



REPUBLIC OF ZAMBIA

GOVERNMENT OF THE REPUBLIC OF ZAMBIA

FINANCIAL REPORT

For The

Year Ended 31st December, 2021

Consolidated and Produced by:
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REPUBLIC OF ZAMBIA

STATEMENT OF RESPONSIBILITIES

The Constitution of Zambia under Article 211(1) requires the Minister of Finance to prepare and submit the Financial Report of the Republic of Zambia to the Auditor General, three months after each financial year in respect of the preceding financial year. The Minister of Finance is also responsible to lay the Financial Report with the Auditor General's opinion before the National Assembly.

The Financial Report of the Republic of Zambia relate to Ministries, Provinces and Agencies (MPA's) which form part of the National Budget for the year ended 31st December, 2021. The Financial Report is based on Financial Statements prepared and submitted by MPAs in accordance with the provisions of part VI section 70 of the Public Finance Management Act No. 1 of 2018.

The Financial Statements for the year ended 31st December, 2021 have been prepared in accordance with the provisions of the Public Finance Management Act No. 1 of 2018 in which the Secretary to the Treasury has prescribed the Reporting Framework in the Central Government Accounting Policies (CGAPs) taking into account Government's legal and regulatory framework regarding public finances.

To the best of our knowledge, the Financial Statements as set out on pages 18 to 60 are complete in all material respects and have been accurately prepared for the financial year ended 31st December 2021.

Hon. Dr. Sifumbeko Musokalware, MP
MINISTER OF FINANCE AND NATIONAL PLANNING

Date: 28th March, 2022

Felix Nkulukusa
Secretary to the Treasury
Ministry of Finance and National Planning

Date: 28th March, 2022

Kennedy K. Musonda
Accountant General
Ministry of Finance and National Planning

Date: 28th March, 2022



REPUBLIC OF ZAMBIA

MINISTERIAL STATEMENT ON THE FINANCIAL REPORT FOR THE YEAR ENDED

31st DECEMBER, 2021

The Government in 2021 implemented a national Budget whose theme was "**Stimulate Economic Recovery and Build Resilience to Safeguard Livelihoods and Protect the Vulnerable**". In this regard, the specific macro-economic objectives for the year 2021 were to (i) Achieve a real GDP growth rate of at least 1.8 percent; (ii) Reduce the inflation rate towards the 6-8 percent medium-term target; (iii) increase international reserves to at least 2.5 months of import cover; (iv) Reduce the fiscal deficit to 9.3 percent of GDP; and (v) Achieve domestic revenue collections of not less than 18.0 percent of GDP.

Preliminary data indicates that the Zambian economy grew by 3.6% in 2021 compared to a contraction of 2.8% recorded in 2020. This was mainly due to growth in the Agriculture, Manufacturing and Energy sector. However, there was a decline in the Mining sector largely due to operational challenges at some major mining houses as well as a drop-in ore grade. Additionally, most mines reduced operations as a measure to mitigate the spread of Covid-19. There was also a reduction in gold and cobalt production.

In the 2020/2021 agricultural season, there was a general increase in production for most of the crops grown in the country. This was mainly attributed to the good rainfall, timely distribution of inputs under the Farmer Input Support Programme (FISP) and a trend for adoption of good agricultural practices by farmers.

The manufacturing sector grew by 4.2 percent in the first three quarters of 2021, from 1.7 percent during the corresponding period in 2020. This outturn was mainly influenced by growth in the Chemicals, Rubbers, Plastics, Non-metallic Mineral Products, Food, Beverages and Tobacco subsectors. The improvement in the sector was partly influenced by increased production of pharmaceutical related products in the wake of the COVID-19 Pandemic.

The performance of the Energy sector was positive, evidenced by an increase in electricity generation and the increased demand for petroleum products. Electricity generation in 2021 increased by 16.0 percent to 17.6 million MWh from 15.2 million MWh in 2020, while national consumption of petroleum products increased by 8.2 percent to 1,438,100.98 Mt from 1,329,290.7 Mt recorded in 2020.

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The 2021 overall budget performance was challenging as the total expenditure were above target despite the favourable revenue performance. Total actual Revenues and Grants amounted to K 130.77 billion and were 28% below the final budget of K158.60 billion. Grants and non-tax revenues were also above target.

On the expenditure side, total expenditures including amortization amounted to K119.91 billion and were 76% of the budgetary target of K158.60 billion. This was on account of expenditures on Financial Assets and Liabilities, Transfers and Subsidies, Farmer Input Support Programme and Use of Goods and Services.

Annual overall inflation edged further away from the upper bound of the 6-8 percent target range in 2021 as inflationary pressures persisted during the year. Annual inflation increased to an average of 22.1 percent from 15.7 percent in 2020. The increase in inflation was largely driven by the depreciation of the Kwacha against major trading currencies in the first half of the year, imported inflation as well as reduced and constrained supply of food items such as meat, fish and vegetables.

In the financial sector, the overall performance of the banking sector improved compared to the year 2020. This was attributed to the improved macroeconomic environment, evidenced by a strong aggregate capital position attributed to retained earnings, satisfactory earnings performance and liquidity conditions. Asset quality also improved on account of bad loan write-offs and recoveries. The overall financial performance and condition of the Non-Bank Financial Institutions (NBFIs) sector was rated to be satisfactory.

In the foreign exchange market, the Kwacha depreciated by 8.7 percent to trade at an annual average exchange rate of K19.91 per US dollar from K18.31 per US dollar in 2020. The Kwacha also depreciated against other major trading currencies such as the British pound Sterling, Euro and South African Rand by 16.5 percent, 12.5 percent and 20.5 percent to annual averages of K27.42, K23.6 and K1.35, respectively. At the end of December 2021, the Kwacha was trading at K22.47, K18.88 and K1.05 to the British Pound Sterling, Euro, and South African Rand, respectively.

Lastly, I would like to convey my deepest appreciation to the members of staff of the Ministry of Finance and National Planning and other MPAs for their hard work in the preparation of the Financial Report.



Hon. Dr. Sifumbelo Musokalwane, MP
MINISTER OF FINANCE AND NATIONAL PLANNING



REPUBLIC OF ZAMBIA

**STATEMENT BY THE SECRETARY TO THE TREASURY ON THE FINANCIAL
REPORT FOR THE YEAR ENDED 31st DECEMBER, 2021**

1.0 INTRODUCTION

The Financial Report for the period 1st January 2021 to 31st December 2021 provides an overview of the operating results in terms of revenue generated, capital grants received, financing through borrowing and how the funds were utilised.

During the period from 1st January, 2021 to 12th May 2021 the Minister responsible for Finance was Dr. Bwalya K. E. Ng'andu and from 27th September, 2021 to 31st December, 2021 the Minister responsible for Finance was Hon. Dr. Situmbeko Musokotwane, MP.

The Secretary to the Treasury from 1st January, 2021 to 8th September, 2021, was Mr. Fredson K. Yamba while from 27th October, 2021 to 31st December, 2021 the Secretary to the Treasury was Mr. Felix Nkulukusa.

The Permanent Secretary in Charge of Budget and Economic Affairs was Dr. Emmanuel Mulenga Pamu from 1st January to 30th June, 2021 while from 1st July, 2021 to 31st December, 2021 the Permanent Secretary in charge of Budget and Economic Affairs was Mr. Mukuli Chikuba.

The Permanent Secretary in charge of Economic Management and Finance was Mr. Mukuli Chikuba from 1st January to 30th June, 2021 while from 1st July, 2021 to 31st December, 2021, the Permanent Secretary in charge of Economic Management and Finance was Mr. Danies Chisenda.

The Accountant General in the year under review was Mr. Kennedy K. Musonda while the Controller of Internal Audits was Mr. Chibwe Mulonda.

2.0 OVERVIEW OF OPERATING RESULTS

The overview of Governments operating results for the year ended 31st December 2021 is presented below in respect of revenue and expenditure:

2.1 REVENUE

Tax, Non-Tax & Grants (Total Revenues) amounted to K107.90 billion against a target of K68 billion representing actual performance of 159% of the budget.

The Total Revenue increased by K39.87 billion representing an increase of 59% from 2020 to 2021.

Tax & Non-Tax (Total Domestic Revenue) amounting to K97.21 billion was collected in 2021 compared to K65.23 billion collected in 2020 representing an increase of 49%.

Tax Revenue amounting to K83.34 billion was collected in 2021 compared to K56.25 billion collected in 2020 representing an increase of 48% .

Tax Revenue collected was 77% of Total Revenue and 86% of Total Domestic Revenue in the year under review.

- Income Tax amounted to K54.90 billion or 56% of Total Domestic Revenue collected in 2021 representing an increase of 59% from K34.58 billion recorded in 2020
- Customs and Excise duty amounted to K9.49 billion or 10% of Total Domestic Revenue collected. Customs and Excise duty increased by K2.3 billion representing a 33% increase from 2020 to 2021.
- Value Added Tax (VAT) amounted to K18.96 billion or 20% of Total Domestic Revenue collected in 2021 representing an increase of 30% from K14.53 billion collected in 2020.

Non Tax Revenue amounted to K13.87 billion or 13% of Total Revenue and 14% of Total Domestic Revenue as follows:

- Fines amounted to K71.29 million in 2021 compared K64.59 million in 2020 representing an increase of 11%.
- Licences amounted to K2.00 billion or 2% of Total Domestic Revenue in the year under review. Licences increased by K558.91 million from 2020 to 2021 representing an increase of 39%.
- Commissions amounted to K0.04 billion in 2021 compared to K0.83 Million in 2020 representing an increase of over 100%.
- Fees of Court or Office collected amounted to K 1.71 billion or 2% of Total Domestic Revenue. Fees of Court or Office increased by K600.34million in 2021 from K1.11 billion in 2020.

- Levies collected amounted to K590.55 million representing 1% of Total Domestic Revenue.
- Interest revenues collected amounted to K129.55 million representing less than 1% of Total Domestic Revenue.
- Other Revenues collected amounted to K9.33 billion or 10% of Total Domestic Revenue. Other Revenues increased by K4.54 billion from 2020 to 2021.

2.2 CAPITAL GRANTS

Capital Grants received include Bilateral and Multilateral Grants amounting to K9.92 billion and K0.76 billion in 2021 compared to K43.64 million and 2.76 billion in 2020 respectively.

2.3 FINANCING

Total Borrowings (Bilateral, Multilateral and Domestic Borrowing) amounted to K22.88 billion or 18% of Total Receipts in 2021 compared to K46.12 billion or 40% of Total Receipts in 2020 representing a decrease in financing of 50%.

2.4 EXPENDITURE

The original authorized budget for the year under review of K119.62 billion was approved by National Assembly on 18th December, 2020. On 29th December, 2021 a total of K 19.35 billion and K19.63 billion was approved by Parliament as excess expenditure appropriation and supplementary expenditure, bringing the total final budget for the year to K158.60 billion. Actual Expenditure for the period under review stood at K 119.91 billion of which:

- K31.11 billion or 26% was for Personal Emoluments. Personal Emoluments were K4.67 billion or 18% in 2021 more than K26.45 billion recorded in 2020.
- Use of Goods and Services amounted to K42.60 billion or 36% of the total expenditure in 2021 representing an increase of K18.92 billion compared to K 22.68 billion recorded in 2020.
- Financial Charges and repayment of debt amounted to K29.50 billion or 25% of the total expenditure in 2021 and represents a increase of K 2.05 billion or 7% lower compared to K27.45 billion reported in 2020.
- Grants and Other Payments amounted to K14.08 billion or 12% of the total expenditure, representing an increase of K4.04 billion or 40% higher compared to K10.04 billion recorded in the previous year.
- Non-financial assets (Capital Expenditure) amounted to K1.04 billion representing 0.87% of the total expenditure and was K670.24 million higher compared to K368.92 million attained in the previous year.

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- Assets under construction amounted to K1.59 billion representing 1% of the total expenditure in the year under review.
- Further, K 276,750.00 was incurred in respect of staff imprest that remained outstanding at the end of 2021.

During the year under review, Government released and paid out K6.35 billion towards dismantling of arrears for personal emoluments, compensation and awards, contracts, capital and goods and services .

2.5 EXPENDITURE BY FUNCTION

The Classification of Functions of Government (COFOG) is the detailed classification of government expenditure by purpose for which the funds were used. COFOG splits expenditure into ten functional groups.

The total actual expenditure of K119.91 billion according to the Government functions broken into ten (10) broad classifications is listed below:

- i. **General Public Services** amounted to K57.92 billion which represents 48% of the Total Expenditure.
- ii. **Defence** amounted to K 5.64 billion representing 5% of the Total Expenditure.
- iii. **Public Order and Safety** amounted to K 31.12 billion representing 3% of the Total Expenditure.
- iv. **Economic Affairs** amounted to K 21.58 billion or 18% of the Total Expenditure.
- v. **Environmental Protection** amounted to K 959.31 million or less than 1% of the total expenditure.
- vi. **Housing and Community Amenities** amounted to K2.28 billion or less than 2% of the total expenditure.
- vii. **Health** recorded an amount of K 9.71 billion representing 8% of the total expenditure.
- viii. **Recreation, Culture and Religion** amounted K119.92 million or less than 1% of the total expenditure.
- ix. **Education** amounted to K 13.80 billion which is 12% of the Total Expenditure.
- x. **Social Protection** amounted to K 4.80 billion or 4% of the Total Expenditure.

The financing of these expenditures in line with the GFS Classification is given in Note 36.

3. LEGISLATION

The following legislation were initiated by the Ministry of Finance and enacted by Parliament for the year under review:

- (i) Appropriation Act No. 26 of 2020
- (ii) Excess Expenditure Appropriation Act No. 42 of 2021
- (iii) Supplementary Appropriation Act No 52 of 2021
- (iv) Income Tax (Amendment) Act No. 43 of 2019
- (v) Customs and Excise (Amendment) Act No. 16 of 2019
- (vi) Value Added Tax (Amendment) Act No. 14 of 2019
- (vii) Property Transfer Tax (Amendment) Act No, 13 of 2019

4. CONCLUSION

The Government raised total revenue of K 107.89 billion, out of which K87.68 billion was spent on Government operating activities, leaving net cash flows from operating activities of K 5.1 billion. In addition K22.87 billion was raised to meet the financing gap of the budget. This is despite the challenges the country faced mainly due to the outbreak of the COVID-19. It is for this reason that i wish to express my sincere gratitude and appreciation to all Controlling Officers for the reports.



Felix Nkulukusa

Secretary to the Treasury

MINISTRY OF FINANCE AND NATIONAL PLANNING



REPUBLIC OF ZAMBIA

**COMMENTARY ON THE FINANCIAL STATEMENTS BY THE ACCOUNTANT
GENERAL**

The Republican Constitution under Part XVI Article 211 requires that the Minister of Finance prepares and tables the Consolidated Annual Financial Report of the Republic to the National Assembly. The Annual Financial Report referred to provides information on Revenue and other moneys received and expensed by the Government during that financial year. Besides being mandated by legislation, the Annual Financial Report is meant to provide a summary of National Governments financial resources and their application in line with the 2021 approved budget for the benefit of the people of the Republic of Zambia and other interest groups.

The Financial Statements for the year ended 31st December, 2021 have been prepared in accordance with the provisions of the Public Finance Management Act No. 1 of 2018 in which the Secretary to the Treasury has prescribed the Reporting Framework in the Central Government Accounting Policies (CGAPs) taking into account Government's legal and regulatory framework regarding public finances. Further, the financial statements have been prepared in accordance with accounting policies, which have been applied consistently in all material respects, unless otherwise indicated.

The Public Financial Management (PFM) reforms being undertaken by the Government has seen the adoption and implementation of the provisions of Part 1 and some provisions of Part 2 of the International Public Sector Accounting Standards (IPSAS) cash basis of accounting. The adoption of the provisions of IPSAS by Government is intended to improve the quality, comparability, and reporting of financial information.

The Financial Statements mentioned herein, contain the following information;

Statement A- Statement of Cash Receipts and Payments

The Statement of Cash Receipts and Payments discloses opening and closing cash balances, total cash receipts and total cash payments over the reporting period, and major sub-classifications thereof. This will ensure that the financial statements provide comprehensive information about the cash balances of the entity and changes therein over the period in a format that is assessable and understandable by users.

Statement B - Statement of Budget Execution

This statement highlights the budget performance of the Government during the period under review. It compares original and final revenue and expenditure estimates of the budget against the actual revenue and expenditure respectively.

Statement C- Statement of Comparison of Authorised Provision and Actual Expenditure by Programme

This report provides the detailed budget execution information of Ministries, Provinces and Agencies (MPAs). The Statement Cs for the financial year ended 31st December, 2021 have been prepared in accordance with the Output Based Budgeting (OBB) format which presents the budget at programme level and in line with the approved budget for MPAs.

Statement D - Comparison of Budget and Actual amounts by Functional Classification

This Statement compares final budget figures (original budget plus supplementary) at functional level (General Public Service, Defence, Public Order and Safety, Economic Affairs, Environmental protection, Housing and Community Amenities, Health, Recreation, Cultural and Religion, Education, Social Protection) against actual expenditure.

Statement E – Statement of Public Debt

This Statement provides information on Government domestic debt such as Treasury bills, Government Bonds and borrowings from financial institutions. The statement further provides information on the external multilateral and bilateral debt.

Statement F- Cash flow statement

This Statement identifies the sources of cash inflows, the items on which cash was expended during the reporting period and the cash balance at the reporting date. It further provides information on the operations, investment and financing activities of the Republic of Zambia. The sources of cash inflows of the Republic of Zambia include taxes, non-tax revenues, grants from corporating partners and debt. The government has also invested in property, plant and equipment as well as other ventures.

Notes to the Financial Statement

Further to the aforementioned, IPSAS cash basis of accounting prescribes that Notes to the financial statements are an integral part to numbers reported there-in. In this regard, the Annual Financial Report contains a descriptive (narrative) component clarifying the amounts presented.

Major Public Financial Management (PFM) Reforms

During the year under review, the Government continued to initiate and implement its Public Financial Management (PFM) reforms. The objectives of PFM reforms intend to achieve among others fiscal discipline, transparency, improve efficiency in operations and effective allocation and use of public resources. Below are the highlights of the PFM reforms undertaken during the year under review:

i. Output Based Budgeting (OBB)

The Output Based Budgeting (OBB) system was rolled out to the remaining thirty-three (33) MPAs, bringing the total number of MPAs on OBB to sixty -two (62) in the year 2021.

ii. Preparation of Financial Statements

The Sixty-two (62) MPAs prepared their 2021 Financial Statements in accordance with the Central Government Accounting Policies (CGAPs) and Cash Basis-International Public Sector Accounting Standards (IPSAS).

iii. New Innovations - Government Service Bus (GSB) and Payment Gateway

The automation of work processes for the provision of Government services and payment systems for collection of non-tax revenue by MPAs through the Government Service Bus (GSB) and Payment Gateway continued in 2021. One hundred and fourty four (144) services in nine (9) Ministries, Government Departments and Statutory Bodies including online registration of Cooperatives under the Ministry of Commerce, Trade and Industry have been integrated on the GSB for electronic collection of revenues being automated as at 31st December, 2021.

To facilitate electronic payment, Government implemented a Payment Gateway which enabled consumers of Government services to make payments using ZAMTEL mobile money services and VISA cards in the year 2020. In 2021, the Treasury added MTN and Airtel mobile money services on to the GSB.

Further, Treasury has progressed in its plans to integrate Government approved Commercial Banks on the GSB by the end of 2022. Once implemented, the integration will enable clients process payments for Government services though their respective banks.

Lastly, I would like to thank all Government officials involved in the production of this Financial Report.



Kennedy K. Musonda
Accountant General
Ministry of Finance and National Planning



**REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL**

INDEPENDENT AUDITOR'S REPORT

STAND No.7951

**HAILE SELASSIE AVENUE,
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To: The Speaker – National Assembly

Report on the Audit of the Financial Report of the Republic of Zambia for the financial year ended 31st December 2021.

Unmodified Opinion

I have audited the Financial Report for the Government of the Republic of Zambia for the financial year ended 31st December 2021, which comprise; Statement A - Statement of Cash Receipts and Payments, Statement B - Statement of Budget Execution, Statement C - Statement of Comparison of Budget and Actual Expenditure by Programme, Statement D - Comparison of Budget and Actual by functional classification, Statement E – Statement of Public Debt, Statement F – Statement of Cashflow and a summary of significant accounting policies and other explanatory information.

In my opinion, the Financial Report present fairly, in all material respects, its cash receipts, payments, cash balances and budget execution for the year ended 31st December 2021, in accordance with the Cash Basis International Public Sector Accounting Standard (IPSAS) and the Central Government Accounting Policies (CGAPs).

Basis for Opinion

I conducted my audit in accordance with 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 the Ministry of Finance, in accordance with the International Organisation of Supreme Audit Institutions (INTOSAI) Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Zambia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the INTOSAI Code. 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 (KAMs) are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why the Matter was Determined to be KAM	How the Matter was Addressed in the Audit	Reference to the Related Disclosures in the Financial Statements
During the period under review, Head 37- Ministry of Finance obtained supplementary funds on behalf of the other Heads of expenditure to cater mainly for Personal Emoluments. The supplementary was K5,587,712,231 representing 136% of the original budget	<ul style="list-style-type: none"> • Compared the actual expenditure towards the payroll cashbook to the figures reported in the financial statements • Compared the excess expenditure on the Ministry of Finance payroll ledger to the amounts reflected in the other heads of expenditure financial statements. 	Note 18

<p>of K4,104,151,348 for Head 37. In addition, although Personal Emoluments are appropriated to each Ministry or Province, salaries are centrally paid by Ministry of Finance.</p> <p>I considered this to be a Key Audit Matter.</p>	<ul style="list-style-type: none"> • Interviewed the officers charged with the responsibility of managing the payments and reporting of personnel emoluments from the payroll system • Reviewed the payment records for Personal emoluments and the third-party salaries payments 	
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My opinion is not modified in respect of this matter.

Emphasis of Matter

I draw attention to

- Note 1.1 which explains that the statement of the financial position which is one of the statements listed as forming part of the financial report under Article 211 of the Constitution of Zambia has not been prepared.
- Note 1.2 which highlights Institutions that were dissolved, realigned or merged during the period under review.
- Note 16 which shows a reduction in external borrowing during the financial year ended 31st December 2021
- Appendix 15 which shows the outstanding commitments by Government in the sum of K79.9 billion as at 31st December 2021.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Cash Basis International Public Sector Accounting Standard, the Public Finance Management Act No. 1 of 2018 and Central Government Accounting Policies (CGAPs) of 2020, 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.

Those charged with governance are responsible for overseeing the 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 ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Financial Report, 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

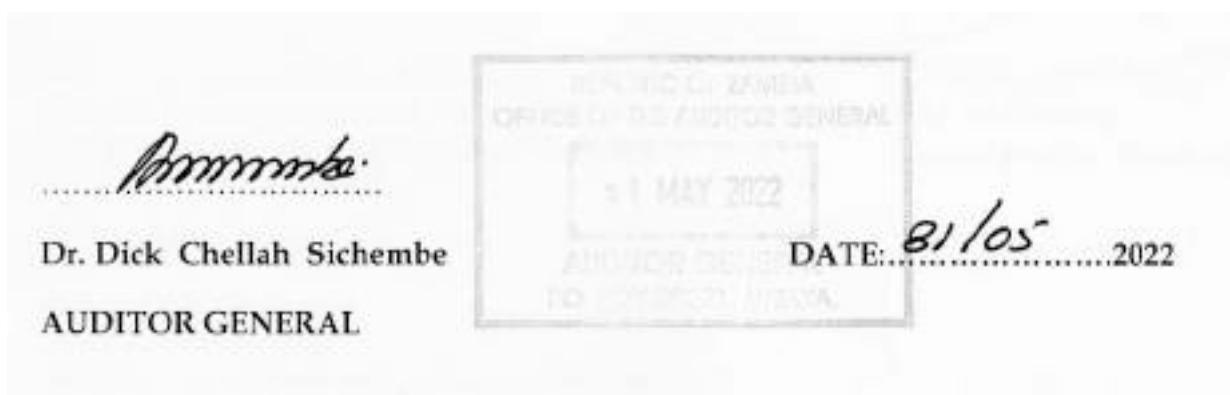
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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.

In communicating with those charged with governance, I also 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 audit 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

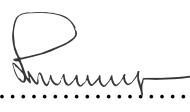
In relation to other legal and regulatory requirements, Article 212 of the Constitution of Zambia (Amendment) Act No. 2 of 2016 requires me not later than nine (9) months after the end of a financial year to submit a report to the President and the National Assembly on the accounts of the Republic audited in respect of the preceding financial year.

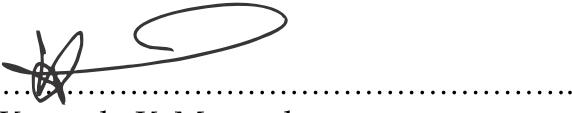


STATEMENT A - CASH RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	2021 Kwacha	2020 Kwacha
RECEIPTS			
Tax revenue	11	83,342,640,596	56,249,625,641
Non Tax Revenue	12	13,871,849,858	8,982,538,968
External Assistance			
Other Grants and Aid	15	1,924,422,173	2,801,128,593
External Borrowing			
Proceeds from external borrowing	16(i)	-	-
Domestic Borrowing			
Proceeds from Domestic Borrowing	17	62,987,056,930	51,351,276,727
TOTAL RECEIPTS		<u>162,125,969,557</u>	<u>119,384,569,929</u>
PAYMENTS			
Personal Emoluments	18	31,112,129,479	26,447,088,306
Use of Goods and Services	19	42,596,146,038	22,673,584,501
Financial Charges	20	29,500,978,889	27,447,236,094
Grants and Other Payments	21(i)	13,973,433,948	10,041,236,755
Non-financial Assets acquisition	22(i)	787,442,169	368,922,307
Principal Repayments	23	43,116,340,133	29,443,052,100
Imprest	24	276,750	4,987,303
Assets Under Construction	37(i)	741,688,972	-
Social benefits		-	-
Financial Assets		-	-
Other payments		-	-
TOTAL PAYMENTS		<u>161,828,436,378</u>	<u>116,426,107,366</u>
Increase/(decrease) in Cash		<u>297,533,179</u>	<u>2,958,462,563</u>
Foreign Exchange Losses		-	-
Cash at beginning of the year	2	8,427,376,967	5,468,914,404
Cash at the end of the year	2	<u>8,724,910,146</u>	<u>8,427,376,967</u>

Hon. Dr. Sifumbeko Musokabwane, MP
MINISTER OF FINANCE AND NATIONAL PLANNING


Felix Nkulukusa
Secretary to the Treasury


Kennedy K. Musonda
Accountant General
Ministry of Finance and National Planning

Ministry of Finance and National Planning

STATEMENT B - BUDGET EXECUTION FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Original Budget	Final Budget	Actual Amounts	% Performance	Variance	% Variance
		Kwacha	Kwacha	Kwacha		Kwacha	
RECEIPTS							
Income Tax	25	32,750,623,298	32,750,623,298	54,900,546,007	168%	22,149,922,709	68%
Customs and Excise Duty	26	8,238,520,564	8,238,520,564	9,485,769,362	115%	1,247,248,798	15%
Value Added Tax	27	16,937,964,273	16,937,964,273	18,956,325,227	112%	2,018,360,954	12%
Fines	29	67,460,629	67,460,629	71,293,875	106%	3,833,246	6%
Licences	30	1,514,649,138	1,514,649,138	2,001,808,010	132%	487,158,872	32%
Commissions	31	98,610,183	98,610,183	35,629,001	36%	(62,981,182)	-64%
Fees of Court or Office	32	1,333,804,434	1,333,804,434	1,711,499,429	128%	377,694,995	28%
Levies	28	1,346,697,412	1,346,697,412	590,553,658	44%	(756,143,754)	-56%
Interest	33	86,692,947	86,692,947	129,547,452	149%	42,854,505	49%
Other Revenues	34	3,607,503,374	3,607,503,374	9,331,518,432	259%	5,724,015,058	159%
Bilateral Grants	14	293,339,219	293,339,219	9,922,439,918	3383%	9,629,100,699	3283%
Multilateral Grants	13	1,692,859,949	1,692,859,949	759,413,713	45%	(933,446,236)	-55%
Bilateral external borrowings	16(ii)	5,967,139,257	5,967,139,257	902,319,259	15%	(5,064,819,998)	-85%
Multilateral External Borrowing	16(iii)	7,641,575,438	7,641,575,438	5,942,285,098	78%	(1,699,290,340)	-22%
Domestic Borrowing	35	38,038,571,500	38,038,571,500	16,030,988,686	42%	(22,007,582,814)	-58%
External Assistance		-	-	-		-	
Other Receipts		-	-	-		-	
TOTAL RECEIPTS		119,616,011,615	119,616,011,615	130,771,937,127		11,155,925,512	
PAYMENTS							
Personal Emoluments	18	28,901,067,052	33,746,086,834	31,112,129,479	92%	2,633,957,355	8%
Use of goods and services	19	23,995,780,567	56,396,113,230	42,596,146,038	76%	13,799,967,192	32%
Financial Charges & payment debt	20	46,208,659,541	46,268,659,541	29,500,978,889	64%	16,767,680,652	36%
Grants and Other Payments	21(ii)	13,129,204,146	15,483,997,726	14,077,504,063	91%	1,406,493,662	9%
Social benefits		-	-	-	0%	-	0%
Non-financial assets acquisition	22(ii)	5,155,004,256	3,819,952,322	1,039,161,884	27%	2,780,790,438	73%
Assets under Construction	37(ii)	2,226,296,065	2,882,045,978	1,587,586,434	55%	1,294,459,545	45%
Financial Assets		-	-	-	0%	-	
Other payments		-	-	-	0%	-	0%
TOTAL PAYMENTS	9	119,616,011,627	158,596,855,632	119,913,506,788		38,683,348,843	
SURPLUS/ (DEFICIT)				10,858,430,339			

Hon. Dr. Sifumbeko Musokabware, MP
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STATEMENT Cs - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME FOR THE YEAR ENDED 31ST DECEMBER 2021

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
01	OFFICE OF THE PRESIDENT - STATE HOUSE					
3425	Presidential Advisory Services	10,078,645.00	0.00	10,078,645.00	10,078,645.00	0.00
3427	Presidential Affairs and Initiatives	13,649,630.00	0.00	13,649,630.00	13,649,630.00	0.00
3499	Management and Support Services	53,560,082.00	4,591,000.00	58,151,082.00	58,151,082.00	0.00
	HEAD TOTAL	77,288,357.00	4,591,000.00	81,879,357.00	81,879,357.00	0.00
02	OFFICE OF THE VICE PRESIDENT					
3428	Government Business	50,000,000.00	42,000,000.00	92,000,000.00	84,931,818.00	7,068,182.00
3429	Parliamentary Business	3,074,564.00	2,000,000.00	5,074,564.00	5,074,562.16	1.84
3430	Resettlement Management	2,259,470.00	0.00	2,259,470.00	2,259,467.04	2.96
3499	Management and Support Service	15,566,858.00	0.00	15,566,858.00	15,566,853.76	4.24
	HEAD TOTAL	70,900,892.00	44,000,000.00	114,900,892.00	107,832,700.96	7,068,191.04
03	NATIONAL ASSEMBLY					
3400	LEGISLATION ENACTMENT	656,069,638.00	91,776,603.00	747,846,241.00	747,824,398.12	21,842.88
3404	'Grants to Grant Aided Institutions	57,538,229.00	0.00	57,538,229.00	56,278,716.01	1,259,512.99
3405	PARLIAMENTARY REPRESENTATION	66,511,857.00	0.00	66,511,857.00	66,498,935.03	12,921.97
3417	PARLIAMENTARY BUDGET APPROVAL	28,539,775.00	0.00	28,539,775.00	28,522,690.61	17,084.39
3499	Management and Support Service	18,075,975.00	107,894,997.00	125,970,972.00	125,921,356.21	49,615.79
	HEAD TOTAL	826,735,474.00	199,671,600.00	1,026,407,074.00	1,025,046,095.98	1,360,978.02

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacah)	Variance (Kwacha)
04 MINISTRY OF GENDER						
5519	'Gender Equity and Equality	45,822,479.00	1,947,488.00	47,769,967.00	30,910,949.21	16,859,017.79
5599	Management and Support Services	8,242,904.00	0.00	8,242,904.00	8,001,437.20	241,466.80
	HEAD TOTAL	54,065,383.00	1,947,488.00	56,012,871.00	38,912,386.41	17,100,484.59

05 ELECTORAL COMMISSION OF ZAMBIA

3431	Elections Management	600,963,031.00	1,048,402,325.00	1,649,365,356.00	1,524,180,086.93	125,185,269.07
3499	Management and Support Services	67,775,667.00	0.00	67,775,667.00	52,460,282.79	15,315,384.21
	HEAD TOTAL	668,738,698.00	1,048,402,325.00	1,717,141,023.00	1,576,640,369.72	140,500,653.28

06 CIVIL SERVICE COMMISSION - OFFICE OF THE PRESIDENT

3463	Civil Service Human Resource Management	1,835,983.00	0.00	1,835,983.00	1,830,835.47	5,147.53
3464	Government Standards	2,305,222.00	0.00	2,305,222.00	2,295,960.00	9,262.00
3499	Management and Support Service	6,483,304.00	0.00	6,483,304.00	6,445,796.47	37,507.53
	HEAD TOTAL	10,624,509.00	0.00	10,624,509.00	10,572,591.94	51,917.06

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
07 OFFICE OF THE AUDITOR GENERAL						
3406	External Audit and Assurance	79,515,588.43	17,726,000.00	97,241,588.43	90,619,811.83	6,621,776.60
3499	Management and Support Service	18,809,287.00	10,491,641.00	29,300,928.00	29,300,382.29	545.71
	HEAD TOTAL	98,324,875.43	28,217,641.00	126,542,516.43	119,920,194.12	6,622,322.31
 08 CABINET OFFICE - OFFICE OF THE PRESIDENT						
3407	Public Service Leadership	4,057,143.00	0.00	4,057,143.00	4,057,140.33	2.67
3408	Public Service Management Development &	28,928,805.00	0.00	28,928,805.00	25,640,621.77	3,288,183.23
3409	Policy Analysis and Coordination	8,654,541.00	0.00	8,654,541.00	8,654,538.00	3.00
3418	State and Presidential Affairs	222,965,267.00	190,000,000.00	412,965,267.00	403,465,256.77	9,500,010.23
3419	Remuneration Management	5,999,376.00	0.00	5,999,376.00	5,999,372.60	3.40
3499	Management and Support Service	32,841,711.00	0.00	32,841,711.00	32,841,706.37	4.63
	HEAD TOTAL	303,446,843.00	190,000,000.00	493,446,843.00	480,658,635.84	12,788,207.16
 09 TEACHING SERVICE COMMISSION - OFFICE OF THE PRESIDENT						
5520	Teaching Service Human Resource Management	5,129,963.00	0.00	5,129,963.00	5,129,874.53	88.47
5599	Management and Support Services	2,574,851.00	0.00	2,574,851.00	2,574,722.47	128.53
	HEAD TOTAL	7,704,814.00	0.00	7,704,814.00	7,704,597.00	217.00

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
10	ZAMBIA POLICE SERVICE COMMISSION					
4060	Cabinet and Cabinet Committees	2,133,106.00	0.00	2,133,106.00	2,133,100.37	5.63
4119	Access to Justice Coordination	3,371,951.00	0.00	3,371,951.00	3,371,950.11	0.89
4199	Management and Support Services	3,567,624.00	0.00	3,567,624.00	3,567,567.60	56.40
	HEAD TOTAL	9,072,681.00	0.00	9,072,681.00	9,072,618.08	62.92

11 ZAMBIA POLICE - MINISTRY OF HOME AFFAIRS

4155	Crime Prevention and Policing Services	902,583,703.00	68,203,049.00	970,786,752.00	969,592,465.96	1,194,286.04
4156	Crime Detection and Investigation Service	284,493,417.00	0.00	284,493,417.00	284,375,648.78	117,768.22
4157	Police Technical and Specialised Service	263,513,736.00	335,627,335.00	599,141,071.00	469,224,421.94	129,916,649.06
4199	Management and Support Services	133,983,667.00	0.00	133,983,667.00	133,705,195.24	278,471.76
	HEAD TOTAL	1,584,574,523.00	403,830,384.00	1,988,404,907.00	1,856,897,731.92	131,507,175.08

12 OFFICE OF THE PUBLIC PROTECTOR

4171	Mal-administration redress services	4,502,912.00	0.00	4,502,912.00	4,502,830.26	81.74
4199	Management and Support Services	4,087,430.00	0.00	4,087,430.00	4,087,116.24	313.76
	HEAD TOTAL	8,590,342.00	0.00	8,590,342.00	8,589,946.50	395.50

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
13 MINISTRY OF CHIEFS AND TRADITIONAL AFFAIRS						
5514	Management and Support Services	39,178,311.00	0.00	39,178,311.00	39,177,667.81	643.19
5521	CUSTOMARY GOVERNANCE	72,164,731.00	10,681,000.00	82,845,731.00	79,022,692.93	3,823,038.07
	HEAD TOTAL	111,343,042.00	10,681,000.00	122,024,042.00	118,200,360.74	3,823,681.26
 14 MINISTRY OF MINES AND MINERALS DEVELOPMENT						
2108	Mineral Resource Development and Managem	8,578,189.00	0.00	8,578,189.00	8,172,566.26	405,622.74
2109	Mines Safety Health Environment	423,135,726.00	0.00	423,135,726.00	36,461,363.18	386,674,362.82
2110	Mines Development	14,163,648.00	0.00	14,163,648.00	14,095,574.38	68,073.62
2138	Support to Mining Burreau	497,928.00	0.00	497,928.00	248,350.00	249,578.00
2139	Petroleum Exploration	1,058,237.00	0.00	1,058,237.00	1,058,236.45	0.55
2199	MANAGEMENT SUPPORT SERVICE	19,359,676.00	0.00	19,359,676.00	18,615,279.61	744,396.39
	HEAD TOTAL	466,793,404.00	0.00	466,793,404.00	78,651,369.88	388,142,034.12
 15 MINISTRY OF HOME AFFAIRS						
4175	Migration Services	79,250,608.00	693,054.00	79,943,662.00	72,835,434.60	7,108,227.40
4176	Legal Identity, Civil Registration & Cit	71,197,057.00	1,209,803.00	72,406,860.00	61,574,362.42	10,832,497.58
4177	National Archives Services	7,322,341.00	0.00	7,322,341.00	6,999,002.49	323,338.51
4178	Societies Regulations & Standards	1,154,558.00	0.00	1,154,558.00	1,072,832.52	81,725.48
4179	Internal Security Support Services	20,823,145.00	1,696,344.00	22,519,489.00	21,572,898.36	946,590.64
4199	Management and Support Services	44,475,759.00	13,090,056.00	57,565,815.00	46,225,451.91	11,340,363.09
	HEAD TOTAL	224,223,468.00	16,689,257.00	240,912,725.00	210,279,982.30	30,632,742.70

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
16 DRUG ENFORCEMENT COMMISSION						
4173	Drug and Psychotropic Substance Investig	59,394,129.00	0.00	59,394,129.00	58,767,109.08	627,019.92
4174	Anti-Money laundering	8,057,853.00	14,737,650.00	22,795,503.00	21,604,143.16	1,191,359.84
4199	Management and Support Services	22,117,490.00	0.00	22,117,490.00	21,700,895.31	416,594.69
HEAD TOTAL		89,569,472.00	14,737,650.00	104,307,122.00	102,072,147.55	2,234,974.45
 17 MINISTRY OF FOREIGN AFFAIRS						
3435	Foreign Policy	6,719,685.00	0.00	6,719,685.00	6,716,231.87	3,453.13
3436	International Relations and Cooperation	1,316,903,124.00	573,624,795.00	1,890,527,919.00	1,494,491,121.37	396,036,797.63
3438	Protocol and Consular Affairs	2,830,711.00	0.00	2,830,711.00	2,830,356.48	354.52
3459	Central Technical Services	2,812,683.00	3,000,000.00	5,812,683.00	2,808,741.95	3,003,941.05
3499	Management and Support Service	17,606,784.00	0.00	17,606,784.00	17,586,923.62	19,860.38
HEAD TOTAL		1,346,872,987.00	576,624,795.00	1,923,497,782.00	1,524,433,375.29	399,064,406.71
 18 JUDICIARY						
4158	Adjudication Services	431,820,474.00	0.00	431,820,474.00	429,483,400.39	2,337,073.61
4159	Legal / Law reporting	1,000,000.00	0.00	1,000,000.00	960,887.00	39,113.00
4160	Judicial Enforcement	2,402,342.00	0.00	2,402,342.00	2,402,340.00	2.00
4199	Management and Support Services	75,797,749.00	69,526,428.00	145,324,177.00	102,501,414.23	42,822,762.77
HEAD TOTAL		511,020,565.00	69,526,428.00	580,546,993.00	535,348,041.62	45,198,951.38

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
19 DISASTER MANAGEMENT AND MITIGATION UNIT						
3401	Disaster Risk Management	57,722,593.00	0.00	57,722,593.00	37,005,136.91	20,717,456.09
3402	Disaster and Humanitarian Operations Man	5,964,330.00	0.00	5,964,330.00	5,964,330.00	0.00
3499	Management and Support Service	7,003,371.00	0.00	7,003,371.00	6,507,011.48	496,359.52
HEAD TOTAL		70,690,294.00	0.00	70,690,294.00	49,476,478.39	21,213,815.61
 21 LOANS AND INVESTMENTS - MINISTRY OF FINANCE						
3439	Financial Investment Management	2,067,329,017.00	4,067,000,000.00	6,134,329,017.00	5,840,179,998.00	294,149,019.00
3440	Project Investment Management	8,298,498,989.00	200,000,000.00	8,498,498,989.00	7,214,472,776.77	1,284,026,212.23
3441	Centralised Strategic Payments	3,190,032,122.00	4,344,134,916.00	7,534,167,038.00	7,243,652,562.07	290,514,475.93
HEAD TOTAL		13,555,860,128.00	8,611,134,916.00	22,166,995,044.00	20,298,305,336.84	1,868,689,707.16
 25 LOCAL GOVERNMENT SERVICE COMMISSION						
5523	Human Resource Management	7,463,109.00	0.00	7,463,109.00	7,447,649.00	15,460.00
5599	Management and Support Services	2,209,005.00	0.00	2,209,005.00	2,166,448.42	42,556.58
HEAD TOTAL		9,672,114.00	0.00	9,672,114.00	9,614,097.42	58,016.58

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
26 MINISTRY OF INFORMATION AND BROADCASTING SERVICES						
3446	Media Development ,Standards and Regulat	19,376,197.00	0.00	19,376,197.00	19,325,637.10	50,559.90
3447	Information Services and Management	15,950,004.00	0.00	15,950,004.00	15,948,538.52	1,465.48
3499	Management and Support Service	11,619,906.00	0.00	11,619,906.00	11,608,302.04	11,603.96
HEAD TOTAL		46,946,107.00	0.00	46,946,107.00	46,882,477.66	63,629.34
 27 PUBLIC SERVICE MANAGEMENT DIVISION						
3442	Human Resource Development	1,431,355.00	0.00	1,431,355.00	1,431,353.53	1.47
3443	Human Resource Information and Planning	9,172,479.00	1,300,000.00	10,472,479.00	10,472,420.70	58.30
3444	Human Resource Technical Services	2,638,713.00	0.00	2,638,713.00	2,638,711.44	1.56
3445	Recruitment and Placement	3,955,080.00	0.00	3,955,080.00	3,955,077.96	2.04
3499	Management and Support Service	13,894,119.00	0.00	13,894,119.00	13,894,114.05	4.95
HEAD TOTAL		31,091,746.00	1,300,000.00	32,391,746.00	32,391,677.68	68.32
 29 MINISTRY OF LOCAL GOVERNMENT						
5524	Human Settlements Planning and Regulation	3,862,878.68	0.00	3,862,878.68	3,862,877.31	1.37
5525	Local Governance	1,444,165,286.44	26,189,020.00	1,470,354,306.44	1,470,344,895.08	9,411.36
5526	Municipal Infrastructure & Support Deliv	28,504,935.00	0.00	28,504,935.00	27,776,334.89	728,600.11
5599	Management and Support Services	17,988,765.00	0.00	17,988,765.00	17,980,550.14	8,214.86
HEAD TOTAL		1,494,521,865.12	26,189,020.00	1,520,710,885.12	1,519,964,657.42	746,227.70

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
30	ZAMBIA CORRECTIONAL SERVICE					
4161	Custodial Services	262,247,564.12	78,000,000.00	340,247,564.12	340,234,566.62	12,997.50
4162	Rehabiltation Services	40,592,281.96	0.00	40,592,281.96	40,582,036.24	10,245.72
4163	Social Reintegration	17,709,409.95	0.00	17,709,409.95	17,709,399.75	10.20
4164	Correctional Services Training	12,127,200.18	0.00	12,127,200.18	12,127,197.69	2.49
4199	Management and Support Services	47,689,210.07	40,606,669.00	88,295,879.07	88,295,320.58	558.49
HEAD TOTAL		380,365,666.28	118,606,669.00	498,972,335.28	498,948,520.88	23,814.40

31 MINISTRY OF JUSTICE

4165	Legal Services	286,446,896.00	0.00	286,446,896.00	282,511,501.33	3,935,394.67
4166	Good Governance and Human Rights	28,455,273.00	0.00	28,455,273.00	28,406,208.19	49,064.81
4199	Management and Support Services	14,435,912.00	1,000,000.00	15,435,912.00	14,420,521.95	1,015,390.05
HEAD TOTAL		329,338,081.00	1,000,000.00	330,338,081.00	325,338,231.47	4,999,849.53

32 MINISTRY OF NATIONAL GUIDANCE AND RELIGIOUS AFFAIRS

5446	National Values, Principles and Guidance	3,949,870.00	0.00	3,949,870.00	3,864,363.20	85,506.80
5447	Christian and Religious Affairs	1,790,900.00	0.00	1,790,900.00	1,748,033.06	42,866.94
5599	Management and Support Services	10,403,777.00	0.00	10,403,777.00	9,831,829.51	571,947.49
HEAD TOTAL		16,144,547.00	0.00	16,144,547.00	15,444,225.77	700,321.23

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
33 MINISTRY OF COMMERCE, TRADE AND INDUSTRY						
2111	Competition and Consumer Welfare	72,771,160.00	0.00	72,771,160.00	72,748,597.70	22,562.30
2112	Standards and Quality Assurance	72,368,055.00	30,000,000.00	102,368,055.00	102,365,490.26	2,564.74
2113	Industrial and Enterprise Development	416,057,998.00	34,609,313.00	450,667,311.00	238,020,896.30	212,646,414.70
2114	Trade Facilitation, Promotion and Market	60,884,818.00	0.00	60,884,818.00	20,724,819.69	40,159,998.31
2199	MANAGEMENT SUPPORT SERVICE	16,943,101.00	0.00	16,943,101.00	16,439,104.53	503,996.47
HEAD TOTAL		639,025,132.00	64,609,313.00	703,634,445.00	450,298,908.48	253,335,536.52
 34 HUMAN RIGHTS COMMISSION						
4140	Promotion and Protection of Human Rights	10,572,689.00	190,000.00	10,762,689.00	10,555,802.64	206,886.36
4199	Management and Support Services	6,608,355.00	1,274,276.00	7,882,631.00	6,655,940.94	1,226,690.06
HEAD TOTAL		17,181,044.00	1,464,276.00	18,645,320.00	17,211,743.58	1,433,576.42
 36 ZAMBIA CORRECTIONAL SERVICE COMMISSION						
4120	Promotion of Human Rights	212,600.00	0.00	212,600.00	212,600.00	0.00
4141	Zambia Correctional Service Human Resour	3,069,583.00	0.00	3,069,583.00	1,144,979.47	1,924,603.53
4199	Management and Support Services	697,868.00	0.00	697,868.00	697,859.06	8.94
HEAD TOTAL		3,980,051.00	0.00	3,980,051.00	2,055,438.53	1,924,612.47
 37 MINISTRY OF FINANCE						
3420	Economic Management	52,914,158.00	70,000.00	52,984,158.00	52,806,914.36	177,243.64
3421	Fiscal Management	966,925,439.00	172,413,001.00	1,139,338,440.00	1,134,884,306.55	4,454,133.45
3422	Public Financial Management	1,834,459,448.20	5,059,870,013.00	6,894,329,461.20	6,102,334,916.83	791,994,544.37
3423	Internal Audit and Risk Management	62,285,632.00	2,007.00	62,287,639.00	59,168,111.26	3,119,527.74
3424	Procurement and Stores Management	59,739,004.00	0.00	59,739,004.00	59,582,196.14	156,807.86
3499	Management and Support Service	1,127,827,667.00	355,357,210.00	1,483,184,877.00	1,385,396,464.56	97,788,412.44
HEAD TOTAL		4,104,151,348.20	5,587,712,231.00	9,691,863,579.20	8,794,172,909.70	897,690,669.50

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**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
38	MINISTRY OF NATIONAL DEVELOPMENT PLANNING					
3412	Social-Economic Development Planning and	764,184,754.00	152,037,040.00	916,221,794.00	828,214,991.07	88,006,802.93
3413	Monitoring and Evaluation	6,190,335.00	0.00	6,190,335.00	5,985,867.10	204,467.90
3499	Management and Support Service	9,132,158.00	600,000.00	9,732,158.00	9,519,021.49	213,136.51
	HEAD TOTAL	779,507,247.00	152,637,040.00	932,144,287.00	843,719,879.66	88,424,407.34
39	SMART ZAMBIA INSTITUTE					
3415	Electronic Government	15,490,523.00	5,000,000.00	20,490,523.00	20,490,490.32	32.68
3416	ICT Systems	69,974,089.00	30,212,384.19	100,186,473.19	97,076,470.12	3,110,003.07
3499	Management and Support Service	14,329,341.00	1,062,706.81	15,392,047.81	15,392,039.87	7.94
	HEAD TOTAL	99,793,953.00	36,275,091.00	136,069,044.00	132,959,000.31	3,110,043.69
44	MINISTRY OF LABOUR AND SOCIAL SECURITY					
2145	Labour and Productivity Services	13,142,263.00	0.00	13,142,263.00	13,109,691.73	32,571.27
2146	Social Security Services	1,970,772.00	0.00	1,970,772.00	1,967,256.67	3,515.33
2147	Occupational Safety and Health	3,344,536.00	0.00	3,344,536.00	3,339,172.93	5,363.07
2199	MANAGEMENT SUPPORT SERVICE	14,993,410.00	0.00	14,993,410.00	14,983,604.39	9,805.61
	HEAD TOTAL	33,450,981.00	0.00	33,450,981.00	33,399,725.72	51,255.28

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STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021

45	MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES	Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
5451	Social Assistance	2,345,736,854.00	413,777,806.00	2,759,514,660.00	2,415,259,274.15	344,255,385.85
5452	Social Welfare	42,331,222.00	0.00	42,331,222.00	34,842,465.46	7,488,756.54
5453	Community Development	1,238,444,613.00	111,816,922.00	1,350,261,535.00	1,267,570,950.56	82,690,584.44
5454	Non-Governmental Regulation and Standard	5,545,643.00	0.00	5,545,643.00	4,436,313.78	1,109,329.22
5599	Management and Support Services	35,893,868.00	0.00	35,893,868.00	23,810,188.85	12,083,679.15
HEAD TOTAL		3,667,952,200.00	525,594,728.00	4,193,546,928.00	3,745,919,192.80	447,627,735.20

46	MINISTRY OF HEALTH					
5531	Primary Health Services	3,157,949,717.15	3,057,844,694.00	6,215,794,411.15	4,228,852,351.96	1,986,942,059.19
5532	Hospital Services	5,103,602,376.70	85,848,478.00	5,189,450,854.70	3,382,383,234.37	1,807,067,620.33
5533	Central Technical Services	423,966.00	0.00	423,966.00	378,543.52	45,422.48
5534	Human Resource Development	120,943,443.02	4,955,256.00	125,898,699.02	124,538,248.02	1,360,451.00
5599	Management and Support Services	847,719,495.56	4,780,532.00	852,500,027.56	846,677,166.65	5,822,860.91
HEAD TOTAL		9,230,638,998.43	3,153,428,960.00	12,384,067,958.43	8,582,829,544.52	3,801,238,413.91

51	MINISTRY OF TRANSPORT AND COMMUNICATION					
2115	Air, Road, Rail and Water Services	225,429,647.00	83,014,752.00	308,444,399.00	277,139,623.46	31,304,775.54
2116	Meteorological Services	6,145,941.00	0.00	6,145,941.00	6,000,510.00	145,431.00
2117	Information, Communication Technology	156,745,983.00	207,737,101.00	364,483,084.00	304,944,389.99	59,538,694.01
2199	MANAGEMENT SUPPORT SERVICE	20,437,323.00	0.00	20,437,323.00	20,219,644.48	217,678.52
HEAD TOTAL		408,758,894.00	290,751,853.00	699,510,747.00	608,304,167.93	91,206,579.07

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
52	MINISTRY OF WATER DEVELOPMENT, SANITATION AND ENVIRONMENTAL PROTECTION					
2118	Water Resource Management & Development	58,779,253.00	0.00	58,779,253.00	53,168,872.31	5,610,380.69
2119	Water Supply and Sanitation	1,961,805,107.00	100,000,000.00	2,061,805,107.00	1,117,903,883.61	943,901,223.39
2120	Environmental Management & Protection	104,574,643.00	0.00	104,574,643.00	101,788,480.23	2,786,162.77
2199	MANAGEMENT SUPPORT SERVICE	40,313,365.00	0.00	40,313,365.00	38,349,401.92	1,963,963.08
HEAD TOTAL		2,165,472,368.00	100,000,000.00	2,265,472,368.00	1,311,210,638.07	954,261,729.93
54	MINISTRY OF HOUSING AND INFRASTRUCTURE DEVELOPMENT					
2121	Housing Development	7,866,595.00	24,100,000.00	31,966,595.00	30,271,476.47	1,695,118.53
2122	Public Infrastructure	182,579,618.00	0.00	182,579,618.00	163,646,185.39	18,933,432.61
2199	MANAGEMENT SUPPORT SERVICE	22,520,601.00	0.00	22,520,601.00	20,684,453.97	1,836,147.03
HEAD TOTAL		212,966,814.00	24,100,000.00	237,066,814.00	214,602,115.83	22,464,698.17
62	MINISTRY OF ENERGY					
2101	Petroleum Development and Management	4,597,286.00	7,521,513,000.00	7,526,110,286.00	7,512,039,300.12	14,070,985.88
2102	Electricity Development and Electrification	799,138,011.00	73,296,000.00	872,434,011.00	645,383,993.42	227,050,017.58
2103	Renewable and Alternative Energy	9,605,900.00	91,601,319.00	101,207,219.00	8,786,445.06	92,420,773.94
2104	Energy Sector Standards and Regulations	75,069,908.00	0.00	75,069,908.00	75,069,907.66	0.34
2199	MANAGEMENT SUPPORT SERVICE	14,404,265.00	0.00	14,404,265.00	14,094,391.92	309,873.08
HEAD TOTAL		902,815,370.00	7,686,410,319.00	8,589,225,689.00	8,255,374,038.18	333,851,650.82

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**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
64	MINISTRY OF WORKS AND SUPPLY					
2123	Government Asset Management	86,679,115.00	0.00	86,679,115.00	47,786,486.68	38,892,628.32
2124	Property Management Services	7,325,892.00	0.00	7,325,892.00	5,459,641.61	1,866,250.39
2125	Government Printing Services	15,780,819.00	39,382,600.00	55,163,419.00	19,555,136.27	35,608,282.73
2126	Pontoon Services	14,989,126.00	0.00	14,989,126.00	12,201,950.23	2,787,175.77
2199	MANAGEMENT SUPPORT SERVICE	21,714,818.00	1,900,000.00	23,614,818.00	19,502,380.80	4,112,437.20
HEAD TOTAL		146,489,770.00	41,282,600.00	187,772,370.00	104,505,595.59	83,266,774.41
65	MINISTRY OF HIGHER EDUCATION					
5504	University education	1,560,643,259.00	0.00	1,560,643,259.00	1,347,664,902.24	212,978,356.76
5506	Skills Development	243,929,925.00	60,000,000.00	303,929,925.00	254,588,073.09	49,341,851.91
5507	Science,Technology and Innovation	93,284,651.00	0.00	93,284,651.00	86,832,540.67	6,452,110.33
5599	Management and Support Services	44,260,762.00	0.00	44,260,762.00	36,563,525.91	7,697,236.09
HEAD TOTAL		1,942,118,597.00	60,000,000.00	2,002,118,597.00	1,725,649,041.91	276,469,555.09
68	MINISTRY OF TOURISM AND ARTS					
2127	Wildlife Conservation and Management	43,828,482.17	1,092,046.00	44,920,528.17	39,468,130.20	5,452,397.97
2128	Tourism Development and Promotion	67,722,141.13	2,000,000.00	69,722,141.13	54,567,268.03	15,154,873.10
2129	Arts, Culture Preservation and Services	43,235,171.43	0.00	43,235,171.43	43,109,250.27	125,921.16
2199	MANAGEMENT SUPPORT SERVICE	145,828,639.27	0.00	145,828,639.27	145,138,352.73	690,286.54
HEAD TOTAL		300,614,434.00	3,092,046.00	303,706,480.00	282,283,001.23	21,423,478.77

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
76	MINISTRY OF YOUTH, SPORTS AND CHILD DEVELOPMENT					
5511	Youth Development	143,068,393.00	290,640,819.00	433,709,212.00	263,267,950.08	170,441,261.92
5512	Child Welfare and Development	4,020,424.00	0.00	4,020,424.00	3,723,253.07	297,170.93
5513	Sports Development and Management	24,189,531.00	44,000,000.00	68,189,531.00	63,945,653.27	4,243,877.73
5599	Management and Support Services	10,502,063.00	0.00	10,502,063.00	10,319,082.51	182,980.49
	HEAD TOTAL	181,780,411.00	334,640,819.00	516,421,230.00	341,255,938.93	175,165,291.07
77	MINISTRY OF DEFENCE					
4167	Land and Maritime Defence	1,793,997,617.00	433,641,196.00	2,227,638,813.00	2,070,732,200.62	156,906,612.38
4168	Air Defence	1,130,784,912.00	334,698,285.00	1,465,483,197.00	1,437,983,195.08	27,500,001.92
4169	Military National Service	1,185,701,221.00	184,887,774.00	1,370,588,995.00	1,319,712,336.17	50,876,658.83
4170	Military Technical and Specialised Servi	62,797,477.00	32,939,385.00	95,736,862.00	71,662,752.51	24,074,109.49
4199	Management and Support Services	171,539,493.00	11,152,082.00	182,691,575.00	178,529,928.94	4,161,646.06
	HEAD TOTAL	4,344,820,720.00	997,318,722.00	5,342,139,442.00	5,078,620,413.32	263,519,028.68
78	ZAMBIA SECURITY INTELLIGENCE SERVICES - OFFICE OF THE PRESIDENT					
4154	Specialised and Technical Services	845,381,809.00	1,036,607,634.00	1,881,989,443.00	1,846,986,235.00	810,378,601.00
	HEAD TOTAL	845,381,809.00	1,036,607,634.00	1,881,989,443.00	1,846,986,235.00	810,378,601.00
80	MINISTRY OF GENERAL EDUCATION					
5501	Early Childhood Education	12,993,445.00	0.00	12,993,445.00	12,431,490.45	561,954.55
5502	Primary Education	7,059,578,035.00	0.00	7,059,578,035.00	7,058,964,914.15	613,120.85
5503	Secondary Education	2,545,502,948.00	2,103,932.00	2,547,606,880.00	2,220,425,924.06	327,180,955.94
5505	Adult and Youth Literacy	2,492,950.00	0.00	2,492,950.00	2,459,096.43	33,853.57
5599	Management and Support Services	864,686,758.00	77,282,766.00	941,969,524.00	907,037,619.02	34,931,904.98
	HEAD TOTAL	10,485,254,136.00	79,386,698.00	10,564,640,834.00	10,201,319,044.11	363,321,789.89

Ministry of Finance and National Planning

STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME FOR THE YEAR ENDED 31ST DECEMBER 2021

		Approved Estimate (K)	Supplementary Estimate or Saving declared (K)	Total Authorised Provision (K)	Actual Expenditure (K)	Variance (K)
85	MINISTRY OF LANDS AND NATURAL RESOURCES					
2105	Land Administration and Regulation	40,455,558.00	0.00	40,455,558.00	25,170,549.29	15,285,008.71
2106	Natural Resources Management	136,157,645.00	0.00	136,157,645.00	39,810,937.80	96,346,707.20
2107	Management and Support Services	250,000.00	0.00	250,000.00	249,956.46	43.54
2199	MANAGEMENT SUPPORT SERVICE	41,030,090.00	0.00	41,030,090.00	40,443,620.03	586,469.97
	HEAD TOTAL	217,893,293.00	0.00	217,893,293.00	105,675,063.58	112,218,229.42
86	MINISTRY OF FISHERIES AND LIVESTOCK					
2130	Livestock Production and Productivity	204,246,768.00	17,284,586.00	221,531,354.00	203,407,798.82	18,123,555.18
2131	Fisheries Production and Productivity	396,745,248.00	2,326,555.00	399,071,803.00	54,936,651.19	344,135,151.81
2132	Animal Health Services	74,271,187.00	25,481,550.00	99,752,737.00	63,765,045.15	35,987,691.85
2136	Technical and Support Services	3,280,117.00	0.00	3,280,117.00	3,011,495.62	268,621.38
2199	MANAGEMENT SUPPORT SERVICE	103,179,484.00	4,027,853.00	107,207,337.00	90,178,268.97	17,029,068.03
	HEAD TOTAL	781,722,804.00	49,120,544.00	830,843,348.00	415,299,259.75	415,544,088.25
87	ANTI-CORRUPTION COMMISSION					
4148	corruption prevention & educ	13,957,863.00	0.00	13,957,863.00	13,957,861.01	1.99
4149	corruption investig and prosecution	34,840,489.00	0.00	34,840,489.00	34,838,485.30	2,003.70
4199	Management and Support Services	23,989,391.00	0.00	23,989,391.00	23,989,375.93	15.07
	HEAD TOTAL	72,787,743.00	0.00	72,787,743.00	72,785,722.24	2,020.76

Ministry of Finance and National Planning

STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
88	OFFICE OF THE PRESIDENT - MUCHINGA PROVINCE					
6101	Community Development and Social Service	9,769,228.00	0.00	9,769,228.00	9,740,021.13	29,206.87
6102	Natural Resource Management	8,021,198.00	0.00	8,021,198.00	7,622,622.67	398,575.33
6103	Economic Development	7,541,548.00	0.00	7,541,548.00	7,405,285.90	136,262.10
6104	Local Government Services	1,917,036.00	0.00	1,917,036.00	1,916,005.42	1,030.58
6199	Management and Support Services	24,329,364.00	0.00	24,329,364.00	24,318,427.91	10,936.09
HEAD TOTAL		51,578,374.00	0.00	51,578,374.00	51,002,363.03	576,010.97
89	MINISTRY OF AGRICULTURE					
2141	Agriculture Development and Productivity	6,076,403,317.61	33,000,000.00	6,109,403,317.61	3,837,248,501.33	2,272,154,816.28
2142	Agribusiness Development and Marketing	74,864,149.00	5,100,000,000.00	5,174,864,149.00	58,537,161.13	5,116,326,987.87
2143	National Food Reserves Management	592,757,094.00	1,130,000,000.00	1,722,757,094.00	1,472,757,093.00	250,000,001.00
2144	Agriculture Standards and Regulation	18,823,398.44	0.00	18,823,398.44	14,334,494.23	4,488,904.21
2199	MANAGEMENT SUPPORT SERVICE	446,954,835.91	0.00	446,954,835.91	382,225,956.02	64,728,879.89
HEAD TOTAL		7,209,802,794.96	6,263,000,000.00	13,472,802,794.96	5,765,103,205.71	7,707,699,589.25
90	OFFICE OF THE PRESIDENT - LUSAKA PROVINCE					
6101	Community Development and Social Service	14,014,848.00	0.00	14,014,848.00	13,982,874.53	31,973.47
6102	Natural Resource Management	10,330,667.00	0.00	10,330,667.00	10,329,795.86	871.14
6103	Economic Development	15,475,897.00	0.00	15,475,897.00	15,467,999.02	7,897.98
6104	Local Government Services	2,731,058.00	0.00	2,731,058.00	2,713,906.02	17,151.98
6199	Management and Support Services	36,057,244.00	0.00	36,057,244.00	36,035,581.05	21,662.95
HEAD TOTAL		78,609,714.00	0.00	78,609,714.00	78,530,156.48	79,557.52

Ministry of Finance and National Planning

STATEMENT C- COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME FOR THE YEAR ENDED 31ST DECEMBER 2021

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
91	OFFICE OF THE PRESIDENT - COPPERBELT PROVINCE					
6101	Community Development and Social Service	14,199,066.00	0.00	14,199,066.00	14,195,545.38	3,520.62
6102	Natural Resource Management	12,304,901.00	0.00	12,304,901.00	12,304,734.82	166.18
6103	Economic Development	11,250,449.00	0.00	11,250,449.00	11,247,069.35	3,379.65
6104	Local Government Services	1,718,282.00	0.00	1,718,282.00	1,718,115.14	166.86
6199	Management and Support Services	39,203,610.00	4,130,000.00	43,333,610.00	42,199,306.21	1,134,303.79
HEAD TOTAL		78,676,308.00	4,130,000.00	82,806,308.00	81,664,770.90	1,141,537.10
92	OFFICE OF THE PRESIDENT - CENTRAL PROVINCE					
6101	Community Development and Social Service	14,449,949.00	0.00	14,449,949.00	14,343,255.77	106,693.23
6102	Natural Resource Management	8,606,947.00	0.00	8,606,947.00	8,576,906.19	30,040.81
6103	Economic Development	6,110,212.00	0.00	6,110,212.00	5,971,182.56	139,029.44
6104	Local Government Services	3,221,142.00	0.00	3,221,142.00	3,216,899.35	4,242.65
6199	Management and Support Services	44,824,093.00	3,782,292.00	48,606,385.00	46,865,108.23	1,741,276.77
HEAD TOTAL		77,212,343.00	3,782,292.00	80,994,635.00	78,973,352.10	2,021,282.90
93	OFFICE OF THE PRESIDENT - NORTHERN PROVINCE					
6101	Community Development and Social Service	13,144,501.00	0.00	13,144,501.00	13,143,187.31	1,313.69
6102	Natural Resource Management	7,781,104.00	0.00	7,781,104.00	7,778,853.70	2,250.30
6103	Economic Development	9,936,783.00	11,869,905.00	21,806,688.00	19,557,843.54	2,248,844.46
6104	Local Government Services	1,522,701.00	0.00	1,522,701.00	1,522,137.86	563.14
6199	Management and Support Services	38,004,149.00	0.00	38,004,149.00	37,953,759.66	50,389.34
HEAD TOTAL		70,389,238.00	11,869,905.00	82,259,143.00	79,955,782.07	2,303,360.93

Ministry of Finance and National Planning

STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
94	OFFICE OF THE PRESIDENT - WESTERN PROVINCE					
6101	Community Development and Social Service	20,402,645.00	0.00	20,402,645.00	20,199,444.43	203,200.57
6102	Natural Resource Management	13,537,915.00	0.00	13,537,915.00	13,537,624.98	290.02
6103	Economic Development	11,643,027.00	0.00	11,643,027.00	11,479,152.64	163,874.36
6104	Local Government Services	2,237,538.00	0.00	2,237,538.00	2,237,526.38	11.62
6199	Management and Support Services	39,638,521.00	0.00	39,638,521.00	39,636,848.78	1,672.22
HEAD TOTAL		87,459,646.00	0.00	87,459,646.00	87,090,597.21	369,048.79
95	OFFICE OF THE PRESIDENT - EASTERN PROVINCE					
6101	Community Development and Social Service	15,614,886.46	0.00	15,614,886.46	15,508,664.48	106,221.98
6102	Natural Resource Management	11,368,239.00	382,000.00	11,750,239.00	11,688,655.92	61,583.08
6103	Economic Development	10,834,710.00	0.00	10,834,710.00	10,217,440.53	617,269.47
6104	Local Government Services	1,767,399.00	0.00	1,767,399.00	1,758,307.50	9,091.50
6199	Management and Support Services	32,244,305.00	0.00	32,244,305.00	32,149,914.14	94,390.86
HEAD TOTAL		71,829,539.46	382,000.00	72,211,539.46	71,322,982.57	888,556.89
96	OFFICE OF THE PRESIDENT - LUAPULA PROVINCE					
6101	Community Development and Social Service	16,031,421.00	0.00	16,031,421.00	16,027,358.76	4,062.24
6102	Natural Resource Management	11,508,846.00	0.00	11,508,846.00	11,213,913.62	294,932.38
6103	Economic Development	12,527,042.00	0.00	12,527,042.00	12,432,546.42	94,495.58
6104	Local Government Services	2,373,512.00	0.00	2,373,512.00	2,309,378.95	64,133.05
6199	Management and Support Services	28,391,014.00	0.00	28,391,014.00	28,370,969.51	20,044.49
HEAD TOTAL		70,831,835.00	0.00	70,831,835.00	70,354,167.26	477,667.74

Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
97	OFFICE OF THE PRESIDENT - NORTH-WESTERN PROVINCE					
6101	Community Development and Social Service	13,859,262.00	0.00	13,859,262.00	13,858,087.19	1,174.81
6102	Natural Resource Management	11,445,466.00	0.00	11,445,466.00	11,441,715.58	3,750.42
6103	Economic Development	11,490,605.00	0.00	11,490,605.00	11,489,760.91	844.09
6104	Local Government Services	1,700,268.00	0.00	1,700,268.00	1,700,042.13	225.87
6199	Management and Support Services	29,394,076.00	4,500,000.00	33,894,076.00	33,891,345.31	2,730.69
	HEAD TOTAL	67,889,677.00	4,500,000.00	72,389,677.00	72,380,951.12	8,725.88
98	OFFICE OF THE PRESIDENT - SOUTHERN PROVINCE					
6101	Community Development and Social Service	21,427,250.00	567,453.88	21,994,703.88	21,315,109.71	679,594.17
6102	Natural Resource Management	12,578,573.00	536,414.84	13,114,987.84	12,161,492.79	953,495.05
6103	Economic Development	10,449,109.00	3,867.86	10,452,976.86	10,123,655.34	329,321.52
6104	Local Government Services	2,205,272.00	31,064.32	2,236,336.32	2,038,639.12	197,697.20
6199	Management and Support Services	34,875,777.00	457,959.71	35,333,736.71	33,845,846.74	1,487,889.97
	HEAD TOTAL	81,535,981.00	1,596,760.61	83,132,741.61	79,484,743.70	3,647,997.91

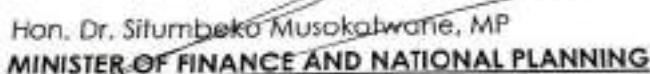
Ministry of Finance and National Planning

**STATEMENT C - COMPARATIVE STATEMENT OF AUTHORISED PROVISION AND ACTUAL EXPENDITURE BY PROGRAMME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		Approved Estimate (Kwacha)	Supplementary Estimate or Saving declared (Kwacha)	Total Authorised Provision (Kwacha)	Actual Expenditure (Kwacha)	Variance (Kwacha)
99 CONSTITUTIONAL AND STATUTORY EXPENDITURE						
3448	Public Debt Service Management	46,083,659,541.07	0.00	46,083,659,541.07	29,500,978,889.15	16,582,680,651.92
3449	centralised holding Vote	1,597,457,637.00	1,100,000,000.00	2,697,457,637.00	41,150,000.00	2,656,307,637.00
	HEAD TOTAL	47,681,117,178.07	1,100,000,000.00	48,781,117,178.07	29,542,128,889.15	19,238,988,288.92
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	GRAND TOTAL	119,616,011,626.95	38,980,844,004.61	158,596,855,631.56	119,913,506,691.43	38,683,348,940.13
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**STATEMENT D - COMPARISON OF BUDGET AND ACTUAL (FUNCTIONAL
CLASSIFICATION) FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	Note	Original Budget	Final Budget	Actual
		2021 (Kwacha)	2021 (Kwacha)	2021 (Kwacha)
RECEIPTS				
Tax revenue	11	57,927,108,135.00	57,927,108,135.00	83,342,640,596.00
Non Tax Revenue	12	8,055,418,117.00	8,055,418,117.00	13,871,849,858.00
External Assistance				
Bilateral Grants	14	293,339,219.00	293,339,219.00	9,922,439,918.00
Multilateral Grants	13	1,692,859,949.00	1,692,859,949.00	759,413,713.00
Other Grants and Aid	15			
External Borrowing				
Proceeds from external borrowing	16	13,608,714,695.00	13,608,714,695.00	6,844,604,357.00
Domestic Borrowing				
Proceeds from Domestic Borrowing	35	38,038,571,500.00	38,038,571,500.00	16,030,988,686.00
TOTAL RECEIPTS		119,616,011,615.00	119,616,011,615.00	130,771,937,128
PAYMENTS				
General Public Services	36	57,774,533,615.82	76,602,281,270.04	57,918,223,778.64
Defence	36	5,621,952,546.47	7,454,052,214.68	5,635,934,819.04
Public Order and Safety	36	3,110,016,302.30	4,123,518,246.42	3,117,751,176.49
Economic Affairs	36	21,530,882,092.85	28,547,434,013.68	21,584,431,221.85
Environmental Protection	36	956,928,093.02	1,268,774,845.05	959,308,054.30
Housing and Community Amenities	36	2,272,704,220.91	3,013,340,257.00	2,278,356,628.97
Health	36	9,688,896,941.78	12,846,345,306.16	9,712,994,049.83
Recreation, Culture and Religion	36	119,616,011.63	158,596,855.63	119,913,506.79
Education	36	13,755,841,337.10	18,238,638,397.63	13,790,053,280.63
Social Protection	36	4,784,640,465.08	6,343,874,225.26	4,796,540,271.52
TOTAL PAYMENTS		119,616,011,626.95	158,596,855,631.56	119,913,506,788.06
NET CASHFLOW				
				10,858,430,339.94


Hon. Dr. Sifumbeko Musokabwaire, MP
MINISTER OF FINANCE AND NATIONAL PLANNING


Felix Nkulukusa
Secretary to the Treasury


Kennedy K. Musonda
Accountant General
Ministry of Finance and National Planning

Ministry of Finance and National Planning

STATEMENT F- CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2021

	Notes	2021 (Kwacha)	2020 (Kwacha)
RECEIPTS			
Income tax	25	54,900,546,007.00	34,584,150,021.00
Customs and excise duty	26	9,485,769,362.00	7,133,879,770.00
Value Added Tax	27	18,956,325,227.00	14,531,595,850.00
Fees of court or office	32	1,711,499,429.00	1,110,815,711.00
Licences	30	2,001,808,010.00	1,442,896,349.00
Fines	29	71,293,875.40	64,588,013.00
Other revenues	34	2,982,183,636.97	2,147,857,979.00
Interest	33	129,547,452.00	130,763,070.00
Commissions	31	35,629,001.00	832,774.00
Levies	28	590,553,658.00	1,445,379,879.00
Other Grants and Aid	15	1,924,422,172.90	2,801,128,593.00
Payments			
Personal Emoluments	18	(31,112,129,479.45)	(26,447,088,306)
Use of Goods and Services	19	(42,596,146,038.03)	(22,130,284,136)
Grants and Other Payments	21(i)	(13,973,433,948.36)	(10,041,236,754)
Imprest	24	(276,750.00)	(4,987,303)
Net cash flows from operating activities		5,107,591,615.43	6,770,291,510.00
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment	22(i)	(787,442,169.35)	(368,922,307)
Assets under construction	37(i)	(741,688,972.03)	(543,300,369)
Proceeds from the sale of property plant and equipment	34	46,676,780.00	18,552,374.00
Distribution/ dividend to government	34	6,302,658,017.00	2,620,852,819.00
Proceeds from sale of Investments		-	-
Purchase of foreign currency securities		-	-
Net cashflow from Investing activities		4,820,203,655.62	1,727,182,517.00
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	17	62,987,056,930.00	51,351,276,727.00
Repayments of borrowings	20&23	(72,617,319,022.00)	(56,890,288,194)
Cash flow from financing activities		(9,630,262,092.00)	(5,539,011,467.00)
Net increase/ (decrease) in cash and cash equivalent		297,533,179.05	2,958,462,563.00
Cash and cash equivalent at the beginning of the period	2	8,427,376,967.00	5,468,914,404.00
Cash and cash equivalent at the end of the period		8,724,910,146.05	8,427,376,967.00

Hon. Dr. Situmbeko Musokabwane, MP
MINISTER OF FINANCE AND NATIONAL PLANNING



Felix Nkulukusa
Secretary to the Treasury



Kennedy K. Musonda
Accountant General
Ministry of Finance and National Planning

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Significant Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with Central Government Accounting Policies (CGAPs) which are anchored on Part 1 of Cash Basis IPSAS, *Financial Reporting under the cash basis of Accounting* issued by the International Public Sector Accounting Standards Board (IPSASB) and in the format to conform with the budget and the Chart of Accounts according to the Government Finance Statistics (GFS) of 2014. The above framework does not require the preparation of the Statement of Financial Position.

These Financial Statements consolidate the cash receipts and payments of Ministries, Provinces and Agencies (MPAs) within the Budgetary Framework included in the National Budget approved by the National Assembly. Local Government entities are recognized as Grant Aided Institutions and are consolidated and reported together with other Grant Aided Institutions as one-line item (Note 21). The government-controlled entities' accounts are not part of these consolidated financial statements. Instead, they are reported as memorandum items according to Appendix 12 and Appendix 13.

The measurement basis applied is the historical cost basis. The cash basis applied recognizes revenues when received, expenditures in the period paid out and assets are expensed fully in the year of purchase. All foreign currency transactions are converted at the official exchange rates ruling at the date of the transaction. There were no changes in the accounting system during the year.

The Accounting Policies have been applied consistently throughout the period.

1.2 Reporting entity

The financial statements are for the national Government of the Republic of Zambia and have been prepared by the Ministry of Finance in accordance with article 211 of the Constitution of Zambia (Amendment) Act No.2 of 2016 which mandates the Minister of Finance to prepare and lay before the National Assembly the Financial Report of the Republic.

The relevant legislation governing public finance management in Government for the year under review are the laws of Zambia. These include:

- The Constitution of Zambia (Amendment) Act No.2 of 2016
- The Public Finance Management Act No.1 of 2018
- The Loans and Guarantees (Authorization) Act No. 13 of 1994
- The National Planning and Budgeting Act No. 1 of 2020
- The Public Procurement Act No. 8 of 2020
- Appropriation Act No 26 of 2020
- Excess Expenditure Appropriation Act No. 42 of 2021
- Supplementary Appropriation Act No. 52 of 2021

- The Public Finance Management General Regulations, 2020

During the year under review, Government carried out the following functions; General Public Services, Defence, Public Order and Safety, Economic affairs, Environmental protection, Housing and Community Amenities, Health, Recreation, Cultural and Religion, Education and Social Protection.

The Government operates the Treasury Single Account (TSA) which manages the cash receipts and payments from the Treasury on behalf of MPAs. The TSA is domiciled at Bank of Zambia and rides on Real Time Gross Settlement System (RTGS). The three (3) main Accounts on TSA are: (1) Ministry of Finance TSA Payments Account, (2) Treasury Single Suspense Account and (3) Ministry of Finance Control 99. The primary objective of TSA is to ensure effective aggregate control over Government's cash balances. As at 31st December, 2021, they were Fifty Nine (59) Heads on IFMIS and TSA out of Sixty Two (62) Heads of Revenue and Expenditure.

The three (3) Heads of Revenue and Expenditure are not on IFMIS and cannot therefore, be on TSA. This is because the platform on which the TSA is anchored on is the IFMIS.

Further in the year under review, the following Institutions were dissolved while others were re-aligned and merged by the Government of the Republic of Zambia: (i) Ministry of Gender; (ii) Ministry of Chiefs and Traditional Affairs; (iii) Ministry of National Development Planning; (iv) Ministry of Religious Affairs and National Guidance; (v) Ministry of Higher Education; and (vi) Ministry of Works and Supply.

1.3 Payments by Third Parties

These relate to payments made by Third Parties on behalf of the Government of the Republic of Zambia. Refer to note 16(iii) on the details relating to third party payments.

1.4 Refunds of Previous Year Receipts

Receipts retained from previous year are recognized as receipts in the current year.

1.5 Reporting Currency

The reporting currency is Zambian Kwacha (ZMW).

1.6 Reporting Amounts

The reporting amounts are in Zambian Kwacha (ZMW).

2- Cash

Cash comprises Cash balances at Bank of Zambia and Commercial Banks.

Cash at the beginning and year end comprises of cash balances held at Bank of Zambia in Control Accounts, other control accounts and the Consolidated Accounts. The statement also include all balances for both Donor funds held in Commercial Banks.

Cash included in the statement of Cash Receipts and Payments and Cashflow statement comprise the following amounts:

	2021 Kwacha	2020 Kwacha
Demand deposits held at the Bank	8,724,742,598	8,427,376,967
Short- term investments	-	-
Cash on hand	167,548	-
Total cash at year end	<u>8,724,910,146</u>	<u>8,427,376,967</u>

3- Borrowings

Borrowing comprises of cash and non cash disbursements from Bilateral, Multilateral and other financial institutions.

4 - Revenue

Revenue includes all cash received during the financial year and comprises of cash in the Consolidated Fund, Grants received, Tax receipts and Non-Tax Revenue.

4.1 Tax Revenues

Tax revenues are recognized when collection is made by Zambia Revenue Authority and is made in accordance with the relevant Tax Laws and Regulations.

4.2 Non-tax Revenue

Income received by Government departments for services rendered by the Ministries, Provinces and Agencies to the public.

5- Expenses

Expenses are a decrease in net worth resulting from transactions such as Personal Emoluments, Recurrent Departmental Charges, Grants, Capital, Financial Charges and Interest Payments for Debt Service.

6- Undrawn Borrowings facilities

These are loans agreed on but not yet disbursed. The undrawn borrowings as at 31st December, 2021 are as follows:

CREDITOR	UNDRAWN AMOUNTS(USD)	EXCHANGE RATE	UNDRAWN AMOUNTS (KWACHA)
ABU DHABI FUND	10,001,330.87	16.69	166,953,216.40
AFD	84,645,736.70	16.69	1,412,999,747.31
AFRICA G. T. FUND	29,871,535.71	16.69	498,648,532.76
AFRICAN DEV BANK	233,559,623.35	16.69	3,898,834,148.49
AFRICAN DEV FUND	69,608,934.28	16.69	1,161,988,900.81
BADEA	10,487,937.87	16.69	175,076,195.66
E I B	379,911,755.01	16.69	6,341,904,917.57
EXIM BANK INDIA	8,759,035.26	16.69	146,215,451.50
EXIM CHINA	1,109,881,118.92	16.69	18,527,356,506.24
GOVT OF JAPAN	26,605,530.43	16.69	444,128,779.99
IDA	860,475,734.83	16.69	14,364,007,489.16
IFAD	19,501,427.16	16.69	325,539,273.69
INDU COM BANK CHIN	196,903,404.29	16.69	3,286,928,218.15
INTESA SANPAOLO BANK	2,695,738.73	16.69	45,000,236.21
ISRAEL DISCOUNT BANK	9,975,000.00	16.69	166,513,672.50
JIANGXI BANK	157,000,000.00	16.69	2,620,816,700.00
KFAED	37,947.84	16.69	633,467.00
LILLYPECK INT. FZE	288,486,918.90	16.69	4,815,740,985.89
NIGERIAN TRUST FUND	774,776.52	16.69	12,933,421.98
NORDEA	2,924,972.64	16.69	48,826,860.78
OFID	20,838,354.83	16.69	347,856,741.05
PARAMOUNT LTD	25,116,152.25	16.69	419,266,441.12
POLYTECH	480,664.90	16.69	8,023,787.24
SAUDI FUNDS FOR DEV	80,735,358.52	16.69	1,347,723,413.23
STD CHARTD BANK - UK	270,128,265.98	16.69	4,509,278,156.83
STRATEGIC CLIMATE FU	527,562.16	16.69	8,806,647.89
UKEF	121,503,831.36	16.69	2,028,275,607.28
TOTAL	4,021,438,649.31	16.69	67,130,277,516.73

7- State Owned Enterprises

The Financial Statements includes a list of Government controlled entities with the respective percentages of control. Refer to Appendix 12.

8- Authorization Date

The accounts were closed on 31st December, 2021 and the Financial Statements were authorized for issuance by the Minister of Finance and National Planning on 30th March 2022.

9- Reconciliation of Original and Final Approved Budget

ACT	Original Budget (Kwacha)	Variation s/Savings (Kwacha)	Supplementary (Kwacha)	Final Budget (Kwacha)
Appropriation Act No. 26 of 2020	119,616,011,615	-	-	119,616,011,615
Excess Expenditure Appropriation Act No. 42 of 2021	-	-	19,347,981,867	19,347,981,867
Supplementary Appropriation Act No. 52 of 2021	-	-	19,632,862,134	19,632,862,134
Totals	119,616,011,615	-	38,980,844,001	158,596,855,616

The original budget for the year under review of K 119,616,011,615.00 was approved on 18th December 2020. On 29th December, 2021, K 19,347,981,867.00 and K 19,632,862,134.00 was approved as Excess Expenditure Appropriation and supplementary budget respectively, bringing the total final budget to K 158,596,855,616.00 for the year ended 31st December, 2021.

10- External Assistance

External Assistance received by government is in form of grants. Grants are non-compulsory current or capital receipts received by the Government from another Government or international organizations.

11- Receipts on Taxation

Tax revenues are direct and indirect Taxes levied and controlled by the Zambia Revenue Authority (ZRA) on behalf of the Republic of Zambia.

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
Income Tax	54,900,546,007	34,584,150,021
Customs and Excise	9,485,769,362	7,133,879,770
Value Added Tax	18,956,325,227	14,531,595,850
Grand Total	83,342,640,596	56,249,625,641

Total Tax Revenue collected in 2021 was K83,342,640,596 compared to K56,249,625,641 in 2020 representing a positive variance of 48%.

12- Non-Tax Revenue

Non – Tax Revenues are revenues collected by Ministries, Provinces and Agencies (MPAs) which comprise of fees, licenses, fines, interest, Commissions, levies and other Miscellaneous Revenues.

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
Fees of Court or Office	1,711,499,429	1,110,815,711
Licences	2,001,808,010	1,442,896,349
Fines	71,293,875	64,588,013
Other Revenues	9,331,518,432	4,787,263,172
Interests	129,547,452	130,763,070
Commissions	35,629,001	832,774
Levies	590,553,658	1,445,379,879
Grand Total	13,871,849,858	8,982,538,968

Total No Tax Revenue collected in 2021 was K13,871,849,858 compared to K8,982,538,968 in 2020 representing a positive variance of 54%.

13- Multilateral Grants

These are non-compulsory recurrent or capital transfers received by government Ministries from foreign governments and from international organizations. The grants received from the multilateral co-operating partners during the year were as follows:-

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
	-	-
World Bank	462,384,334	-
OPEC	-	51,036,171
CCARDESA	-	745,200
UN	212,998,067	22,761,221
African development Bank	84,031,312	244,793,815

International Bank for reconstruction and Development	-	769,295,657
IDA	-	1,530,294,899
IFAD	-	133,724,077
SADC	-	2,688,762
Global water partnership Southern Africa	-	248,442
WHO	-	1,897,838
Total	759,413,713	2,757,486,082

Multilateral Grants received amounted to K 759,413,713 against a target budget of 1,692,859,949 resulted in an adverse variance of 55%. This was attributable to the decrease in the disbursements from foreign Governments and international organizations during the year 2021.

14- Bilateral Grants

The receipts relating to grants from the bilateral co-operating partners during the year were as follows:-

	31st December 2021 Kwacha	31st December 2020 Kwacha
Japan	221,242,663	3,407,464
Denmark		4,191,750
Switzerland	68,561,639	
Germany	836,482,219	
SIDA-Sweden	1,007,632,930	36,043,297
Ireland	70,819,775	
Finland	19,217,291	
AFD	8,266,109	
USAID - Various Projects	7,402,442,228	
DFID- United Kingdom	287,775,064	
Total	9,922,439,918	43,642,511

Bilateral Grants amounted to K 9,922,439,918 against a target budget of K 293,339,219 resulting in a favourable variance of over 100%. This was attributable to the increase in the disbursements from co-operating partners during the year 2021.

15- Other Grants and Aid

Budget support grants amounted to K 1,924,422,173 in the year 2021 compared to K2,801,128,593 representing a decrease of 31% from the year 2020. (Refer to Appendix 17).

16- External Borrowing

External borrowings from bilateral and multilateral creditors for 2021 were as follows:

(i) Bilateral External Borrowings (Cash disbursements)

There were no cash disbursements during the year under review.

(ii) Bilateral External Borrowings (Non-Cash disbursements)

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
AFD-France	160,737,097	
JICA	45,776,398	63,140,758
Saudi Funds for Development		
EXPORT & SUPPLIERS CREDITS		
Exim Bank of India	689,937,843	1,744,489,105
Polytech		1,390,309,219
Mikalile Trading		6,043,955,500
PRIVATE BANKS		
Exim Bank of Russia		89,282,610
China Development Bank		1,951,346,504
Industrial Commercial Bank of China		2,669,699,959
Investec Bank PLC		960,881,740
Isreal Discount Bank	5,867,921	522,927,180
Nordea Denmark		170,345,706
Sub Total	902,319,259	15,606,378,282

(iii) -Multilateral (External Borrowing)

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
World Bank	2,309,583,920	3,415,026,044
The OPEC Fund for International Development	97,864,146	123,568,592
BADEA	11,787,102	
IFAD	85,103,859	174,851,011
ESA Trade and Development Bank		769,131,671
Nigerian Trust Fund	35,588,972	1,254,702
African Development Bank		2,015,536,703
UK Export Finance	670,095,963	2,747,313,528
Africa Growing Together Fund	446,369,206	
African Development Fund	545,388,820	566,475,113
European Investment Bank	483,837,215	
AFDB	1,121,326,973	
Saudi Funds for Development	116,264,703	
Strategic Climate Fund	30,861,321	52,436,800
Sub Total	5,942,285,098	9,877,381,267
Grand Total	6,844,604,357	25,483,759,549

Bilateral External Borrowings amounted to K 902,319,259.00 against a target budget of K5,967,139,257 resulting in an adverse budget variance of 85%. Further, Multilateral External Borrowings amounted to K 5,942,285,098 against a target budget of K 7,641,575,438 resulting in an adverse variance of 22%. The reduction in the bilateral and multilaral borrowings was due to the implementation of Debt Suspension Initiative(DSI) by Government during the year 2021.

Of the above amounts, the following were third party payments made on behalf of Government as tabulated below:

Name of the Institution	Amount (Kwacha)
World Bank	346,152,290
African Development Bank	847,535,002
International Fund for Agricultural Development(IFAD)	8,000,000
Total	1,201,687,292

Expenditure type	Payments by Government (Kwacha)	Direct payments to vendors by corporating partners (Kwacha)	Total Expenditure (Kwacha)
Grants and other payments	13,973,433,948	104,070,115	14,077,504,063
Non -Financial Assets	787,442,169	251,719,715	1,039,161,884
Assets Under Construction	741,688,972	845,897,462	1,587,586,434
Total	15,502,565,090	1,201,687,292	16,704,252,381

Note 17- Proceeds from Domestic Borrowings (Cash Disbursements)

The proceeds from auctioning of Government Bonds and Treasury Bills amounted to K62,987,056,930 in the year 2021 compared to K51,351,276,726 in 2020 representing a positive variance of 23%.

Note: 18 -Personal Emoluments

Personal emoluments comprise expenditure on salaries, wages and other employee benefits incurred by all Government Ministries Provinces and other Agencies from GRZ and other projects.

The total authorised budget for Personal Emoluments was K 33,746,086,834 and the actual amount spent was K 31,112,129,479 resulting in a budget variance of 8%. (Refer to Appendix 1).

Note 19 -Use of Goods and Services

Use of Goods and Services comprise all expenditures on goods and services such as office costs, administrative operating costs and other costs related to functioning of Ministries Provinces and other Agencies.

The total authorised budget on use of goods and services was K 56,396,113,230 and the actual amount spent was K 42,596,146,038 resulting in an adverse budget variance of 32%. The revenue collected was not sufficient to meet the targeted expenditure.(Refer to Appendix 2).

Note 20- Financial charges

Financial Charges

These are repayments of principal and interest on Treasury Bills, Government Bonds, Bilateral & Multilateral Debt and other charges.

The total authorised budget for financial charges and repayment of debt was K 46,268,659,541 and the actual amount spent was K 29,500,978,889 resulting in an adverse budget variance of 36%. The variance is attributed to the suspension of interest on some multilateral and bilateral creditors. (Refer to Appendix 19).

Note 21- Grants and Other payments

The figure for grants represents the total amount paid to Grant-Aided Institutions and Local Authorities on a one line item basis.

- (i) The total amount for Grants and other payments in the Statement of Cash Receipts and Payments(Statement A) amounting to K 13,973,433,948 relate to payments made by the Government.
- (ii) The total authorised budget for Grants and Other Payments was K15,483,997,726 and the actual amount spent was K14,077,504,063 resulting in an adverse budget variance of 9%. The amount included in the Budget Execution report (Statement B) includes both payments made by the Government and Third Parties. (Refer to Appendix 20).

The difference of K104,070,115 between Statement A and Statement B was paid by corporating partners directly to vendors. (Refer to Note 16(iii)).

Note 22 - Non -Financial Assets

Non-Financial Assets are all assets other than financial assets such as fixed assets stocks and valuables, produced and used repeatedly or continuously in the process of production for more than one year. As explained in the accounting policy 1 (I), all property, plant, equipment and other movable assets are expensed in the year of purchase.

- (i) The total amount for Non-Financial Assets in the Statement of Cash Receipts and Payments(Statement A) amounting to K 787,442,169 relate to payments made by the Government.
- (ii) The total authorised budget for non-financial Assets was K 3,819,952,322 but the actual

amount spent was K 1,039,161,884 resulting in an adverse budget variance of 73%. The variance is attributed to under funding due to fiscal challenges. The amount included in the Budget Execution report (Statement B) includes both payments made by the Government and Third Parties. (Refer to Appendix 3).

The difference of K251,719,714.92 between Statement A and Statement B was paid by corporating partners directly to vendors. (Refer to Note 16(iii)).

Note 23- Principal Repayment on Government Securities

These are Principal Repayments on Treasury Bills and Government Bonds. These figures are not part of the budget. However, they are raised and paid by Bank of Zambia on behalf of the Government.

Description	31 st December 2021 (Kwacha)	31 st December 2020 (Kwacha)
Treasury Bills	33,010,126,668	22,108,407,141
Government Bonds	9,779,877,200	7,034,337,705
Borrowing from domestic financial institutions	326,336,265	300,310,254
Other loans	-	-
Total	43,116,340,133	29,443,052,100

Note 24 - Statement of Unretired Imprest

Imprest outstanding at the end of the year 2021 amounted to K 276,750.00. (Refer to Appendix 9).

Note 25 - Income Tax

Income Tax is a tax on profit made by Limited Companies and self-employed individuals as well as on Emoluments earned by employees.

Income tax was K 54,900,546,007.00 against a target budget of K32,750,623,298.00, resulting in a favourable budget variance of 68%. This was attributed to payment of tax arrears, upward amendment of provisional returns, advance payments by some mining companies and increased payments compliance by Government Ministries for withholding taxes. (Refer to Appendix 4).

Note 26 -Customs and Excise

These are taxes on particular goods or products whether imported or locally produced, imposed at any stage of production or distribution.

Customs and Excise Duties during the year 2021 amounted to K 9,485,769,362 against a target

budget of K 8,238,520,564.00 resulting in a favourable budget variance of 15%. This was attributed to the increase in the taxable value of inputs due to the depreciation of the Kwacha and the increase in the volume of importation in the mining sector. (Refer to Appendix 5).

Note 27- Value Added Tax

This is consumption based tax that is levied in the supply chain at each point where value is added to a good or service. Domestic VAT is charged on goods or services consumed in Zambia, and Import VAT is charged on imported goods.

Value Added Tax was K 18,956,325,227.00 against a target budget of K 16,937,964,273 resulting in a favourable budget variance of 12%. The positive performance on Domestic Tax was attributed to increased payment compliance of withholding tax by Government Institutions. It was also due to enhanced follow up on unpaid taxes and prompt reminders on withholding Value Added Tax.

Further, the table below shows the amounts that were collected in terms of domestic VAT and import VAT in the year under review.

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
Domestic VAT	6,540,746,577	3,422,771,111
Import VAT	12,415,578,650	11,108,824,739
Grand Total	18,956,325,227	14,531,595,850

Note 28- Levies

Levies collected amounted to K 590,553,658.00 against a target budget of K 1,346,697,412.00 resulting in an adverse target budget variance of 56%. This was due to the subsidies that were introduced on the fuel by the Government.

The table below shows the breakdown of the type of levies.

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
Fuel Levy	207,179,315	1,158,761,108
Tourism Levy	18,789,580	10,484,031
Skills Development Levy	220,948,453	168,778,608
Insurance Premium Levy	143,636,310	107,356,132
Grand Total	590,553,658	1,445,379,879

Note 29- Fines

Fines are collected by Zambia Police Service and the Courts of law from members of the Public that are fined after breaching the Laws of Zambia.

Fines collected amounted to K 71,293,875.40 against a budget of K 67,460,629.00 resulting in a favourable budget variance of 6%.

The table below shows the breakdown of the type of fines.

	31 st December 2021 (Kwacha)	31 st December 2020 (Kwacha)
Admission of Guilt-ZP	56,362,792	47,456,145
Fines of Court	14,094,334	10,254,223
Admission of Guilt-RTSA	836,749	6,877,645
Grand Total	71,293,875	64,588,013

Note 30 - Licences

Revenue collected on Licences was K 2,001,808,010.00 against a target budget of K 1,514,649,138.00, resulting in a favourable budget variance of 32%. This was attributed to the sale of high demand radio spectrum 800 MHz to Airtel, MTN, network and service license fees paid by 24 new applicants. (Refer to Appendix 6)

Note 31- Commissions

These are handling fees levied at 2.5% per month on Micro-Finance Third Party. Commissions collected was K 35,629,001.00 against a target budget of K 98,610,183.00 resulting in an adverse budget variance of 64%. This was attributable to non-disbursement of funding to finance the payment of commission of 2.5% per month on micro-finance and third party loans paid to public service employees.

The table below shows the breakdown of the type of commissions.

	2021 (Kwacha)	2020 Kwacha)
Commission on 3rd Party Micro-Finance	34,938,040	
RTSA Commission - Vic Falls Bridge Tolls	690,961	832,774
Grand Total	35,629,001	832,774

Note 32 -Fees of Court or Office

Fees are collected by Government Ministries, Provinces and Agencies that offer various services to the Public. Fees in 2021 amounted to K 1,711,499,429 against a budget of K1,333,804,434 resulting in a favourable budget variance of 28%. (Refer to Appendix 7).

This is attributable to the increase in fees after the implementation of immigration and deportation (General)(amendment) regulation of 2021. Further, the compulsory standard agency realized more revenues from increased fertilizer imports during the year 2021.

Note 33 - Interest

Interest amounted to K 129,547,452.00 against a budget of K86,692,947.00 resulting in a favourable budget variance of 49%. This was attributed to a payment amounting to K108,426,999.00 received from Zambia Revenue Authority from own lending loans in institutions.

The table below shows the breakdown of the type of interest income.

	31st December 2021 (Kwacha)	31st December 2020 (Kwacha)
Interest on Late Payment-Ministry of Lands	7,527,403	8,994,182
Interest on loans to Institutions-Companies	118,054,009	113,486,007
Interest on Bank Accounts	3,966,040	8,282,881
Grand Total	129,547,452	130,763,070

Note 34- Other Revenues

Other Revenues amounted to K 9,331,518,432 against a budget of K3,607,503,374 resulting in a favorable budget variance of 159%. This was attributable to dividends paid to Government by Bank of Zambia which amounted to K 6,273,343,618.00.(Refer to Appendix 8).

Note 35 - Domestic Borrowings

Domestic Borrowings amounted to K 16,030,988,686 against a budget of K 38,038,571,500 resulting to an adverse variance of 58%. This was due to the unstable economic environment caused by the effect of the COVID -19 pandemic.

Note 36 - Government functional classification

This note gives an indication of budget and expenditure for 2021 against the ten (10) Broad Classifications of Government Functions.

Function Classification	2021 Original Budget (Kwacha)	2021 Supplementary / Declared Savings (Kwacha)	2021 Final Budget (Kwacha)	2021 Funding (Kwacha)	2021 Actual Expenditure (Kwacha)
General Public Services	57,774,533,615.82	18,827,747,654.23	76,602,281,270.04	59,619,631,856.88	57,918,223,778.64
Defence	5,621,952,546.47	1,832,099,668.22	7,454,052,214.68	5,801,496,267.65	5,635,934,819.04
Public Order and Safety	3,110,016,302.30	1,013,501,944.12	4,123,518,246.42	3,209,338,360.83	3,117,751,176.49
Economic Affairs	21,530,882,092.85	7,016,551,920.83	28,547,434,013.68	22,218,496,344.18	21,584,431,221.85
Environmental Protection	956,928,093.02	311,846,752.04	1,268,774,845.05	987,488,726.41	959,308,054.30
Housing and Community Amenities	2,272,704,220.91	740,636,036.09	3,013,340,257.00	2,345,285,725.22	2,278,356,628.97
Health	9,688,896,941.78	3,157,448,364.37	12,846,345,306.16	9,998,323,354.88	9,712,994,049.83
Recreation, Culture and Religion	119,616,011.63	38,980,844.00	158,596,855.63	123,436,090.80	119,913,506.79
Education	13,755,841,337.10	4,482,797,060.53	18,238,638,397.63	14,195,150,442.12	13,790,053,280.63
Social Protection	4,784,640,465.08	1,559,233,760.18	6,343,874,225.26	4,937,443,632.04	4,796,540,271.52
Grand Total	119,616,011,626.95	38,980,844,004.61	158,596,855,631.56	123,436,090,801.01	119,913,506,788.06

Note 37 – Payments for Assets under construction

These were Assets under construction for the year 2021.

- (i) The total amount for Assets under Construction in the Statement of Cash Receipts and Payments(Statement A) amounting to K 741,688,972.03 relate to payments made by the Government. Kindly note that some MPAs reported the Assets Under Construction under Use of Goods and Services and Non-Financial Assets.
- (ii) The total authorised budget for Assets under Construction was K 2,882,045,978 but the actual amount spent was K 1,587,586,434 resulting in an adverse budget variance of 45%. The variance is attributed to the decision that Government made to channel funding to projects that were above 80 percent complete due to fiscal challenges. (Refer to Appendix 21).

The amount included in the Budget Execution report (Statement B) includes both payments made by the Government and Third Parties.

The difference of K845,897,461.79 between Statement A and Statement B was paid by corporating partners directly to vendors. (Refer to Note 16(iii)).