

**INSTITUTE OF PEOPLE MANAGEMENT OF
ZIMBABWE - CONSOLIDATED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

GENERAL INFORMATION - INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE- CONSOLIDATED

PRINCIPAL ACTIVITIES

The Institute of People Management of Zimbabwe - National Office is incorporated in Zimbabwe and carries the business of developing, delivering and regulating the human resource management profession in Zimbabwe.

BOARD OF TRUSTEES MEMBERS

DR Pfungwa Dhliwayo (President)
Cleopas Chiketa (Immediate Past President)
Monica Tembo (Vice President Finance, Audit and ICT)
Audrey Mlambo (Vice President PR, Research and Customer Care)
Darlington Hukuimwe (Vice President Membership, Education and Professional Development)
Terrence Kwaramba (Vice President HR & Governance)
DR Tendayi Munhenga
Alice Nyamugama
Nokuthula Moyo
Forward Manyanga
Mercy Nhongo
Tsitsi Vumbunu

SECRETARIAT

L. Mupandawana (Executive Director)
L. Mangena (Finance Executive)
N. Masonga (Business Development Manager)
F. Nzembe (Human Resources and Programme Management)

BANKERS

Stanbic Bank
5 Sheffield Road
Belgravia
Harare

BUSINESS OFFICE

IPMZ House
15 Argyle Road
Avondale
Harare

REGISTERED OFFICE

IPMZ House
15 Argyle Road
Avondale
Harare

AUDITORS

Global Village
Chartered Certified Accountants (Zimbabwe)
No. 9 John Plagis Avenue
Alexander Park,
Harare
Zimbabwe

INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE

Financial Statements for the year ended 31 December 2023

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Preparer of financial statements

The annual Inflation Adjusted financial statements were prepared in compliance with International Financial Reporting Standards and The Vocational Training Act 1978, under the supervision of Lovemore Mangena. These inflation adjusted financial statements were prepared in compliance with the provisions of the Vocational Training Act.

Declaration by Finance Executive

In my capacity as the Finance Executive, I hereby confirm, in terms of the provisions of the Vocational Training Act for the year ended 31 December 2023, the institute was lodged with the Ministry of Higher and Tertiary Education, all such returns as are required in terms of this Ministry and that all such returns are true, correct and up to date.


.....
Finance Executive

Member's approval of the financial statements

The inflation adjusted financial statements for the year ended 31 December 2023 set out on pages 6 to 18 were approved by management on 12 June 2024 and are signed on their behalf by:


.....
Director

.....
Director

INSTITUTE'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TO THE MEMBERS OF THE INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE- CONSOLIDATED

The institute is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is its responsibility to ensure that the financial statements fairly present the state of affairs of the institute as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Institute acknowledge that it is ultimately responsible for the system of internal financial control established by the Institute and place considerable importance on maintaining a strong control environment. To enable it to meet these responsibilities, the Institute sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Institute and all employees are required to maintain the highest ethical standards in ensuring the Institute's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Institute is on identifying, assessing, managing and monitoring all known forms of risk across the Institute. While operating risk cannot be fully eliminated, the Institute endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The institute of the opinion, based on the information and explanations given by management, that the system of internal controls provide reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However any system of internal control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Institute have reviewed the Institute's budget for the year to December 31, 2023 and, in the light of this review and the current financial position, they are satisfied that the Institute has or had access to adequate resources to continue in operational existence for the foreseeable future. The Institute however draws attention to the fact that Zimbabwe's economy is not stable. The economy is characterised by hyperinflation, depressed disposable incomes, uncertain political environment and high unemployment rate among other issues. All these factors indicate the existence of an uncertainty that may cast doubt on the nations companies, churches and any other organisations operating in Zimbabwe ability to continue as a going concern.


The external auditors are responsible for independently auditing and reporting on the Institute's financial statements. The financial statements have been examined by the Institute's external auditors and their report is presented on pages 3-5.

The financial statements were prepared under the supervision of.....

Loremore Mangena
PAAZ NO 04155

The financial statements set out on pages 6 to 18, which have been prepared on the going concern basis, were approved by the council on 12/09/2024 and were signed on their behalf by:

(On behalf of Institute of People Management of Zimbabwe - Consolidated)



.....
DR Pfungwa Dhliwayo
President



.....
Monica Tembo
Vice President-Finance and Audit

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF INSTITUTE OF PEOPLE MANAGEMENT
ZIMBABWE**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Institute of People Management – Consolidated set out on pages 6 to 18 which comprise the Statement of Financial Position as at 31 December 2023, the Income Statement, Statement of Changes in Reserves 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 our opinion, the Financial Statements present fairly, in all material respects, the statement of financial position of the Institute of People Management – Consolidated as at 31 December 2023, its statement of financial performance and its statement of Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act [Chapter 24:03].

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the fact that Zimbabwe's economy is not stable. The economy is characterised by hyperinflation, depressed disposable incomes, uncertain political environment and high unemployment rate among other issues. All these factors indicate the existence of an uncertainty that may cast doubt on the nation's companies, churches and any other organisations operating in Zimbabwe ability to continue as a going concern. However, we have considered the reasonableness of the assumptions used by management to prepare the financial statements on the basis of a going concern and consider resultant disclosures to be appropriate.

OTHER INFORMATION

The organisation's members are responsible for the other information. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We confirm that we have not identified any such inconsistencies or misleading statements.

RESPONSIBILITIES OF THE ORGANISATION DIRECTORS FOR THE FINANCIAL STATEMENTS

The organisation is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act [24:03], and for such internal control as the organisation 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, the organisation members are responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the organisation.
- Conclude on the appropriateness of the organisation'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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the organisation 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.

We communicate with the organisation members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the organisation with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with

AUDIT. TAX. ADVISORY

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them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the organisation, we 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. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Sherpard Chimutanda.

GVillage (Z10012)
Chartered Certified Accountants (Zimbabwe)
Shepherd Chimutanda (FCCA)
Engagement Partner
Registered Public Auditor
PAAB Practice Certificate Number: 0403

Date _____

**INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE - CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2023**

		INFLATION ADJUSTED 2023 ZWL	INFLATION ADJUSTED 2022 ZWL	HISTORICAL 2023 ZWL	HISTORICAL 2022 ZWL
ASSETS					
Non - current assets					
Property, plant & equipment	13	5,348,260,619	275,540,739	4,542,402,355	176,727,787
Investment property	14	3,074,299,974	78,300,000	2,655,675,000	78,300,000
Intangible assets	15	39,501,354	861,020	33,626,379	385,181
Other financial assets	4	340,388,513	37,305,520	340,388,513	37,305,520
		8,802,450,461	392,007,279	7,572,092,248	292,718,487
Current assets					
Inventories	5	242,457	255,544	242,457	255,544
Accounts receivable	6	(135,120,545)	(15,415,042)	(135,120,545)	(15,415,042)
Other current assets	7	41,983,720	4,412,228	41,983,720	4,412,228
Cash & cash equivalents	8	1,313,342,438	111,540,247	1,313,342,438	111,540,247
		1,220,448,070	100,792,978	1,220,448,070	100,792,978
Total assets		10,022,898,530	492,800,257	8,792,540,317	393,511,465
RESERVES & LIABILITIES					
Reserves					
Non-distributable reserves	page 8	90,068,024	90,068,024	71,823,650	71,823,650
Accumulated funds	page 8	4,777,005,208	196,985,672	4,295,786,953	184,474,545
Revaluation Reserve	page 8	4,935,018,170	194,647,823	4,204,122,586	126,114,532
		9,802,091,401	481,701,519	8,571,733,188	382,412,727
Non - current liabilities					
Current liabilities					
Trade and Other payables	9	220,807,129	11,098,738	220,807,129	11,098,738
		220,807,129	11,098,738	220,807,129	11,098,738
		10,022,898,530	492,800,257	8,792,540,317	393,511,465

**INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE-CONSOLIDATED
STATEMENT OF INCOME/EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

		INFLATION ADJUSTED 2023 ZWL	INFLATION ADJUSTED 2022 ZWL	HISTORICAL 2023 ZWL	HISTORICAL 2022 ZWL
	Notes				
Revenue	10	8,987,262,649	1,170,477,353	7,731,490,744	787,459,167
Other income	11	4,776,938,728	61,220,099	4,109,466,809	41,186,895
Administrative expenses	12	(8,985,077,112)	(986,873,792)	(7,729,610,588)	(663,936,651)
Surplus		4,779,124,265	244,823,661	4,111,346,965	164,709,411
Monetary Gains/(Loss)		(199,064,560)	(101,016,873)	-	-
Total comprehensive income for the year		4,580,059,705	143,806,788	4,111,346,965	164,709,411

**INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE - CONSOLIDATED
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2023**

HISTORICAL

	Other NDR ZWL	Revaluation reserve ZWL	Total reserves ZWL	Accumulated funds ZWL	Total ZWL
Balance as at 01 January 2022	663,650	10,954,578	11,618,228	19,856,347	31,474,575
Opening balance adjustment	-	-	-	(91,213)	(91,213)
Total comprehensive income for the year	-	-	-	164,709,411	164,709,411
Reserves movement	71,160,000	115,159,954	186,319,954	-	186,319,954
Balance as at 31 December 2022	71,823,650	126,114,532	197,938,182	184,474,545	382,412,727
Opening balance adjustment	-	-	-	(34,557)	(34,557)
Total comprehensive income for the year	-	-	-	4,111,346,965	4,111,346,965
Reserves movement	-	4,078,008,053	4,078,008,053	-	4,078,008,053
Balance as at 31 December 2023	71,823,650	4,204,122,586	4,275,946,235	4,295,786,953	8,571,733,188

INFLATION ADJUSTED					
	Other NDR ZWL	Revaluation reserve ZWL	Total reserves ZWL	Accumulated funds ZWL	Total ZWL
Balance as at 01 January 2022	18,908,024	79,487,869	98,395,893	53,270,098	151,665,990
Total comprehensive income for the year	-	-	-	143,806,788	143,806,788
Opening balance adjustment	-	-	-	(91,213)	(91,213)
Reserves movement	71,160,000	115,159,954	186,319,954	-	186,319,954
Balance as at 31 December 2022	90,068,024	194,647,823	284,715,847	196,985,672	481,701,519
Total comprehensive income for the year	-	-	-	4,580,059,705	4,580,059,705
Opening balance adjustment	-	-	-	(40,170)	(40,170)
Reserves movement	-	4,740,370,347	4,740,370,347	-	4,740,370,347
Balance as at 31 December 2023	90,068,024	4,935,018,170	5,025,086,194	4,777,005,208	9,802,091,401

**INSTITUTE OF PEOPLE MANAGEMENT OF ZIMBABWE - CONSOLIDATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	INFLATION ADJUSTED 2023 ZWL	INFLATION ADJUSTED 2022 ZWL	HISTORICAL 2023 ZWL	HISTORICAL 2022 ZWL
Cash flows from operating activities				
Surplus for the year	4,580,059,705	143,806,788	4,111,346,965	164,709,411
Adjust for:				
Opening balance adjustment	(40,170)	(91,213)	(34,557)	(91,213)
Depreciation and amortisation	26,745,467	12,223,962	23,008,377	8,438,253
Interest received	(4,132,408)	(9,813,632)	(3,554,995)	(6,602,293)
Fair value gains	(3,175,360,429)	44,661,163	(2,775,778,458)	-
Operating profit before working capital changes	1,427,272,165	190,787,068	1,354,987,332	166,454,158
(Increase)/decrease in inventories	13,087	22,048	13,087	22,048
(Increase)/decrease in accounts receivable	119,705,503	14,181,783	119,705,503	14,181,783
Increase/(decrease) in accounts payable	209,708,391	6,264,591	209,708,391	6,264,591
Other current assets	(37,571,492)	(4,086,495)	(37,571,492)	(4,086,495)
Net cash from/(used in) operating activities	1,719,127,655	207,168,995	1,646,842,822	182,836,086
Interest Received	4,132,408	9,813,632	3,554,995	6,602,293
Cash flows from investing activities				
Acquisition of property, plant and equipment	(130,258,145)	(84,173,337)	(112,057,440)	(56,629,089)
Proceeds from disposal of property plant and equipment	-	-	-	-
Acquisition of financial assets	(352,310,642)	(37,153,759)	(303,082,993)	(37,153,759)
Purchase of intangible assets	(38,889,086)	-	(33,455,193)	-
Net decrease in cash and cash equivalents	(521,457,873)	(121,327,096)	(448,595,626)	(93,782,848)
Net cash flow movement	1,201,802,191	95,655,531	1,201,802,191	95,655,530
Cash and cash equivalents as at 01 January	111,540,247	15,884,717	111,540,247	15,884,717
Cash and cash equivalents as at 31 December	1,313,342,438	111,540,247	1,313,342,438	111,540,247
Reconciliation of movements during the year				
Bank balances	1,313,342,438	111,540,247	1,313,342,438	111,540,247
Cash and cash equivalents as at 31 December	1,313,342,438	111,540,247	1,313,342,438	111,540,247