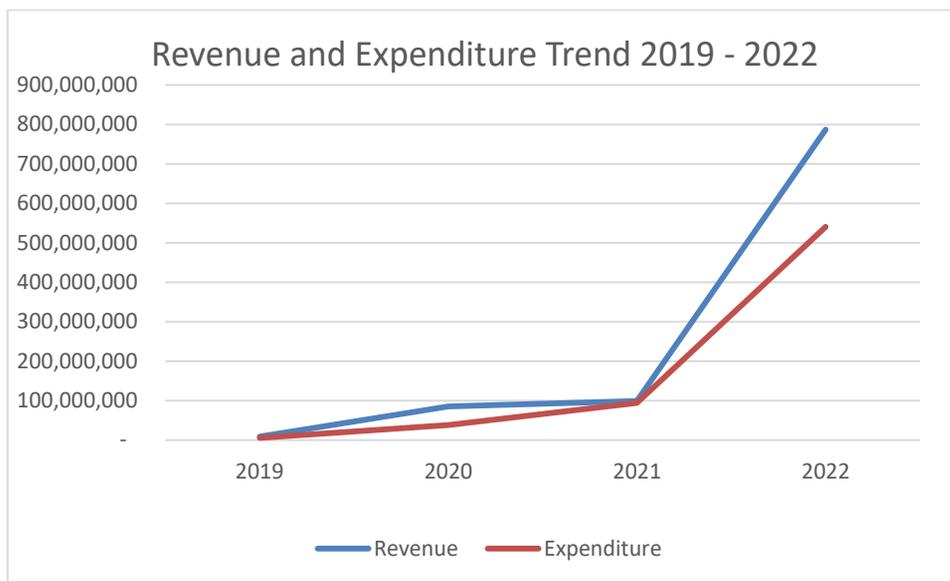


Figure 2 Revenue & Expenditure (ZWL) Trend for the period 2019-2022 (historical)

## OPERATIONS

The operationalization of the Public Service Academy (PSA) in terms of rolling out transformative training programs continued at pronounced pace in 2022.

Deputy Directors, Directors and Chief Directors from the Civil Service attended training workshops at the Institute in 2022.

A pool of training experts was created in line with the new programmes rolled out during the year. Some of the courses that were conducted in 2022 include:

- Public Service Reorientation and Culture Change
- Monitoring and Evaluation
- Local Economic Development
- Leadership Skills Development
- Pre-Retirement Planning
- Managerial Skills Development
- Economic Devolution

- Team Building
- Supervision and Client Relationship Management
- IRBM Compliant Strategic Planning
- Entrepreneurship Development
- Customised pre- retirement programs and Youth training programs.
- Gender Mainstreaming, Inclusivity and Wellness

Below is the graph of total attendances

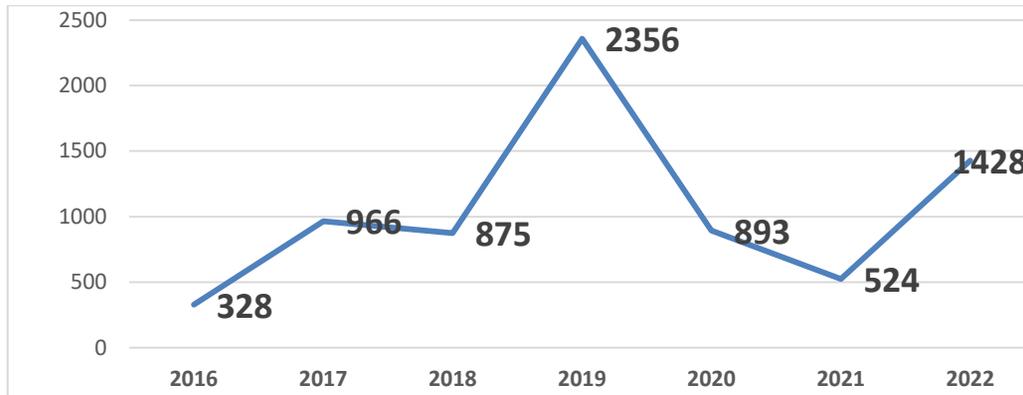


Fig 3: Annual profile of volumes of public sector trainees (numbers)

## PRODUCT OFFERING

### TRAINING

ZIPAM is the apex training and consultancy agency for the public sector and private sector. Training is offered in the form of short courses and Degree programmes. Short courses calendar is published at the beginning of the year for planning. Several new demand driven courses were developed in the current year to enhance the civil service managerial skills towards achieving the Vision 2030 goals. Course curriculum is prepared in consultation with Public Service Commission and various interested parties for the specific courses.



Fig 4: Training Session- Directors in Government Service



Fig 5: ZIPAM Director General at a certification ceremony at ZIPAM

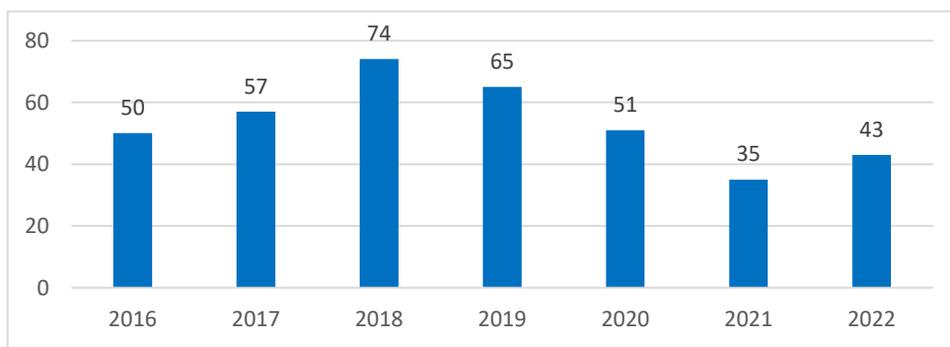


**Fig 6: Team from the Public Service Commission and ZIPAM responsible for coordinating some PSC sponsored training programs.**

### **DEGREE PROGRAMME**

The Institute offers a Masters in Business Administration (Public Management) in affiliation with National University of Science and Technology (NUST). Enrolment for the master’s programme in 2022 was an average of 41 for each semester.

### **HOSPITALITY**



**Fig 7: Annual profile of hotel occupancy (%)**

Occupancy was relatively low due to the 30 % of the accommodation rooms which were not suitable for accommodation for most of the year needing substantial rehabilitation which is scheduled for 2023.



Fig 8: Accommodation facility at ZIPAM

## **HEALTH AND WELLNESS PROGRAMME**

The Institute has in place a state of the art, gymnasium equipment to take care of the employees and clients' health and wellness. The gym is manned by a qualified fitness trainer and is available every morning from 5am to 6am, afternoon from 1pm to 2pm and in the evening from 5pm to 7pm. A health and wellness training programme was developed and clients can send teams to be trained in health and wellness. A health workforce is a productive work force.

## **HUMAN RESOURCES**

ZIPAM has remained on the recovery path and also transitioning into the Public Service Academy and therefore right sizing is mandatory. Staffing levels are complimented by recruiting casuals when business volumes increase beyond the capacity of permanent staff. The position of Procurement Administrator was filled during the year to strengthen the management team. The Institute recognises that investing in the human resource is key to achieving the mark of excellence. Staff development therefore remains a priority and the processes and systems are continuously reviewed to enhance operational efficiency and effectiveness.

**Table 2: HUMAN RESOURCES STRENGTH AS AT 31 DECEMBER 2022**

<b>CATEGORY</b>	<b>STRENGTH 2022</b>	<b>ESTABLISHMENT 2022</b>	<b>MOVEMENT</b>
Directorate	1	2	-1
Senior Management	2	4	-2
Management	6	7	-1
Supervisory	3	5	-2
General	41	49	-8
Students	11	20	-9
<b>TOTAL</b>	<b>64</b>	<b>87</b>	<b>-23</b>

**CHALLENGES**

Table 2; challenges facing the Institute in 2022

<b>AREA</b>	<b>CHALLENGE</b>	<b>MITIGATORY MEASURES</b>
Staff compliment	Vacant key posts: Filling of key posts was delayed to pave way for the establishment of the Public Service Academy. Decision making and execution is compromised.	Short term outsourcing measures were undertaken to sustain operations,
Inflation/currency risk.	Erosion of employee compensation. Escalating supplier prices	Purchase of strategic items while being sensitive to astute cash flow management.  Regular employee reward reviews.
Hospitality	Hotel rooms ambience and state of integrity. The PSA sponsored client is unlikely to enjoy the accommodation facility.	Accelerated refurbishment and refurnishing was planned for 2023.
Industrial relations (IR)-	IR continues to be an area consuming significant executive time as employees continue to explore improved conditions of	-Training of members of the workers committee.

	service as inflationary pressures continue to impact.	-Meaningful dialogue with management.  Non- monetary benefits and regular salary reviews.
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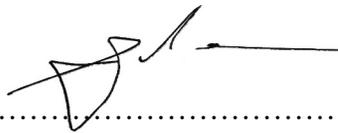
## PROSPECTS

Training activity from the mandate business during the year under review was commendable and signified a major shift towards reforms oriented training that is aligned to NDS1 and specifically to the pillar of Human Capacity Development and Innovation.

The operationalization of the Public Service Academy that commenced in Q4-2021 continued at a pronounced pace for the rest of 2022. This initiative is expected to strengthen the business prospects of the Institute and improve on the mandate business.

## ACKNOWLEDGEMENT

I would like to express my gratitude to the Board of Governors for their continued leadership and guidance, to the management team and staff for their effort and dedication and to our valued clients for the business during the period under review.



.....  
Dr Edgar S. Makande  
**Director General**

## CORPORATE GOVERNANCE REPORT

ZIPAM is committed to good corporate governance and it views it as an important aspect of business which enables it to deliver its mandate, to the satisfaction of all stakeholders. The Institute is guided by the National Code on Corporate Governance, Zimbabwe (2015), the King IV Reports on Corporate Governance and the Public Entities Corporate Governance Act [Ch.10:31]. It subscribes to the principles of transparency, professionalism, accountability, equity and integrity and ethical business conduct in all its dealings with stakeholders.

Through well documented policies, the Board executes its stewardship and leadership roles diligently and effectively and through detailed systems and procedures. In all this, the interests of the Institute are placed ahead of individual interests.

### BOARD OF GOVERNORS

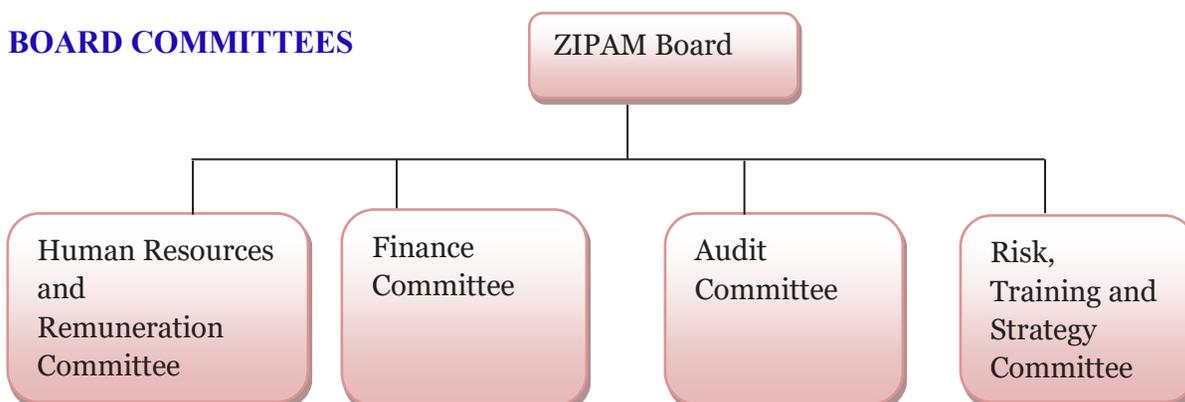
ZIPAM Board is constituted of eight non-executive members and the Director General, an ex-officio member. The Chairperson is a non-executive member. Collectively, the Governors possess a wide range of skills, knowledge and experience, that brings independent judgment to board deliberations and decisions. There are four committees namely, Finance committee, Audit committee, Human Resources and Remuneration committee and Strategy and Business Development committee whose primary roles are to facilitate the Board to efficiently and effectively discharge its mandate. The primary role of Board is to protect and enhance long term shareholder value. It therefore acts independently, with care and due diligence in the best interest of the Institute and the Shareholder.

### BOARD MEETINGS

The full Board meets quarterly and committees meet at least once in between the full board meetings. The Board meets to consider, monitor and review performance of the Institute. When necessary, special Board meetings are convened, to consider urgent issues requiring urgent decisions. A formal agenda prepared by the Board Secretary in consultation with the Chairman and the Director General, covering the strategic direction of the Institute, business operations, finance and human resources, guides the Board meetings. All Board members may suggest agenda items and liaise with the Board Secretary.

The roles of the Chairman and the Director General are separately held and are clearly defined to ensure separation of responsibility. A board pack comprising the agenda, minutes of the previous Board meetings and all the supporting documentation is prepared and delivered to all Board members in advance so that they have adequate time to prepare and participate effectively in meetings.

### BOARD COMMITTEES



The Board sets out the terms of reference and composition of its four committees taking into account the professional areas of specialisation of the Board members. Members are allocated to serve on committees of the Board in their areas of strategic strength and expertise. This enables the Board members to look at those key areas in detail and add value to the Institute. All the committees come up with items for information to the main Board and recommendations for adoption and approval by the Board.

#### COMMITTEE MEETINGS AND ATTENDANCE IN 2022

Name	Human Resources and Remuneration	Finance	Audit	Risk Training and Strategy	Main Board
<b>Meetings Held (2022)</b>	<b>8</b>	<b>5</b>	<b>6</b>	<b>4</b>	<b>5</b>
Mr N Matimba	n/a	n/a	n/a	n/a	5
Mrs F Sekeso	n/a	3	n/a	4	1
Professor C Nherera	n/a	n/a	6	3	4
Mr F Mpofo	8	n/a	6	n/a	3
Mrs A Manyanya	n/a	4	n/a	n/a	3
Comm. Dr. T. Choruma	n/a	n/a	a	1	1
Mrs. C. Chigwamba	8	5	n/a	*2	5
Mr. L. Ngorima	5	n/a	n/a	n/a	5
Dr Edgar S.Makande	8	5	6	4	5

\*Joined the committee with effect from October 2022

## **INTERNAL CONTROL**

The Board of Governors is responsible for the Institute systems of internal control mainly, to reduce the risk of error, loss or failure to achieve corporate objectives in a cost-effective manner. These systems also provide reasonable, assurance on the integrity and reliability of the financial statements and maintain accountability of its assets and to minimise and detect significant fraud, potential loss, liability and material misstatement while complying with applicable laws and regulations. The controls at the Institute, concentrate on critical risk areas and ZIPAM has an internal auditor, who reports to the Director General administratively and to the chairperson of the Finance and Audit Committee. The Internal Audit Department is designed to serve management and the Board of Governors through independent evaluations and examinations of the Institute's activities and resultant business risks.

## **WORKS COUNCIL AND WORKERS' COMMITTEE**

ZIPAM holds Works Council meetings quarterly. Each department has a representative member who attends these meetings. The works council comprises of three members of workers' committee and three management representatives. Works Council meetings provide a forum for management and worker consultations as well as deliberating on employee's concerns at the work place. Worker participation has been prioritised at the Institute as it is a key strategy for successful culture change and turnaround. Works Council meetings also serve as a communication channel between management and employees at the Institute.

**SB 21**



**REPORT OF THE AUDITOR - GENERAL**

**TO**

**THE MINISTER OF PUBLIC SERVICE, LABOUR AND SOCIAL WELFARE**

**AND**

**THE BOARD OF GOVERNORS**

**IN RESPECT OF THE FINANCIAL STATEMENTS OF**

**ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

**Opinion**

I have audited the accompanying financial statements of Zimbabwe Institute of Public Administration and Management as set out on pages 6 to 29, which comprise the statement of financial position as at December 31, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the

year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Institute of Public Administration and Management as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I conducted my audit in accordance with International Standards on Auditing (ISAs) and International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of Zimbabwe Institute of Public Administration and Management in accordance with the ethical requirements that are relevant to my audit of the financial statements in Zimbabwe, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of Zimbabwe Institute of Public Administration and Management for the year ended December 31, 2022. These matters were addressed in the context of my audit of the Institute's financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be key audit matters to be communicated in my report.

Key Audit Matter	How my audit addressed the key audit matter
<p><b>Revenue recognition. Refer to note 3.2, 14, 15 and 16 of the financial statements</b></p> <p>The Institute reported inflation adjusted revenue amounting to ZWL1 094 100 563 for the year ended December 31, 2022. The Institute's revenue is mainly from training, consultancy work and hotel services which include accommodation, food and beverages and training venues. Training and consultancy work includes various programs, which are priced differently based on various factors and pricing models.</p> <p>In addition, during the year, the Institute traded in both Zimbabwean dollars (ZWL) and United States Dollars. The United States dollars revenue was translated into the reporting currency at various interbank rates. Due to the factors above and the huge volume of transactions from the various revenue streams, revenue recognition was regarded as a complex area. The level of complexity and the presumed risk in revenue recognition were considered to be of most significance to the audit. As a result, revenue recognition was considered to be a Key Audit Matter.</p>	<p>My audit procedures to address the risk of material misstatement relating to revenue recognition included:</p> <ul style="list-style-type: none"> <li>• Discussing the revenue cycle and pricing models with management and evaluating their appropriateness,</li> <li>• Testing of controls over the Institute's revenue billing system,</li> <li>• Conducting substantive analytical procedures on revenue,</li> <li>• Scrutinising manual journals related to revenue to assess the timing and fair values of revenue recorded,</li> <li>• Evaluating the adequacy of the disclosures and</li> <li>• Discussing with management on their application of the daily interbank rates used to convert USD denominated revenue to the reporting currency and evaluating the appropriateness of the rates used.</li> </ul> <p>Based on the evidence gathered, I concluded that revenue was appropriately recognised.</p>

**Revaluation of Property and Equipment. Refer to Note 2.4,3.3 and 6 of the financial statements**

The Institute disclosed property and equipment of ZWL7 173 646 886. The value was based on the revaluation model in accordance with International Accounting Standard “IAS 16”, Property, Plant and Equipment and International Financial Reporting Standard (IFRS) 13- Fair Value Measurement.

The revaluation was carried out as at December 31, 2022 by an independent valuer. The valuation of property and equipment involved significant judgement and assumptions by the valuer.

Accordingly, due to the significant assumptions and complexity associated with valuation of property and equipment, the audit of property and equipment was considered to be a key audit matter.

My audit procedures to address the risk of material misstatement relating to property and equipment valuation included:

- Evaluating the methods used by the external valuer in the valuation of property and equipment against the requirements of IAS 16- “Property, Plant and Equipment”, IFRS 13 – “Fair Value Measurement”, as well as industry practice.
- Assessed the reasonableness of assumptions used in the management expert’s valuation model to determine the value of land, buildings, motor vehicles, furniture, fittings and equipment, computers and infrastructure by performing the following procedures:
- Evaluated the financial statement disclosures against the requirements of IAS 16.

Based on the evidence gathered, I concluded that property, plant and equipment was appropriately recognised.

**Other Information**

Management is responsible for the Other Information. The Other Information comprises all the information in the Institute’s 2022 annual report other than the financial statements and my auditor’s report thereon (“the Other Information”).

My opinion on the Institute’s financial statements does not cover the Other Information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Institute’s financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is consistent with the Institute’s financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

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

The Institute's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Zimbabwe Institute of Public Administration and Management Act [*Chapter 25:17*] 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 Institute'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 Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my 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 International Standards on Auditing (ISAs), I exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. I 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 my 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements

or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Institute 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In my opinion, the financial statements have, in all material respects, been properly prepared in compliance with the disclosure requirements of the Zimbabwe Institute of Public Administration and Management Act [*Chapter 25:17*], the Public Finance Management Act [*Chapter 22:19*] and other relevant Statutory Instruments.

13 July, 2023.



**N. MAGADZA,  
ACTING AUDITOR – GENERAL**



**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2022**



ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

STATEMENT OF FINANCIAL POSITION

as at December 31, 2022

	Note	Inflation Adjusted		Historical Cost	
		2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property and equipment	6	7 174 989 779	3 416 698 531	7 174 989 779	983 364 090
Intangible assets	7	7 173 646 886	3 415 411 024	7 173 646 886	982 993 531
		1 342 893	1 287 507	1 342 893	370 559
<b>Current assets</b>					
Inventories	8	474 931 153	203 891 609	474 555 413	58 682 288
Trade and other receivables	9	16 629 267	6 867 766	16 253 527	1 976 620
Prepayments		136 129 109	102 280 959	136 129 109	29 437 605
Cash and cash equivalents	10	71 134 665	29 638 850	71 134 665	8 530 393
		251 038 112	65 104 034	251 038 112	18 737 670
<b>Total assets</b>		<b>7 649 920 933</b>	<b>3 620 590 140</b>	<b>7 649 545 192</b>	<b>1 042 046 378</b>
<b>RESERVES AND LIABILITIES</b>					
<b>Reserves</b>					
Revaluation reserve		7 453 980 188	3 550 748 386	7 461 943 355	1 021 945 139
Accumulated fund		6 738 133 201	2 929 340 520	7 032 574 601	838 492 226
		715 846 987	621 407 866	429 368 754	183 452 913
<b>Non current liabilities</b>					
Deferred income	11	93 529 355	3 117 298	86 649 649	897 193
		93 529 355	3 117 298	86 649 649	897 193
<b>Current liabilities</b>					
Trade and other payables	12	102 411 390	66 724 456	100 952 188	19 204 046
Prepayments		27 410 820	38 581 511	27 410 820	11 104 191
Deferred income	11	38 777 473	13 297 537	38 777 473	3 827 180
Leave pay provision	13	19 837 795	503 690	18 378 593	144 968
		16 385 302	14 341 718	16 385 302	4 127 707
<b>Total reserves and liabilities</b>		<b>7 649 920 933</b>	<b>3 620 590 140</b>	<b>7 649 545 192</b>	<b>1 042 046 378</b>

13 July ,2023

Mazvabo. T  
(Finance and Administration Manager).  
(ICSAZ- PAAB-3471)

13 July ,2023

Dr. Makande. E.,  
(Director General).

13 July ,2023

Matimba N.M.  
(Board chairman).

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

for the year ended December 31, 2022

	Note	Inflation Adjusted		Historical Cost	
		2 022 ZWL	2 021 ZWL	2 022 ZWL	2 021 ZWL
<b>Revenue</b>		<b>1 094 100 563</b>	<b>344 139 077</b>	<b>786 300 806</b>	<b>99 047 079</b>
Training	14	160 962 765	31 101 445	112 614 687	8 951 344
Hotel revenue	15	826 033 855	273 674 930	608 436 719	78 766 709
Other income	16	107 103 943	39 362 702	65 249 400	11 329 026
<b>Less Expenditure</b>		<b>773 896 377</b>	<b>328 054 282</b>	<b>540 384 965</b>	<b>94 250 429</b>
Administration costs	17	283 540 234	111 654 348	165 506 972	31 968 105
Employment costs	18	297 081 509	143 417 721	233 430 683	41 277 226
Operating costs	19	193 274 634	72 982 213	141 447 310	21 005 098
<b>Profit for the year</b>		<b>320 204 186</b>	<b>16 084 795</b>	<b>245 915 841</b>	<b>4 796 650</b>
Monetary loss		(225 765 065)	(340 946 053)	-	-
<b>Net profit/ (loss) for the year</b>		<b>94 439 121</b>	<b>(324 861 258)</b>	<b>245 915 841</b>	<b>4 796 650</b>
<b>Other comprehensive income</b>					
Revaluation surplus		3 808 792 681	2 909 568 024	6 194 082 374	<b>838 492 226</b>
<b>Total comprehensive income for the year</b>		<b>3 903 231 802</b>	<b>2 584 706 766</b>	<b>6 439 998 215</b>	<b>843 288 876</b>

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

STATEMENT OF CHANGES IN RESERVES

for the year ended December 31, 2022

	Inflation Adjusted		
	Accumulated fund ZWL	Revaluation reserve	Total ZWL
Opening balance at January 1, 2021	531 420 526	19 772 496	551 193 022
Realisation of Infrastructure	414 848 598	-	414 848 598
Total comprehensive income for the year	(324 861 258)	2 909 568 024	2 584 706 766
<b>Closing balance at December 31, 2021</b>	<b>621 407 866</b>	<b>2 929 340 520</b>	<b>3 550 748 386</b>
Opening balance at January 1, 2022	621,407,866	2 929 340 520	3 550 748 386
Gain on revaluation of assets	-	3 808 737 295	3 808 737 295
Gain on revaluation of intangible asset	-	55 386	55 386
Total comprehensive income for the year	94 439 121		94 439 121
<b>Closing balance at December 31, 2022</b>	<b>715846 987</b>	<b>6 738 133 201</b>	<b>7 453 980 188</b>

	Inflation Adjusted		
	Accumulated fund ZWL	Revaluation reserve	Total ZWL
Opening balance at January 1, 2021	59 258 192	129 232	59 387 424
Realisation of Infrastructure	119 398 071	-	119 398 071
Total comprehensive income for the year	4 796 650	838 362 994	843 159 644
<b>Closing balance at December 31, 2021</b>	<b>183 452 913</b>	<b>838 492 226</b>	<b>1 021 945 139</b>
Opening balance at January 1, 2022	183 452 913	838 492 226	1 021 945 139
Gain on revaluation of intangible asset	-	972 334	972 334
Gain on revaluation of tangible assets	-	6193 110 040	6 193 110 040
Total comprehensive income for the year	245 915 841	-	245 915 841
<b>Closing balance at December 31, 2022</b>	<b>429 368 754</b>	<b>7 032 574 600</b>	<b>7 461 943 354</b>

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

STATEMENT OF CASHFLOWS

for the year ended December 31, 2022

	Notes	Inflation Adjusted		Historical Cost	
		2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>Cash flows from operating activities</b>		<b>331 572 245</b>	<b>(83 508 081)</b>	<b>146 094 315</b>	<b>(24 034 561)</b>
Operating cashflow before changes in working capital		402 368 466	12 299 943	278 410 076	3 540 061
<b>Net profit for the period</b>		<b>94 439 121</b>	<b>(324 861 258)</b>	<b>245 915 841</b>	<b>4 796 650</b>
<i>Adjustments for non cash items:</i>		307 929 345	337 161 201	32 494 235	(1 256 589)
Depreciation	6	86 073 624	5 774 971	25 811 271	1 494 835
Government grant amortisation	11	(1 959 367)	(19 861 229)	(1 831 767)	(5 716 284)
Leave pay provision	13	2 043 584	10 142 079	12 257 595	2 919 004
(Profit)/Loss on disposal		(3 993 561)	159 327	(3 742 864)	45 856
Monetary loss		225 765 065	340 946 053	-	-
<b>Working capital changes</b>		<b>(70 796 221)</b>	<b>(95 808 024)</b>	<b>(132 315 761)</b>	<b>(27 574 622)</b>
(Increase) in inventories		(9 761 501)	(3 541 537)	(14 276 907)	(1 019 294)
Decrease/(Increase) in receivables		(33 848 150)	(78 473 856)	(106 691 504)	(22 585 671)
(Decrease)/Increase in payables		(11 170 691)	8 893 736	16 306 629	2 559 720
(Decrease)/Increase in prepayments		(16 015 879)	(22 686 367)	(27 653 979)	(6 529 377)
<b>Cash flows from investing activities</b>		<b>(25 254 629)</b>	<b>(140 855 583)</b>	<b>(13 793 873)</b>	<b>(15 161 372)</b>
Purchase of property and equipment	6	(29 637 287)	(140 826 310)	(17 894 693)	(15 152 947)
Disposal of property and equipment		4 382 658	58 024	4 100 820	16 700
Purchase of intangible assets	7	-	( 87 297)	-	( 25 125)
<b>Cash flows from financing activities</b>		<b>105 381 272</b>	<b>19 735 160</b>	<b>100 000 000</b>	<b>5 680 000</b>
Government grant		105 381 272	19 735 160	100 000 000	5 680 000
<b>Net increase(decrease) in cash and cash equivalents</b>		<b>411 698 888</b>	<b>(204 628 504)</b>	<b>232 300 442</b>	<b>(33 515 933)</b>
<b>Effects of inflation on cash and cash equivalents</b>		<b>(225 764 810)</b>	<b>88 177 394</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at beginning of the year		65 104 034	181 555 144	18 737 670	52 253 603
<b>Cash and cash equivalents at end of the year</b>	11	<b>251 038 112</b>	<b>65 104 034</b>	<b>251 038 112</b>	<b>18 737 670</b>

# ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

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### 1. REPORTING ENTITY NATURE OF BUSINESS

The Institute is incorporated in Zimbabwe through the Zimbabwe Institute of Public Administration and Management Act of Parliament 1990, [Chapter 25:17]. The Institute is responsible for the dissemination of information relating to, and the promotion, teaching, direction, supervision, study and coordination of matters of administration and management with particular reference to the interest of the Public Service, Local Authorities, Parastatals and also the private sector. The word Institute, as used in this context, refers to the Zimbabwe Institute of Public Administration and Management (ZIPAM) and vice versa.

### 2. BASIS OF PREPARATION

#### 2.1 New and revised International Financial Reporting Standards (IFRS)

The principal accounting policies used by the Institute are consistent with those of the previous year, except for changes from new or revised IFRSs

##### **Amendments to IAS 8 - Definition of Accounting Estimates**

- The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.
- It is not expected that the amendments will have a material impact on the Institute.

##### **Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies**

- The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial; accounting policy information is material if users of an entity’s financial statements would need it to understand other material information in the financial statements; and the amendments clarify

that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

- It is not expected that the amendments will have a material impact on the Institute.

## **2.2 Statement of compliance**

The financial statements for the year ended December 31, 2022, have been prepared in conformity with International Financial Reporting Standards, promulgated by the International Accounting Standard Board (IASB), which includes standards and interpretations approved by the IASB as well as International Accounting Standards and Standing Interpretations Committee (SIC).

The principal accounting policies of the Institute, which are set out below, have been consistently followed in all material respects

## **2.3 Basis of measurement**

The financial statements are presented in Zimbabwe dollars, “\$”. They are based on the historical cost convention and adjusted to take account of the effects of inflation in accordance with International Accounting Standards (IAS) 29 (Financial Reporting in Hyperinflationary Economies). The adjusted amounts are presented side by side with the unadjusted figures from where they are derived. The inflation adjusted financial statements constitute the Authority’s primary financial statements whilst the historical financials are supplementary.

The economy in Zimbabwe is considered to be hyperinflationary. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures be stated in terms of the same measuring unit. Accordingly, these financial statements have been adjusted, to take account of the changes in the general purchasing power of the Zimbabwe dollar and, as a result, are stated in terms of the measuring unit current at the balance sheet date. The adjustments are based on conversion factors derived from the Zimbabwe Consumer Price Index (CPI) compiled by the Zimbabwe Central Statistical Office and published on the Reserve Bank of Zimbabwe’s website. The indices and conversion factors applied are disclosed by way of a note.

The main procedures applied in the adjustments of transactions and balances are as follows:

- Monetary assets and liabilities as at the end of the current year being reported on are not adjusted because they are already stated in terms of the measuring unit current at balance sheet date;
- Non-monetary assets and liabilities, and components of shareholders’ equity/funds, are adjusted by applying the change in the index from the date/month of the transaction or, if applicable, from the date of their most recent revaluation to the balance sheet date;

- Equipment and intangible assets are adjusted by applying the change in the index from the date of transaction, or if applicable, from the date of their most recent/last revaluation, to the balance sheet date. Depreciation and amortization amounts are based on the adjusted amounts;
- Statement of comprehensive income items/transactions, except depreciation and amortization charges as explained above, are adjusted by applying the monthly price indices for the respective months when the income and/or expenses were incurred;
- For comparative Statement of comprehensive income items/transactions, an average index during the period to the balance sheet date was applied;
- Gains and losses arising from the net monetary asset or liability positions are included in the profit and loss statement; and
- All items in the cash flow statement are expressed in terms of the measuring unit current at the balance sheet date.

#### **Functional and presentation currency**

These financial statements are presented in Zimbabwean Dollar (ZWL\$) which is the Institute functional currency. All the financial information presented has been rounded to the nearest dollar.

## **2.4 Critical accounting judgments, assumptions and estimates**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors, including making assumptions concerning future events that are believed to be reasonable under the circumstances. Actual results may differ from these accounting estimates. The estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are accounted for prospectively. In the process of applying the accounting policies as set out below, management has made the following judgements that have a significant risk of causing material adjustment to the amounts recognised in the financial statements:

### **2.4.1 Useful lives and residual values of property, plant and equipment**

The useful lives and residual values of property, plant and equipment are reviewed at each year-end. The useful lives, which are estimated by management, are based on historic analysis and other available information. The residual values are estimated based on useful lives as well as other available information.

#### **2.4.2 Impairment and provisioning policies**

At each statement of financial position date, the Institute reviews the carrying amount of its assets to determine whether there is an indication that those assets suffered any impairment. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease.

In the event that, in the subsequent period, an asset that has been subject to an impairment loss is no longer considered to be impaired, the value is restored and the gain is recognised in the statement of comprehensive income. The restoration is limited to the value which would have been recorded had the impairment adjustment not taken place.

#### **2.4.3 Uncollectable accounts receivable**

The Institute estimates the allowance for uncollectable accounts based on management's assessment of collection indicators on each specific debt and the age of the debt to determine the rate applied in compliance with IFRS 9.

#### **2.4.4 Taxation**

The Institute is exempted from tax in terms of Income Tax Act [*Chapter 23.06*].

#### **2.5 Hyperinflation**

The Public Accountants and Auditors Board (PAAB) through its pronouncement provided guidance to all entities that report in accordance with the International Financial Reporting Standards (IFRS) in the application of Financial Reporting in Hyperinflationary Economies Standard (IAS 29) in Zimbabwe. The pronouncement requires that entities that prepare and present financial statements for financial periods ended on or after 1 July 2019 should apply the requirement of IAS 29 "Financial Reporting in Hyperinflationary Economies".

The Institute has adopted IAS 29 Financial Reporting in Hyperinflationary Economies in the preparation of its 2022 Financial Statements. As such, all the elements of the financial statements have been restated in line with IAS 29.

The Institute adopted the Consumer Price index (CPI) as the general price index to restate transactions and balances.

The following indices were used to prepare the financial statements:

<b>Dates</b>	<b>Indices</b>	<b>Adjusting factor</b>
CPI as at December 2021	3,977.50	3.4745
CPI as at December 2022	13,819.70	1.0000
Average		2.2373

The source of the price indices used is the Reserve Bank of Zimbabwe website.

Procedures used in restating the historical financial statements are;

- a. Current period monetary assets and liabilities are not restated while non-monetary assets and liabilities that are not carried at current reporting period end are restated by the relevant monthly conversion factors.
- b. All items in the Statement of Profit and Loss and Other Comprehensive Income are restated by applying the relevant monthly conversion factors
- c. Comparative amounts have been restated to reflect a change in the general price index from 31 December 2021 to the end of the reporting period. All items in the statement of cash flows are expressed based on the restated financial information for the period.

## **2.6 Contingent liabilities**

The Institute had no contingent liabilities arising from events that occurred before the close of the Institute's financial year of 31 December 2022.

## **3. ACCOUNTING POLICIES**

The accounting policies applied in the preparation of these financial statements are consistent with those applied in the financial statements for the year ended December 31, 2021.

### **3.1 Foreign currency**

#### **3.1.1 Foreign currency transactions**

While the Institute's records are maintained in Zimbabwean (ZWL) Dollars, some of its transactions are conducted in other major foreign currencies. Foreign exchange gains and losses resulting from the settlement of such transactions and from measurement of Foreign exchange gains and losses resulting from the settlement of such transactions and from measurement of monetary items denominated in foreign currency at year end exchange rates are recognized in profit or loss.

Transactions in foreign currencies are translated to Zimbabwean Dollars at interbank exchange rates ruling at the time of the transactions. Transactions and translation gains and losses arising from conversion or settlement of foreign debts are dealt with in the statement of comprehensive income in determination of the operating income.

Non-monetary items are not translated at year end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using exchange rates at the date when fair value was determined.

In the Institute's financial statement all assets, liabilities and transactions of the Institute with a functional currency other than the Zimbabwe dollar are translated into Zimbabwe dollars. The functional currency of the Institute changed from United States Dollars to Zimbabwean Dollars during the reporting period.

### **3.2 Revenue recognition**

The Institute has identified and aligned the revenue streams from the following areas of its operations to the requirements of IFRS 15 and as such the Institute is continuously and closely assessing the timing and contractual obligations arising out of transactions.

#### **Hotel revenue**

Revenue from hotel is recognised in the statement of profit or loss and other comprehensive income when the significant risks and rewards of ownership are transferred to the clients.

#### **Training revenue**

Revenue from training services rendered is recognised in the statement of profit or loss and other comprehensive income in proportion to the related services. When the outcome of a transaction involving the rendering of services can be estimated reliably.

#### **Other Income**

Other income is recognized in the statement of profit or loss and other comprehensive when it is probable that economic benefits associated with the transaction will flow to the Institute

### **3.3 Property, plant and equipment**

#### **3.3.1 Recognition and measurement**

Property, plant and equipment held for use in the supply of services or for administrative purposes, are stated at carrying amounts.

#### **Depreciation**

Depreciation, which is calculated on the straight-line basis, is provided to write off the cost less the estimated residual value of fixed assets over their estimated useful lives. The Institute assesses useful life and residual values of property, plant and equipment each year taking into account past experiences and technological changes. Management has set residual values for all classes of property, plant and equipment at zero.

The annual rates used for depreciation are as follows:

Buildings	2.5%
Furniture, fittings and equipment	10%
Motor vehicles	20%
Computers	33%
Infrastructure Assets	2.5%

Where the items of property, plant and equipment are revalued, depreciation is based on the gross replacement cost.

### **3.3.2 Revaluation of property, plant and equipment**

Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of property, plant and equipment is recognized in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in the statement of comprehensive income, in which case the increase is credited to the statement of comprehensive income to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such property, plant and equipment is recognized in the statement of comprehensive income to the extent that it exceeds the balance, if any, held in asset revaluation reserve relating to previous revaluation of the Asset. Depreciation on revalued assets is recognized in the statement of profit or loss and other comprehensive income.

### **3.4 Intangible Assets**

Intangible assets are revalued at the end of each year. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period. Same as property, plant and equipment, intangible assets are also measured on the historical-cost mode.

### **3.5 Inventory**

Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the average cost principle, and includes expenditure incurred in acquiring the inventories.

### **3.6 Grants**

Grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position as deferred income under non-current liabilities and are recognized as income on a systematic and rational basis over the useful life of the asset.

They exclude those forms of government assistance which cannot reasonably have value placed upon them and transactions with government which cannot be distinguished from the normal trading.

Grants related to income are credited to the statement of profit or loss and other comprehensive income. Non-monetary grants are valued at nominal amounts based on management estimates.

### **3.7 Financial instruments**

Financial Instruments are contracts that give rise to financial assets or financial liabilities. Financial assets and financial liabilities are recognised on the Institute's statement of financial position when the Institute becomes a party to the contractual provisions of the instrument. These instruments are generally carried at their estimated carrying values.

Non-derivative financial instruments carried in the statement of financial position comprise: cash and cash equivalents, trade and other receivables, trade and other payables. These instruments are recognised initially at fair value plus any directly attributable transaction costs.

#### **3.71 Date of recognition**

Financial assets and liabilities are initially recognised on the date that the Institute becomes a party to the contractual provisions of the instrument.

#### **3.7.2 Initial measurement of financial instruments**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss and transaction costs. Trade receivables are measured at the transaction price.

#### **3.7.3 Classification**

The Institute has classified its financial assets in the following categories:

- Cash and cash equivalents,
- Financial assets measured at amortised cost and,
- Financial assets at fair value through other comprehensive income.

#### **3.7.4 Measurement of financial assets**

From 1 January 2022, the Institute has classified all its financial assets based on the business model for managing the assets and the assets' contractual terms, measured at either:

- Amortized cost,
- FVOCI and
- FVPL.

### **3.7.5 De-recognition of financial assets and liabilities**

#### **i. Financial assets**

A financial asset is de-recognised when the rights to receive cash flows from the financial assets have expired. The Institute also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for de-recognition.

#### **ii. Financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

### **3.7.6 Impairment of financial assets**

#### **3.7.6.1 Determining the stage for impairment**

At each reporting date, the Institute assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of recognition. The Institute considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward looking analysis.

An exposure will migrate through the Expected Credit Loss (ECL) stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Institute's investment grade criteria are considered to have a low credit risk. The provision for doubtful debts for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the Statement of Profit or loss.

#### **3.7.6.2 Measurement of ECLs**

Zimbabwe Institute of Public Administration and Management's expected credit losses on receivables are calculated on the basis of simplified approach. The ECL is measured at an amount equal to lifetime credit losses applied on a portfolio of trade receivables with shared characteristics. The portfolio basis of assessing changes in credit risk is most

applicable since the Institute has a large number of trade receivables on which it is not practically possible to monitor or obtain forward looking information on each customer.

ECLs are recognised using a provision for doubtful debts account in profit or loss. The Institute recognises the provision charge in the statement of profit or loss, with the corresponding amount recognised in the statement of financial position, with a reduction in the carrying amount of the asset in the statement of financial position.

### **3.7.6.3 Off-setting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **3.8 Employment benefits**

### **3.8.1 Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which the Institute pays fixed contributions into separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit or loss and other comprehensive income in the period during which related services are rendered by employees.

## **3.9 Leases**

The Institute leased a small piece of land and the rental income from the operating lease is recognised on a straight-line basis over the lease term in compliance with IFRS 16. The underlying asset subject to operating lease is not impaired and therefore no any impairment loss is recognised. No depreciation is recognised as cost for the underlying asset because the asset is deemed not to be depreciable.

## **3.10 Cash and cash equivalents**

Cash and cash equivalents include cash and balances with entities, unrestricted balances held with the Institute, unrestricted balances held with other entities and any highly liquid financial asset used by the Institute in the management of its short-term commitments.

## **4. IMPACT OF COVID-19**

COVID-19 was declared a public health emergency on 31 January 2020, and later a pandemic on 11 March 2020, by the World Health Organization due to the number of confirmed cases and deaths that were recorded in numerous countries the world over. The COVID-19 pandemic has led to widespread economic uncertainty and volatility in financial market as the measures taken across the globe to try and slow down the spread of the pandemic is impacting both the supply and demand for many goods and services.

Although fiscal and monetary policy measures are also being implemented to prop up the economy, many still believe there is a possibility of a global recession. As at the date of the approval of the financial statements, management was in the process of assessing the full impact of COVID-19 on its operations.

Management, however, do not anticipate the COVID-19 to have a significant impact on its operations, and the ability of the Institute to continue operating as a going concern and believe that the preparation of these financial statements on going concern is appropriate. The ability of the Institute to continue operating as a going concern is also assured by continued government support.

## **5.0 Going concern assumption**

The Institute had a historic surplus of \$245 915 841 in 2022 (\$4 796 650 in 2021). Management have assessed the ability of the Institute to continue operating as a going concern and believe that the preparation of these financial statements on going concern is appropriate. The ability of the Institute to continue operating as a going concern is also assured by continued government support.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2022

6. Proper, plant and equipment

							Inflation Adjusted	
	Land	Buildings	Motor Vehicles	Furniture, Fittings & Equipment	Computers	Infrastructure	Total 2022 ZWL	Total 2021 ZWL
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL		
Depreciation Rate								
<b>Opening carrying amount</b>	<b>906 144 041</b>	<b>1 952 179 596</b>	<b>60 011 428</b>	<b>71 150 127</b>	<b>11 077 234</b>	<b>414 848 598</b>	<b>3 415 411 024</b>	<b>371 045 778</b>
Gross carrying amount	906 144 041	1 952 179 596	60 011 428	71 150 127	11 077 234	414 848 598	3 415 411 024	400 125 204
Accumulated depreciation	-	-	-	-	-	-	-	(29 079 426)
Additions	-	-	10 308 740	13 484 715	12 167 833	-	35 961 288	140 826 310
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>(389 097)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(389 097)</b>	<b>(254 117)</b>
Cost	-	-	(457 762)	-	-	-	(457 762)	(383 923)
Accumulated depreciation on disposals	-	-	68 665	-	-	-	68 665	129 806
Depreciation charge for the year	-	(48 804 490)	(13 346 267)	(7 696 223)	(5 855 429)	(10 371 215)	(86 073 624)	(5 774 971)
Revaluation Surplus	1 242 485 079	1 967 415 191	72 433 660	57 220 334	10 463 074	458 719 957	3 808 737 295	2 909 568 024
<b>Closing carrying amount</b>	<b>2 148 629 120</b>	<b>3 870 790 297</b>	<b>129 018 464</b>	<b>134 158 953</b>	<b>27 852 712</b>	<b>863 197 340</b>	<b>7 173 646 886</b>	<b>3 415 411 024</b>
Gross carrying amount	2 148 629 120	3 870 790 297	129 018 464	134 158 953	27 852 712	863 197 340	7 173 646 886	3 415 411 024
Accumulated depreciation	-	-	-	-	-	-	-	-

							Historical	
	Land	Buildings	Motor Vehicles	Furniture, Fittings & Equipment	Computers	Infrastructure	Total 2022 ZWL	Total 2021 ZWL
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL		
Depreciation Rate								
<b>Opening carrying amount</b>	<b>260 798 400</b>	<b>561 859 144</b>	<b>17 271 961</b>	<b>20 477 803</b>	<b>3 188 152</b>	<b>119 398 071</b>	<b>982 993 531</b>	<b>10 719 493</b>
Gross carrying amount	260 798 400	561 859 144	17 271 961	20 477 803	3 188 152	119 398 071	982 993 531	15 101 701
Accumulated depreciation	-	-	-	-	-	-	-	(4 382 208)
Additions	-	-	4 969 744	9 975 381	8 767 416	-	23 712 541	135 625 529
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>(357 955)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(357 955)</b>	<b>(62 556)</b>
Cost	-	-	(421 124)	-	-	-	(421 124)	(98 406)
Accumulated Depreciation for disposals	-	-	63 169	-	-	-	63 169	35 850
Depreciation charge for the year	-	(14 046 479)	(4 095 969)	(2 374 862)	(2 309 009)	(2 984 952)	(25 811 271)	(1 494 835)
Revaluation Surplus	1 887 830 720	3 322 977 632	111 230 683	106 080 631	18 206 153	746 784 221	6 193 110 040	838 227 600
<b>Closing carrying amount</b>	<b>2 148 629 120</b>	<b>3 870 790 297</b>	<b>129 018 464</b>	<b>134 158 953</b>	<b>27 852 712</b>	<b>863 197 340</b>	<b>7 173 646 886</b>	<b>982 993 531</b>
Gross carrying amount	2 148 629 120	3 870 790 297	129 018 464	134 158 953	27 852 712	863 197 340	7 173 646 886	982 993 531
Accumulated depreciation	-	-	-	-	-	-	-	-

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2022

7 Intangible Assets	Website	Inflation Adjusted	
		Total 2022 ZWL	Total 2021 ZWL
<b>Opening carrying Amount</b>	<b>1 287 507</b>	<b>1 287 507</b>	<b>454 492</b>
Gross carrying amount	1 287 507	1 287 507	454 492
Additions	-	-	87 297
Revaluation	55 386	55 386	745 718
<b>Closing carrying Amount</b>	<b>1 342 893</b>	<b>1 342 893</b>	<b>1 287 507</b>
Gross carrying amount	1 342 893	1 342 893	1 287 507

	Website	Historic Cost	
		Total 2022 ZWL	Total 2021 ZWL
<b>Opening carrying Amount</b>	<b>370 559</b>		<b>130 808</b>
Gross carrying amount	370 559	370 559	130 808
Additions	-	-	25 125
Revaluation	972 334	972 334	214 626
<b>Closing carrying Amount</b>	<b>1 342 893</b>	<b>1 342 893</b>	<b>370 559</b>
Gross carrying amount	1 342 893	1 342 893	370 559

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2022

	Inflation Adjusted		Historical Cost	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>8 Inventories</b>	<b>16 629 267</b>	<b>6 867 766</b>	<b>16 253 527</b>	<b>1 976 620</b>
Hotel stocks	16 629 267	6 867 766	16 253 527	1 976 620
<b>9 Trade and other receivables</b>	<b>136 129 109</b>	<b>102 280 959</b>	<b>136 129 109</b>	<b>29 437 605</b>
Trade receivables	141 809 341	104 811 218	141 809 341	30 165 842
Allowances for credit loss	(5 680 232)	(2 530 259)	(5 680 232)	( 728 237)
<b>10 Cash and cash equivalents</b>	<b>251 038 112</b>	<b>65 104 034</b>	<b>251 038 112</b>	<b>18 737 670</b>
Bank balances	250 938 354	64 815 800	250 938 354	18 654 713
Ecocash	99 758	288 234	99 758	82 957
<b>11 Deferred income</b>	<b>113 367 150</b>	<b>3 620 988</b>	<b>105 028 242</b>	<b>1 042 161</b>
Opening balance	3 620 988	262 790	1 042 161	75 634
Additions	111 705 529	23 219 427	105 817 848	6 682 811
Amortised during the year	(1 959 367)	(19 861 229)	(1 831 767)	(5 716 284)
	<b>113367 150</b>	<b>3620 988</b>	<b>105028 242</b>	<b>1042 161</b>
Long term portion	93529 355	3117 298	86649 649	897 193
Short term portion	19837 795	503 690	18378 593	144 968
<b>12 Trade and other payables</b>	<b>27 410 820</b>	<b>38 581 511</b>	<b>27 410 820</b>	<b>11 104 191</b>
Trade payables	18 176 513	12 773 975	18 176 513	3 676 493
Salary arrears	51 324		51 324	-
Board fees arrears	151 200		151 200	-
Trade union	98 709	5 750	98 709	1 655
ZB Life assurance	900 097	1 288 529	900 097	370 853
Pay as you earn (PAYE)	4 623 496	1 970 319	4 623 496	567 080
National Social Security Authority	1 603 330	927 233	1 603 330	266 868
Resource persons	17 067		17 067	-
Value Added Tax	1 057 077	20 633 506	1 057 077	5 938 554
Withholding tax	732 007	982 199	732 007	282 688

**ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended December 31, 2022

	Inflation Adjusted		Historical Cost	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>13 Leave pay provision</b>	<b>16 385 302</b>	<b>14 341 718</b>	<b>16 385 302</b>	<b>4 127 707</b>
Leave pay provision	16 385 302	14 341 718	16 385 302	4 127 707
<b>14 Training revenue</b>	<b>160 962 765</b>	<b>31 101 445</b>	<b>112 614 687</b>	<b>8 951 344</b>
Training and consultancy fees	160 962 765	31 101 445	112 614 687	8 951 344
<b>15 Hotel revenue</b>	<b>826 033 855</b>	<b>273 674 930</b>	<b>608 436 719</b>	<b>78 766 709</b>
Hotel revenue	826 033 855	273 674 930	608 436 719	78 766 709
<b>16 Other income</b>	<b>107 103 943</b>	<b>39 362 702</b>	<b>65 249 400</b>	<b>11 329 026</b>
Sundry income	329 222	419 438	280 096	120 719
Amortisation-government grant	1 959 367	19 861 229	1 831 767	5 716 284
Electricity tokens	665 348	513 347	517 213	147 747
Profit on disposal	3 993 561	-	3 742 862	-
Foreign exchange gain	98 197 741	17 219 181	57 476 857	4 955 873
Clinic income	140 268	40 645	96 143	11 698
Lease income	1 818 436	1 308 862	1 304 462	376 705

**ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT**

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended December 31, 2022

	Inflation Adjusted		Historical Cost	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>17 Administration costs</b>	<b>283 540 234</b>	<b>111 654 348</b>	<b>165 506 972</b>	<b>31 968 105</b>
Board expenses	3 728 612	1 037 965	2 828 285	298 738
Board fees	10 263 208	7 146 282	5 986 400	2 056 780
Cleaning and fumigation	3 753 268	2 501 494	1 627 416	719 958
Donations	274 778	-	252 775	-
Depreciation	86 073 624	5 774 971	25 811 271	1 494 835
Electricity	10 289 450	5 039 012	9 815 721	1 450 284
Electrical consumables	14 822 145	5 331 658	10 511 033	1 534 511
Fuel and lubricants	22 789 708	10 496 885	14 825 989	3 021 121
Legal expenses	5 317	-	2 563	-
Licences and insurances	7 383 711	1 396 242	3 954 897	401 854
Periodicals and subscriptions	3 630 489	2 025 567	2 191 899	582 981
Postages and telephones	6 938 747	6 260 660	5 161 565	1 801 888
Printing and stationery	11 657 347	5 429 594	7 100 118	1 562 698
Rates	2 198 175	-	2 195 880	-
Repairs and maintenance	37 840 396	29 906 297	26 299 979	8 607 367
Sundry expenses	2 926 107	3 615 335	1 861 794	1 040 534
Travel and subsistence	956 098	1 126 044	757 939	324 088
Vehicle hire	2 239 277	1 446 365	833 961	416 280
Water	14 157 728	7 574 316	10 855 460	2 179 973
Audit fees	9 816 221	4 286 977	5 655 618	1 233 840
Bank charges	17 167 298	8 001 381	12 646 950	2 302 887
Increase in allowance for credit loss	3 149 973	416 506	4 951 994	119 875
Tourism levy	11 478 557	2 681 470	9 377 465	771 757
Loss on disposal	-	159 327	-	45 856
<b>18 Employment costs</b>	<b>297 081 509</b>	<b>143 417 721</b>	<b>233 430 683</b>	<b>41 277 226</b>
Basic salary	81 599 188	56 471 299	55 316 528	16 253 072
Cushioning allowance	75 858 424	12 049 298	61 004 976	3 467 923
Increase in leave pay provision	2 043 584	10 142 079	12 247 604	2 919 004
Other staff costs	137 580 313	64 755 045	104 861 575	18 637 227

ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2022

	Inflation Adjusted		Historical Cost	
	2022 ZWL	2021 ZWL	2022 ZWL	2021 ZWL
<b>19 Operating costs</b>	<b>193 274 634</b>	<b>72 982 213</b>	<b>141 447 310</b>	<b>21 005 098</b>
Marketing and advertisements	905 300	362 859	570 404	104 435
Hotel cost of sales	141 341 236	57 519 392	99 015 394	16 554 725
Cutlery and linen	3 769 086	7 981 757	2 623 968	2 297 239
Other Operating costs	47 259 012	7 118 205	39 237 544	2 048 699

**20 Leases**

The institute leased a piece of land to Netone for base station. The lease was considered to be of a low value hence was accounted for as an operating lease. The lease income realised is as given below:

	Inflation Adjusted		Historic cost	
	2022 ZW\$	2021 ZW\$	2022 ZW\$	2021 ZW\$
Lease income	1 818 436	1 308 862	1 304 462	376 705

**21 Related party transactions**

<b>21.1 Board of directors fees</b>	<b>13 991 820</b>	<b>312 746</b>	<b>8 814 685</b>	<b>2 355 518</b>
Board fees	10 263 208	7 146 282	5 986 400	2 056 780
Other board expenses	3 728 612	1 037 965	2 828 285	298 738
<b>21.2 Key management staff</b>	<b>65 743 132</b>	<b>2 973 777</b>	<b>4 741 258</b>	<b>12 543 297</b>
Remuneration	30 021 783	22 486 366	20 366 071	6 471 828
Allowances	35 721 349	21 095 319	26 304 817	6 071 469

**22 Pension arrangements**

**22.1 ZB Pension fund**

Pensions are provided for all permanent employees by a separate fund to which the Institute contributes. The pension fund, which is administered by ZB bank, is a defined contribution plan in which the retirement benefits are determined by reference to the employees' pensionable remuneration and years of service.

**22.2 NSSA**

The National Social Security Authority was introduced in October 1994 and with effect from that date, all employees are members of the scheme to which both the Institute and the employees contribute as follows;

Employees: 4.5% of the monthly basic salary.

Employers: 4.5% of the monthly basic salary.

Contributions by the employer are charged to the Statement of comprehensive income during the period under review. These amounted to: ZWL 3 739 644 (2021:ZWL1 012 817).



## HEALTH AND WELLNESS TRAINING



### **COURSE OBJECTIVES:**

The course in health and wellness is designed to develop participants' knowledge and skills of managing their health and wellness and that of others. The course also covers current trends and best practices in the development of a healthy and well society.