



# **TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY**

## **ANNUAL REPORT 2019**

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## 1. VISION, MISSION AND VALUES

### 1.1 VISION

A World-class Technical Education, Vocational and Entrepreneurship Training (TEVET) system that drives skills empowerment for sustainable development

### 1.2 MISSION

To ensure supply of internationally competitive skilled persons through:

- Regulation,
- Coordination,
- Monitoring, and
- Evaluation

of Technical Education, Vocational and Entrepreneurship Training (TEVET) service delivery

### 1.3 VALUES

<b>TEVETA upholds the following core values:</b>	Ethical leadership and integrity
	Innovation and excellence
	Accountability and transparency
	Teamwork and mutual respect

## **2. REGISTERED OFFICE**

The Technical Education, Vocational and  
Entrepreneurship Training Authority (TEVETA)  
Plot No. 4751 Birdcage Walk, Longacres  
Private Bag RW16X  
Lusaka-Zambia

## **3. BANKERS:**

### **3.1. CITIBANK ZAMBIA LIMITED**

Lusaka Main Branch  
Addis Ababa Roundabout  
Lusaka - Zambia

### **3.2. STANBIC BANK ZAMBIA LIMITED**

Woodgate House  
Cairo Road  
Lusaka - Zambia

### **3.3. ZAMBIA NATIONAL COMMERCIAL BANK LIMITED**

Civic Centre Branch  
Independence Avenue  
Lusaka - Zambia

## **4 AUDITORS**

Mark Daniels

## 5. TEVETA MANAGEMENT



Mr. Cleophas Takaiza  
**DIRECTOR GENERAL**



**Mrs. Rudo Banda**  
Director Training  
Standards Division



**Dr. Phillip Mubanga**  
Director  
Finance &  
Administration Division



**Mr. Ocean Matimba**  
Director  
Assessments &  
Certification Division



**Mr. Orphan Hachinene**  
Director  
Development Division

## 6. EXECUTIVE SUMMARY

In 2019, thirty-six (36) institutions sought registration to offer TEVET. Twenty-one (21) met the minimum training requirements and were issued with registration certificates. A total of 286 training institutions were inspected for compliance to training requirements. Following the inspections, registration certificates for thirty (30) institutions were cancelled for failure to comply with the minimum training standards. There were 293 training institutions on the TEVETA register of training institutions as at December 31 2019.

To promote performance improvements in the sector, technical support was provided to fifteen (15) training institutions to address some deficiencies identified during inspections. Further, sixty-four (64) trainers, assessors and examiners were trained in developing effective assessment tools. The capacity building initiatives to training institutions are envisioned to contribute to improvements in the outcomes of the TEVET system.

During the year under review, thirty-one (31) new curricula were developed in response to industry demands for new skills. In addition, seventeen (17) old curricula were reviewed to align them to new technological developments and production changes in the industry. There were 155 programmes due for review by the end of the year out of the total number of 322 TEVET curricula.

In an effort to promote different modes of learning, TEVETA collaborated with the Zambia Federation of Employers, the International Labour Organisation, and other stakeholders to finalize the development and launching of the National Work Based Learning and Internship Guidelines to promote creation of partnerships in addressing skills gaps in the country. TEVETA also collaborated with the National Council for Construction and Solwezi Trades Training Institute to conduct a Training Needs Assessment Survey in Northwestern Province to identify skill gaps among construction contractors and their employees. This collaboration was part of the Lobito Corridor Project funded by African Development Bank.

A total of 47,162 learners registered for 2019 TEVET assessments and examinations (15,141 ZQF Levels 4-6 Programmes, 14,677 Trade Test Programmes 16,562 Secondary School VET and 782 Skills Awards programmes). A total of 15,138 candidates sat for the examinations targeting qualifications at ZQF Levels 4-6.. Trade Test Programmes recorded an increase in the number of candidates assessed from 12,842 in 2018 to 14,677 in 2019. The overall pass rate in the year under review was 95.38%.

TEVET Fund disbursement in the year was done for continuous improvements to access, quality, and relevance of TEVET in relation to the Seventh National Development Plan (7NDP). The 7NDP recognises TEVET as a strategic component that ensures enhanced human capacity for sustainable national development, increased skilled persons' employability, productivity, and efficiency. Funding to support training in the formal sector was made through Employer-Based Training (EBT). Training contracts worth K18.3 million were signed with various training providers that partnered with companies from different sectors to train 2, 782 employees to enhance productivity.

Following the dissolution of the Board of TEVETA on 7th May 2017, the Authority has been reporting to the Ministry of Higher Education through the office of the Permanent Secretary.

TEVETA remains grateful to the Government of the Republic of Zambia and other stakeholders, who have continued to support the work and programmes of the Authority.

## 7. OPERATIONAL REVIEW

### 7.1 INTRODUCTION

The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) is an institution created under the Technical Education, Vocational and Entrepreneurship Training Act No. 13 of 1998, read together with the Technical Education, Vocational and Entrepreneurship Training (Amendment) Act No. 11 of 2005. Its general function is to regulate, coordinate and monitor Technical Education, Vocational and Entrepreneurship Training in consultation with industry, employers, employees and other stakeholders. The specific functions are that TEVETA shall:

- a) administer and manage the Technical Education, Vocational and Entrepreneurship Training (TEVET) Fund;
- b) advise the Minister on the development of quality human resources in Zambia through the technical education, vocational and entrepreneurship training;
- c) regulate and advise institutions established or registered under this Act;
- d) regulate and coordinate apprenticeship and trade testing systems;
- e) facilitate the provision of technical consultancy to institutions established or registered under this Act;
- f) facilitate the development of technical capacity in institutions established or registered under this Act;
- g) develop national curricula in consultation with stakeholders;
- h) set minimum standards and qualifications for any occupation, skill, technology or trade in accordance with trends in the industry;
- i) provide guidelines for the development of institutional curricula;
- j) accredit local and foreign examinations to be taken by persons attending courses at an institution established or registered under this Act;
- k) regulate and conduct national examinations and assessments relating to technical education vocational and entrepreneurship training;
- l) charge and collect fees in respect of examinations, assessments undertaken under this Act;
- m) award certificates to persons who succeeded in examinations and assessments undertaken under this Act;
- n) approve curricula and standards of certificates in institutions established or registered under this Act;
- o) register institutions;
- p) cancel registration of an institution established under this Act;
- q) collect, manage and disseminate labour market information relating to technical education, vocational and entrepreneurship training;

- r) initiate, monitor and evaluate development programmes for continued advancement of technical, vocational and entrepreneurship training;
- s) determine the equivalences of local and foreign examinations;
- t) accredit and register trainers, examiners and assessors;
- u) in conjunction with the Minister:
  - i. determine priority skills areas of technical education, vocational and entrepreneurship training for the purpose of enhancing social and economic development in Zambia; and
  - ii. mobilise financial and material resources for the provision of technical education, vocational and entrepreneurship training; and
- v) do all such things connected to or incidental to the functions of the Authority under this Act

## **7.2 GOVERNANCE**

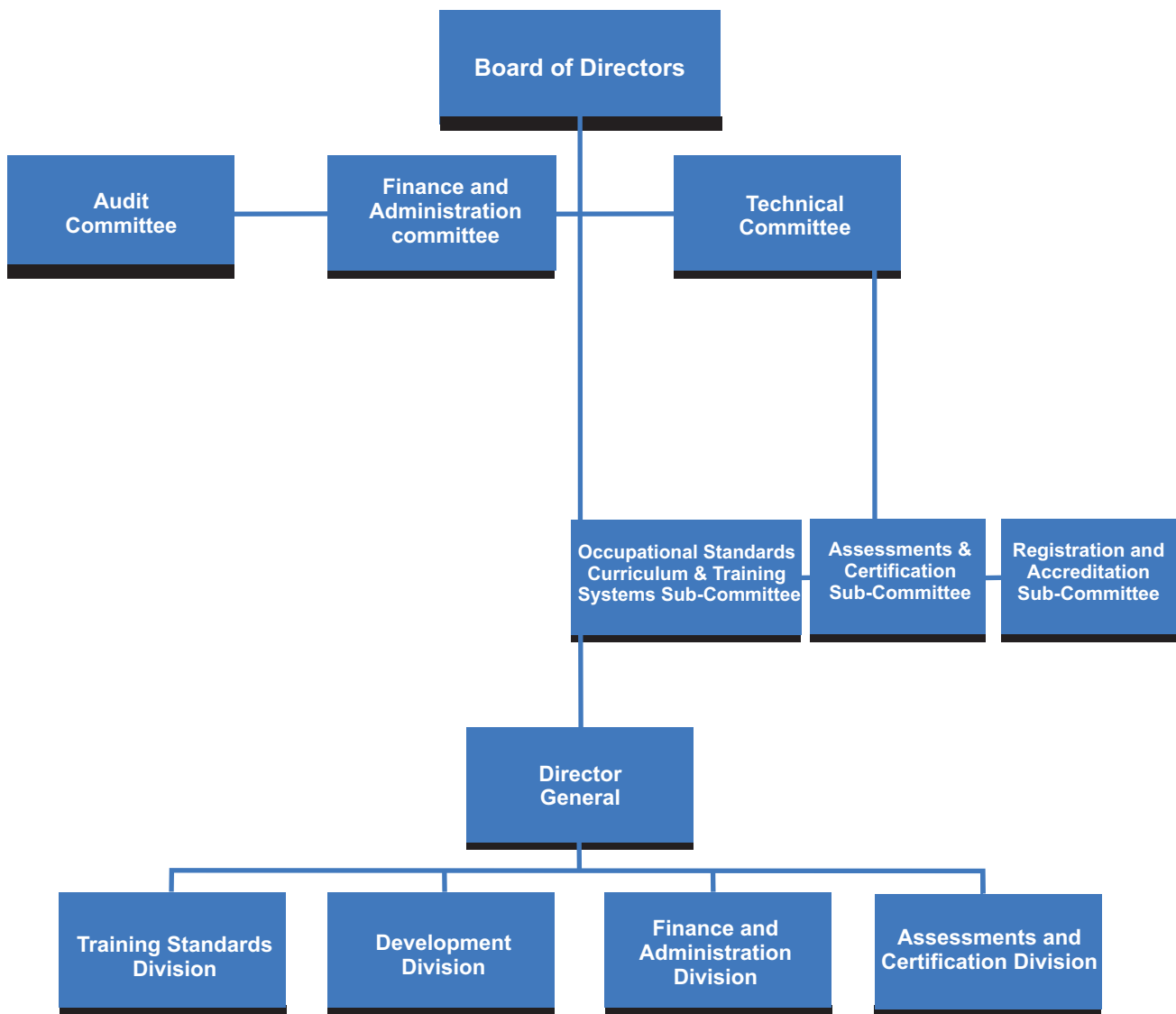
TEVETA is governed by a Board of Directors appointed by the Minister, in accordance with Section 6(1) of the Technical Education, Vocational and Entrepreneurship Training (Amendment) Act No. 11 of 2005. The Board consists of representation from the following:

- 1) a representative of a federation of trade unions;
- 2) a representative of the Zambia Association of Chambers of Commerce and Industry;
- 3) one representative from the university established under the University Act;
- 4) one representative from a federation of employers' organisations;
- 5) a representative of the Zambia Chamber of Small and Medium Business Associations;
- 6) a representative of a research and development institution established under the Science and Technology Act;
- 7) a representative of a religious organisation involved in providing technical education, vocational and entrepreneurship training;
- 8) a representative of the Ministry responsible for technical education, vocational and entrepreneurship training;
- 9) a representative of the Ministry responsible for labour;
- 10) a representative of the Ministry responsible for education; and
- 11) one other person

The members elect a Chairperson and a Vice Chairperson from among their number.



## GOVERNANCE STRUCTURE OF TEVETA



### 7.3. THE ROLE OF TEVETA

The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) is organised around four Divisions. These are: Training Standards Division, Development Division, Assessments and Certifications Division, and Finance and Administration Division. The Divisions are under the supervision of the Divisional Directors who in turn report to the Director General. Each Division is further structured into specialised operational Units.

This report covers the activities carried out by the Authority through the four Divisions while implementing the Annual Work Plan and Budget for the period 1st January to 31st December 2019.

#### **7.4 TRAINING STANDARDS DIVISION**

The Training Standards Division is responsible for monitoring Technical Education, Vocational and Entrepreneurship Training (TEVET) to ensure compliance to the set quality standards for learning experiences and learning environments through:

- a) Inspection and registration of training institutions;
- b) Accreditation of Trainers, Examiners / Assessors;
- c) Offering training provider support services; and
- d) Promotion of entrepreneurship development in the TEVET sector

The Division comprises two (2) Units namely the Training Quality Assurance Unit (TQAU) and the Training Provider Support Services Unit (TPSSU). The TQAU activities aim at promoting quality in the delivery of training through registration and accreditation processes while the TPSSU activities aim at promoting performance improvements through the provision of technical advisory services and promotion of entrepreneurship development in TEVET institutions.

The strategic objective for the Training Standards Division in 2019 was to "develop and continuously improve the capacity, efficiency and effectiveness of training quality assurance systems to ensure quality TEVET graduates."

To achieve this Strategic Objective, the Division implemented the following programmes:

- a) Registration and inspection of training institutions;
- b) Accreditation of trainers, assessors, examiners and training programmes;
- c) Development and implementation of a support system for Continuous Professional
- d) Development for training institution managers, trainers, assessors, and examiners with a view to promoting institutional performance improvement;
- e) Promotion of entrepreneurship development and training amongst registered training Institutions (TIs) to foster the creation of sustainable enterprises.

##### **i) *Registration and inspection of training institutions offering TEVET***

The Division conducted training quality assurance inspections for purposes of registration of new training institutions and to ensure compliance with minimum training standards amongst registered training institutions. A total of 286 training institutions were inspected. The inspections also involved following up on reports of training institutions offering TEVET without TEVETA registration.

During the year under review, thirty-six (36) applications were received from various institutions that sought to register to offer technical, vocational and entrepreneurship training.

Twenty-one (21) of these met the minimum training standards and were registered while the remaining fifteen (15) could not meet the minimum requirements for registration. In addition, thirty (30) institutions had their Certificates of Registration cancelled for failure to comply with the minimum training standards. As at December 31st 2019, there were 293 training institutions on the Authority's register of training institutions.

TEVETA has a system of grading training institutions according to their capacity to offer quality training services. A "Grade 1" institution is one with well-established management systems, qualified and experienced management staff, trainers accredited with TEVETA in line with the TEVET Act, appropriate and equipped workshops, safety preparedness, ample classroom space, adequate reference materials for teaching and learning, equipped ICT facilities and adequate sanitary facilities in relation to the student population. A "Grade 2" institution is one which meets basic registration requirements whilst a "Grade 3" institution would barely meet the minimum training standards.

Table 1 below presents the distribution of training institutions by Grade and Province while Figure 1 shows the distribution of training institutions by province as at December 2019.

**Table 1:** Distribution of Registered Institutions for 2019

NAME OF PROVINCE	GRADE			TOTAL	% of Total
	1	2	3		
Central	1	7	10	18	6%
Copperbelt	12	30	38	80	27%
Eastern	0	3	8	11	4%
Luapula	0	5	7	12	4%
Lusaka	13	42	59	114	39%
Muchinga	0	2	2	4	1%
Northern	0	3	6	9	3%
North-Western	2	5	5	12	4%
Southern	2	10	13	25	9%
Western	0	5	3	8	3%
<b>Total</b>	<b>30</b>	<b>112</b>	<b>151</b>	<b>293</b>	<b>100%</b>
<b>% of Total</b>	<b>10%</b>	<b>38%</b>	<b>52%</b>	<b>100%</b>	

Most of the institutions (53%) fall in the category of Grade 3, an indication that they barely met established minimum training standards for registration. Many of these institutions still require additional workshops, tools, and limited access to relevant teaching and learning materials is still inadequate. The implication of this is that the training being provided by most institutions in the sector requires to be improved upon. There are weaknesses that need to be addressed for the affected institutions to offer better quality training. Amongst the challenges affecting these institutions include inadequate workshop space, inadequate

training equipment and tools. The sector also needs a continuous professional development programmes for the trainers to keep them up to date with technological developments in industry. .

Figure 1 below shows that most of the registered TEVET institutions tend to be concentrated along the line of rail with Lusaka Province registering the largest proportion.

**Figure1:** Distribution of training Institution by province

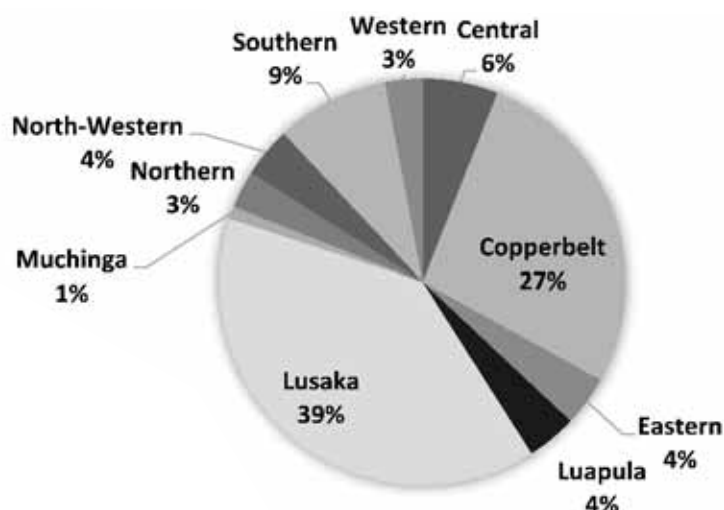


Table 2 below presents a summary of the distribution of registered training institutions by Ownership and Province as at December 31st 2019.

**Table 2:** Distribution of the Institutions according to Ownership

Name of Province	Type of Ownership							Total
	Public / Government	Private	Church	Company	NGO	Community	Trust	
Lusaka	27	45	16	4	15	3	4	114
Copperbelt	23	22	15	15	2	2	1	80
Southern	11	3	10	1	0	0	0	25
North-Western	7	0	0	4	0	1	0	12
Luapula	7	0	4	0	0	1	0	12
Central	10	2	3	0	3	0	0	18
Eastern	8	2	1	0	0	0	0	11
Western	5	0	2	0	1	0	0	8
Northern	6	1	2	0	0	0	0	9
Muchinga	2	0	0	1	1	0	0	4
<b>Total</b>	<b>106</b>	<b>75</b>	<b>53</b>	<b>25</b>	<b>22</b>	<b>7</b>	<b>5</b>	<b>293</b>
<b>%</b>	<b>36.2%</b>	<b>25.6%</b>	<b>18.1%</b>	<b>8.5%</b>	<b>7.5%</b>	<b>2.7%</b>	<b>1.7%</b>	<b>100%</b>

Table 3 shows the distribution of institutions according to levels of qualifications they offer. The table shows that most of the training being offered in TEVET institutions leads to qualifications at the lower levels of the Zambia Qualifications Framework. This implies that there is an urgent need to promote training programmes leading to higher level qualifications.

**Table 3:** Distribution of Institutions according to Levels of qualifications

Name of Province	Level of Training						Total
	Short Courses	Level 3 Certificate	Level 4 Certificate	Level 5 Certificate	Diploma (Science and Technical)	Diploma (Mgt.)	
Central	3	8	5	0	1	1	18
Copperbelt	16	30	12	3	6	13	80
Eastern	0	7	4	0	0	0	11
Luapula	1	9	2	0	0	0	12
Lusaka	44	28	3	2	8	29	114
Muchinga	0	3	1	0	0	0	4
Northern	0	7	1	0	0	1	9
North-Western	1	7	4	0	0	0	12
Southern	4	13	6	0	0	2	25
Western	0	5	3	0	0	0	8
<b>TOTAL</b>	<b>69</b>	<b>117</b>	<b>41</b>	<b>5</b>	<b>15</b>	<b>46</b>	<b>293</b>
<b>% of Total</b>	<b>23.5%</b>	<b>39.9%</b>	<b>14.0%</b>	<b>1.7%</b>	<b>5.1%</b>	<b>15.7%</b>	<b>100.00%</b>

Table 3 above shows that only 20% of TEVET institutions are able to offer training programmes leading to qualifications at Diploma Level while 63% offer training leading to qualification up to Level 3 Certificate. Further, the table shows that only 5% of the registered institutions offer technical and engineering related training leading to Diploma level qualification. This situation presents challenges for learners in some of the TEVET programme to progress and acquire higher level qualifications within the TEVET sector and respond to some of the skills gaps that require higher level qualifications.

## ii) **Accreditation systems**

Trainers, assessors, and examiners are required to be accredited with TEVETA to promote quality in training delivery in line with the provisions of the TEVET Amendment Act Number 11 of 2005. For easier compliance with accreditation requirements, TEVETA reviewed the system for accreditation by combining accreditation of trainers, assessors, and examinations under one certificate for eligible candidates rather than having single accreditation certificates for each accreditation category.

In this regard, a total of 756 applications were received for accreditation during the year 2019 of which a total of 629 were successful and issued with accreditation certificates. Some applicants were unsuccessful mainly due to lack of teaching methodology qualification, failure to provide appropriate qualifications for the subject they applied to teach and submitting uncertified copies of qualifications.

### **iii) Training provider support services**

To promote performance improvements amongst training institutions, TEVETA provides technical support to training institutions to address some of the weaknesses identified during inspections. Amongst the support services that were offered to training institutions included:

- a). Promoting practices and systems that enhance quality in TEVET provision.
- b). Effective and innovative approaches in delivery of entrepreneurship training in TEVET.
- c). Capacity development for TEVET institution management and staff.

The Authority provided support to fifteen (15) training institutions targeting specific areas of deficiency that were observed during inspections. Further, sixty-four (64) trainers, assessors and examiners were trained in developing effective assessment tools with a view to improve their competences in developing formative and summative assessment instruments. In the area of entrepreneurship development and training, the Authority reviewed the curriculum and has been promoting implementation of the revised curriculum by training trainers.

It is expected that these support initiatives to training providers will contribute to improvements in the outcomes of the TEVET system.

## **7.5. DEVELOPMENT DIVISION**

The Development Division is responsible for the developing learning programmes, setting standards and providing guidelines for the implementation of different modes of teaching and learning. The strategic objectives of the Development Division during the year under review were;

- a) To develop and continuously review curricula to ensure it is relevant and responsive to national demands.
- b) To develop and promote innovative training systems to increase access to TEVET through a variety of learning pathways.
- c) To develop and implement a TEVET Research, Innovation and Knowledge management system.

### **i) Curriculum Development and Review**

During the year under review, the Division developed 31 new curricula in response to industry demands for new skills. In addition, the Division reviewed 17 old curricula to align them to new technological developments and production changes in the industry. There were 155 programmes due for review by the end of the year out of the total number of 322 TEVET curricula.

**ii) Promotion of different modes of teaching and learning.**

In an effort to promote different modes of learning, the Division has collaborated with other stakeholders who include the Ministry of Commerce, Trade and Industry and National Technology Business Centre (NTBC) to develop an Apprenticeship promotion programme in the Agro-processing sector with support from the United Nations Development Programme (UNDP). The Division also reviewed the Open Distance and Flexible Learning Guidelines to include aspects of Blended Learning as a way of improving the quality of this mode of learning. The guidelines for Recognition of Learning (RPL) were also reviewed to make them easier to implement with details on how RPL Assessments are to be conducted. The Division further collaborated with Zambia Federation of Employers, International Labour Organisation, and other stakeholders to finalize the development and launching of the National Work Based Learning, and Internship Guidelines to promote creation of partnerships between TEVET Providers and the Private sector in addressing skills gaps in the country.

In collaboration with the National Council for Construction (NCC) and Solwezi Trades Training Institute, the Division conducted a Training Needs Assessment Survey in Northwestern Province with the aim of identifying skill gaps among construction contractors and their employees. The activity was part of the Lobito Corridor Project funded by African Development Bank. The identified skills gaps would help plan for a training programmes the NCC that would enable the contractors to effectively participate in the Project that include Zambia, Angola, and the Democratic Republic of Congo.

As the Secretariat for WorldSkills Zambia, the Division facilitated international training for two (2) trainers and two (2) learners as skills Experts and Competitors respectively in Land Landscape Gardening in China. TEVETA is part of the Korea Skills Transfer for Aspiring Regions (K-STAR) project, a project under Korea Human Resource Development (HRD - Korea). The project focus is on skills promotion, skills competition and international cooperation. Through this project and support from the Ministry of Higher Education, the Division facilitated skills competitions in 7 skill areas and facilitated a 3-week training course for seven (7) Zambian TEVET trainers in South Korea. This was done in effort to benchmark skills development system in Zambia to international practices.

## **7.6 ASSESSMENTS AND CERTIFICATIONS DIVISION**

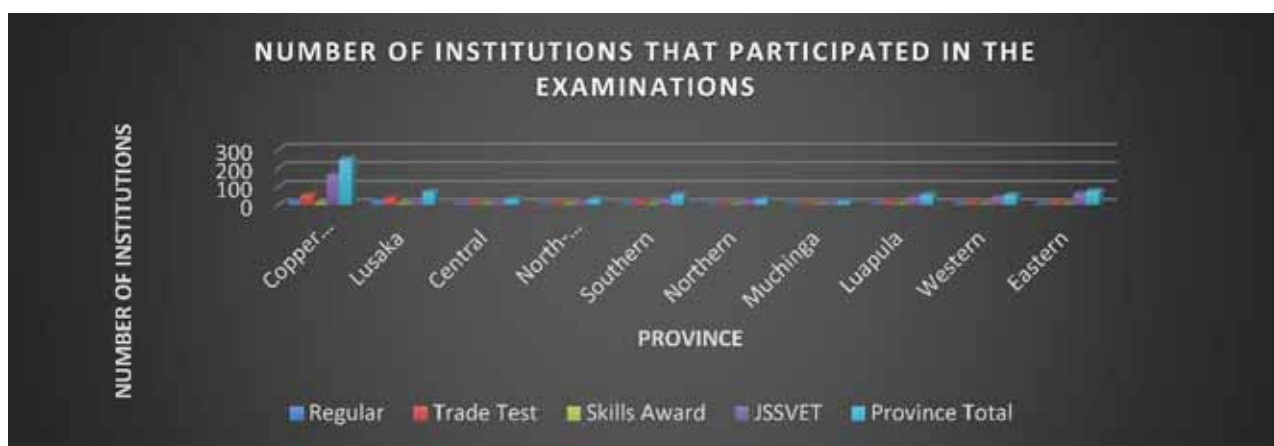
The Assessments and Certifications Division is responsible for the conduct and administration of TEVET Assessments and Examinations to learners in institutions registered with TEVETA. The strategic objective of the Assessments and Certification Division is to develop and continuously improve the TEVET Assessments and Certification system to cater for all training systems in the context of the Zambia Qualifications Framework.

During the year under review, the Division conducted the four (4) examination sessions as was scheduled, which are the April/May, July/August, September/October, and November/December sessions.

**i) Number of institutions that participated in the tevet examinations**

A total of 60 institutions presented candidates for assessments in regular programmes leading to Certificate Level 4 to Certificate Level 6. On the other hand, a total of 167 training institutions presented candidates for assessments at Certificate Level 3 (Trade Test) while 22 presented candidates for assessments for short training courses leading to Skills Award. During the year under review, 411 Secondary Schools participated in vocational training and presented candidate for Trade Test assessments in various trade areas. Copperbelt and Lusaka provinces recorded the highest number of institutions participating in TEVET examinations recording 245 and 71 institutions, respectively. The least numbers of institutions were recorded in Muchinga (18) followed by Northern (28). Figure 1 and Table 1 shows this distribution:

**Figure 2:** Institutions that participated in the examinations



**Table 4:** Institutions that participated in the examinations

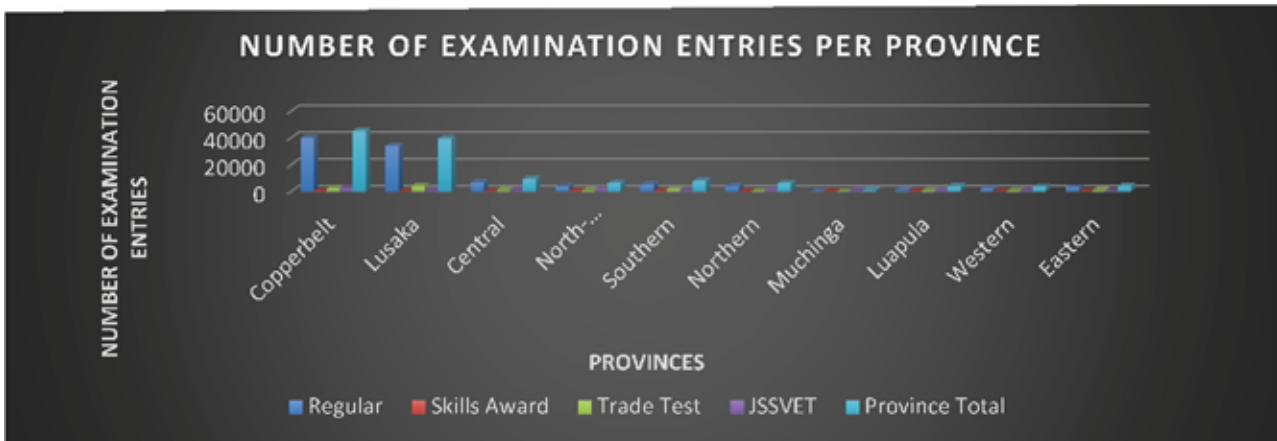
Programme	Copperbelt	Lusaka	Central	North-Western	Southern	Northern	Muchinga	Luapula	Western	Eastern	Total
Regular	17	19	6	2	5	1	1	3	3	3	60
Trade Test	54	35	11	8	16	4	5	13	11	10	167
Skills Award	7	5	2	3	3	0	0	1	0	1	22
SSVET	167	12	11	18	30	23	12	38	39	61	411
Province Total	245	71	30	31	54	28	18	55	53	75	660

**ii) Examination entries per province**

Lusaka province recorded the highest number of examination entries at 48, 445. This was broken down as: 42,767 ZQF Levels 4-6 Programmes; 4,478 Trade Test Programmes; Skills Award 596 and SSVET 604. Copperbelt Province was the second with 47,855 entries. The entries were broken down as: 39027 ZQF Levels 4-6 Programmes, 3092 Trade Test Programmes; 237 Skills Awards and SSVET 5499. The least number of examination entries was recorded in Muchinga at 910. Refer to Figure 2 and Table 2:



**Figure 3:** Examination entries per province



**Table 5:** Examination entries per province

Programme	C/belt	Lusaka	Central	North-Western	Southern	Northern	Muchinga	Luapula	Western	Eastern
Regular	39027	42767	6772	4272	6515	3255	69	2579	2663	2883
Skills Award	237	596	159	371	207	0	0	29	0	1
Trade Test	3092	4478	1487	901	1907	235	249	1244	581	954
SSVET	5499	604	384	762	1415	1157	592	1350	2087	2743
Province Total	47855	48445	8802	6306	10044	4647	910	5202	5331	6581

**iii) Candidature**

A total of 47,162 learners registered for 2019 TEVET assessments and examinations (15,141 ZQF Levels 4-6 Programmes, 14,677 Trade Test Programmes 16,562 Secondary School VET and 782 Skills Awards programmes).

Trade Test Programmes recorded an increase in the number of candidates assessed from 12,842 in 2018 to 14,677 in 2019. Refer to Figure 3 and Table 3.

**Figure 4:** Candidature



**Table 6:** Candidature

	2017	2018	2019
ZQF Levels 4-6 Programmes	12,628	14,792	15,141
Skills Award Programmes	887	1182	782
Trade Test Programmes	12,030	12,842	14,677
SSVET	7,729	12,585	16,562
<b>Total</b>	<b>33,274</b>	<b>41,401</b>	<b>47,162</b>

**iv) Number of programmes examined**

A total of 249 courses and assessments were conducted in 2019. These were: 117 ZQF Levels 4-6 Programmes, 83 Trade Test /SSVET Programmes and 49 Skills Awards. Refer to Figure7 and Table 7.

**Figure 5:** Number of programmes examined/assessed



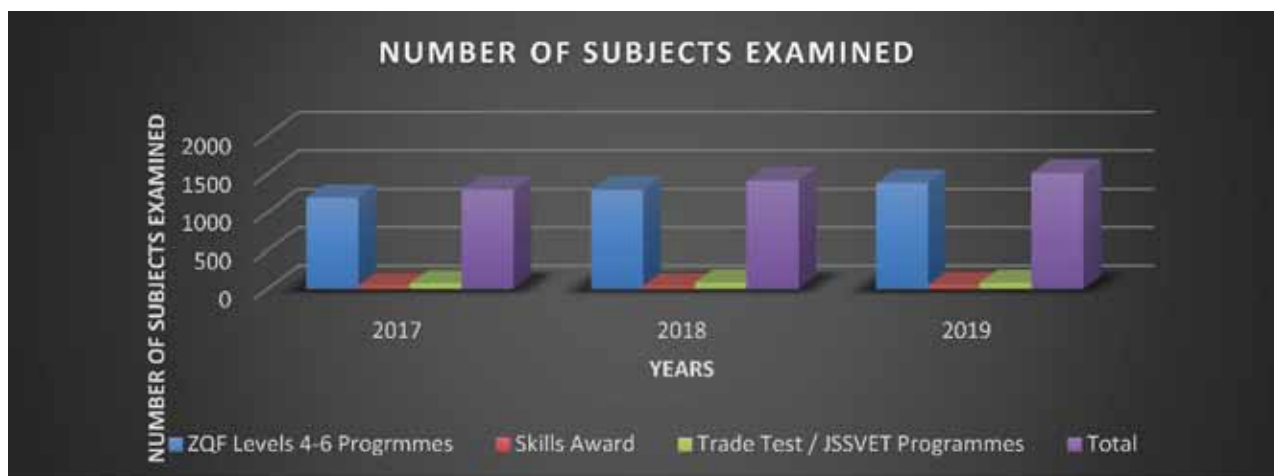
**Table 7:** Number of programmes examined/assessed

	2017	2018	2019
ZQF Levels 4-6 Programmes	96	109	117
Skills Award	41	37	49
Trade Test / SSVET Programmes	70	83	83
<b>Total</b>	<b>207</b>	<b>229</b>	<b>249</b>

**v) Number of subjects examined**

A total of 1,516 subjects were examined in 2019 examinations. The number of subjects examined increased from 1,415 in 2018 to 1,516 in 2019 representing a percentage growth of 6.66%. Refer to Figure 6 and Table 8.

**Figure 6:** Number of subjects examined



**Table 8:** Number of subjects examined

	2017	2018	2019
ZQF Levels 4-6 Programmes	1190	1295	1385
Skills Award	41	37	48
Trade Test / SSVET Programmes	70	83	83
<b>Total</b>	<b>1301</b>	<b>1415</b>	<b>1516</b>

**vi) Overall performance - ZQF levels 4-6 programmes**

From a total of 15,138 candidates who registered to sit for ZQF Levels 4-6 Programmes: 10,315 males passed, 547 males failed, 4,017 females passed, 147 females failed, and 112 candidates were absent. This brought the overall pass rate to 95.38%. Table 6 presents this distribution:

The pass rates for males and females were 94.96% and 96.46% respectively (Refer to Figure 7 and Figure 8).

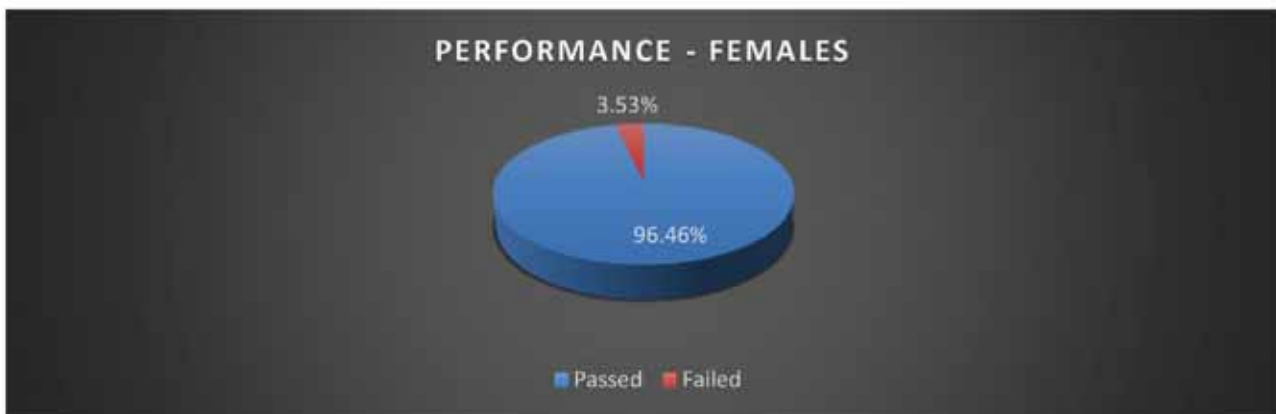
Total Registered	Total Sat	Absent	Male Passed	Female Passed	Male Failed	Female Failed
15138	15026	112	10315	4017	547	147

The pass rates for males and females were 94.96% and 96.46% respectively (Refer to Figure 7 and Figure 8).

**Figure 7:** Male Performance - Regular Programmes



**Figure 8:** Female Performance - Regular Programmes



**vii) Overall Performance - Trade Test Programmes**

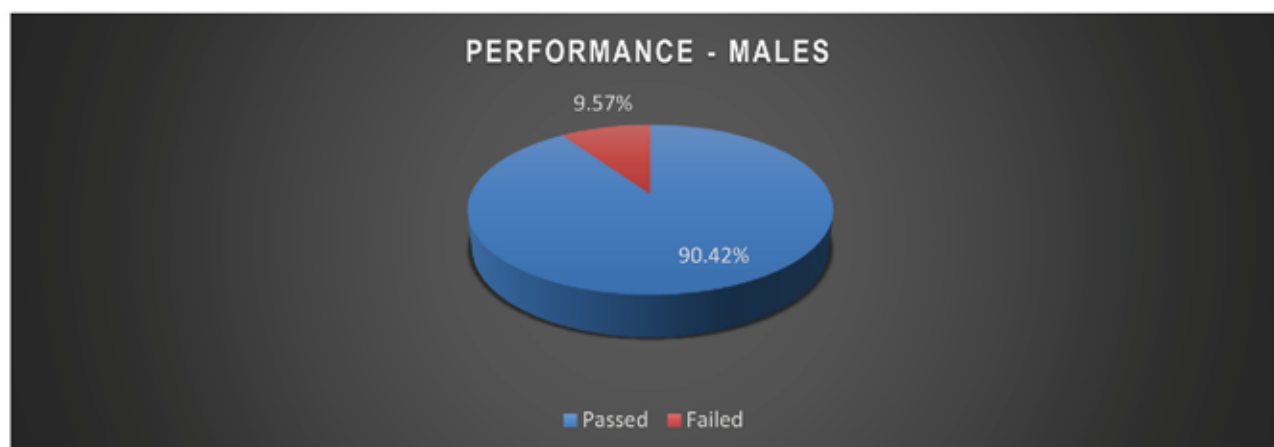
From a total of 14674 candidates who registered to sit for Trade Test programmes: 7,904 males passed, 837 males failed, 5,294 females passed, 451 females failed, and 188 candidates were absent. This brought the overall pass rate at 91.10%. Refer to Table 8.

**Table 8:** Overall Performance - Trade Test Programmes

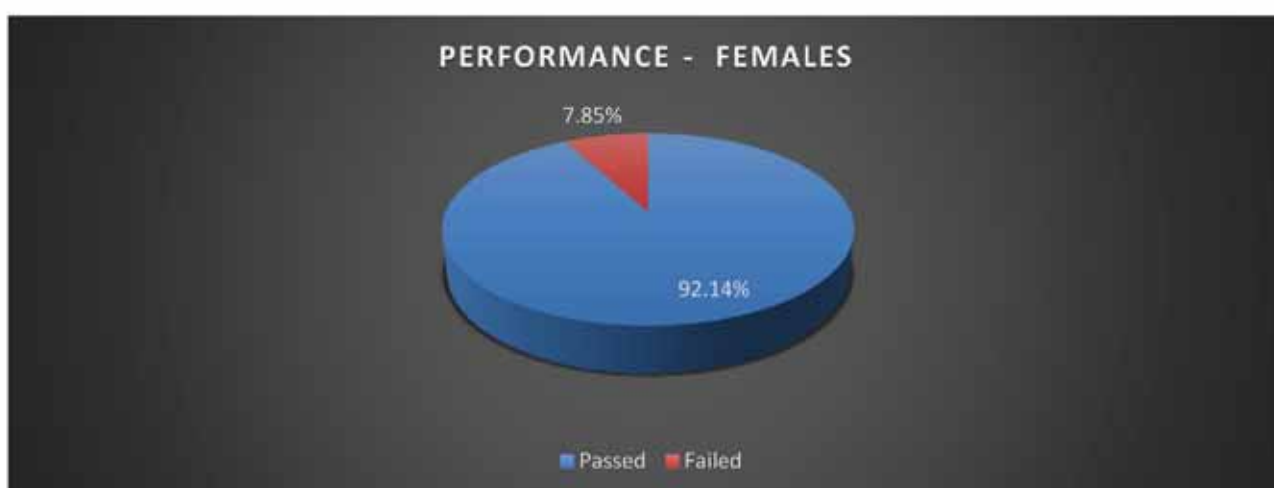
Total Registered	Total Sat	Absent	Male Passed	Female Passed	Male Failed	Female Failed
14674	14486	188	7904	5294	837	451

The pass rates for males and females were 90.42% and 92.14% respectively. The pie charts in Figure 9 and 10 show this breakdown:

**Figure 9: Male Performance -Trade Test Programmes**



**Figure 10: Female Performance -Trade Test Programmes**



**viii) Skills award programmes**

The pass rates for males and females were 96.25% and 95.91% respectively

**Table 9: Overall Performance -Skills Award Programmes**

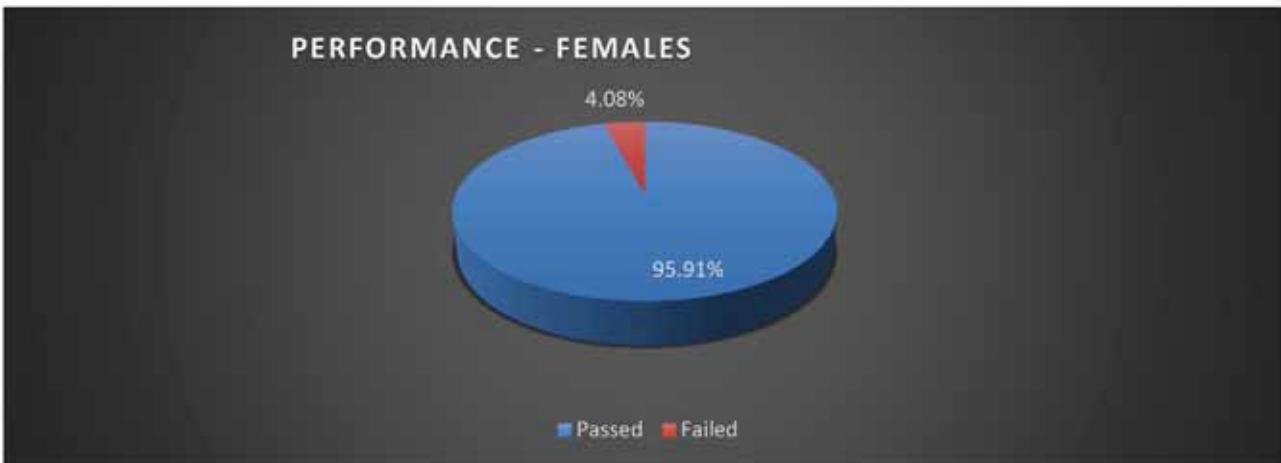
Total Registered	Total Sat	Absent	Male Passed	Female Passed	Male Failed	Female Failed
748	721	27	411	282	16	12

The pie charts in Figure 11 and 12 show this breakdown:

**Figure 11: Male Performance -Skills Award Programmes**



**Figure 12: Female Performance -Skills Award Programmes**



**ix) Re-sit candidates**

The number of re-sit candidates increased by 7.69% in 2019 compared to those who re-sat in 2018. The number of re-sit candidates in the past three year was 4133 in 2019, 3752 in 2018 and 2045 in 2017. Refer to Table 10.

**Table 10: Re-sit Candidates**

	2017	2018	2019
<b>No. of Re-sit Candidates</b>	2,045	3,752	4,133

**x) Re-sit subjects**

The number of subjects that were re-sat increased from 812 in 2018 to 986 in 2019 representing a 17.64% increase. The highest number of re-sit subjects was recorded in 2019, which was at 986 whilst the lowest was in 2017 which was at 609. Refer to Table 11.

**Table 11: Re-sit Subjects**

	2017	2018	2019
No. of Re-sit Subjects	609	812	986

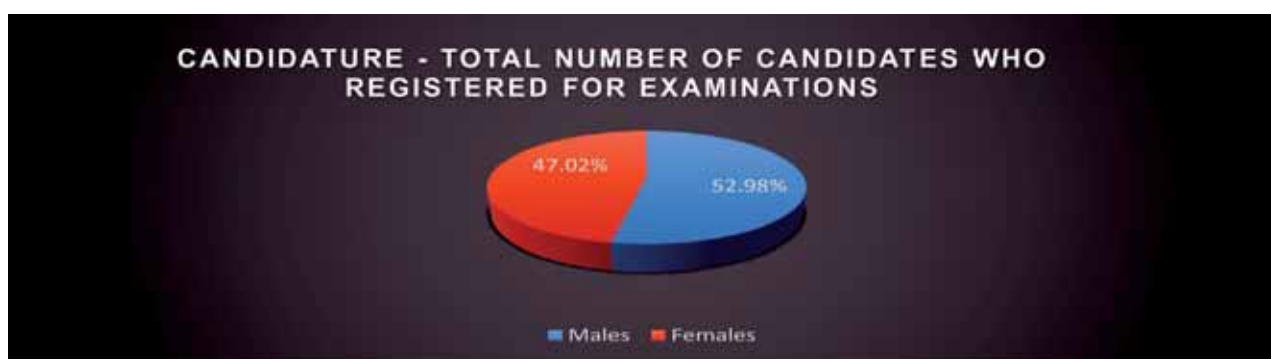
**5.6.11 Candidature - Secondary School Vocational Education and Training (SSVET)**

A total of 16,537 candidates registered to sit for September - October 2019 SSVET examinations. From this number, 7 355 were males whilst 7 909 were females, representing a percentage of 48.18% and 51.81% respectively. Refer to Table 10 and figure 13.

**Table 12: Candidature- SSVET**

Total Registered	Total Sat	Absent	Male Passed	Female Passed	Male Failed	Female Failed
16537	15264	1273	6097	6848	1258	1061

**Figure 13: Candidature- total number of candidates who registered for examinations**



**xi) Performance - Secondary School VET**

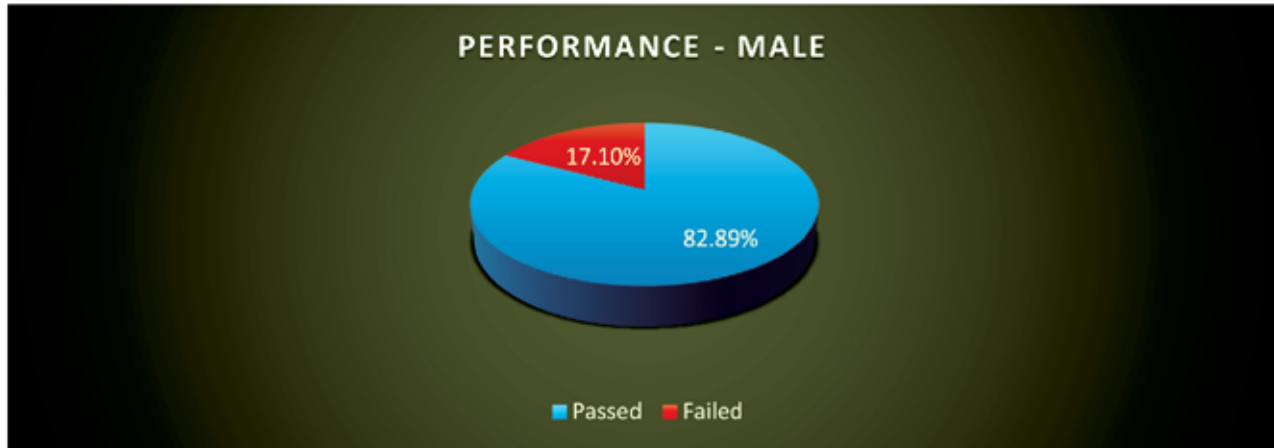
From 7,909 female candidates who sat for examinations, 6,848 passed making the pass rate at 86.58% whilst 1061 failed with failure rate at 13.41%. Figure 14 shows this distribution:

**Figure 14: Performance by Gender - Females**



From 7,355 male candidates who sat for examinations, 6,097 passed making the pass rate at 82.89% whilst 1,258 failed with failure rate at 17.10%. Figure 15 shows this distribution:

**Figure 15: Performance by Gender - Males**



The overall pass rate for SSVET assessments for 2019 was at 84.80%

#### ***xii) Management information systems enhancements***

The Authority has continued to invest in improving the capacity of its IMS Management Information Systems. The improved database has brought about efficiencies in capturing of learner data and related information. In this regard, most services can now be accessed online which include student enrollment, registration for examinations, capturing of Continuous Assessments results and viewing of examination results. The speed of the system has improved and the turnaround time in processing the learner data information has also improved compared to the previous platform. The online platform has completely been rolled out to all TEVET institutions.

### **7.7. FINANCE AND ADMINISTRATION DIVISION**

The Finance and Administration Division is responsible for the overall management of the financial, human resource and administrative matters of the Authority. The Division is also responsible for the day to day management and operations of the Technical Education, Vocational and Entrepreneurship Training (TEVET) Fund.

#### ***i) Human resources and administration***

##### **Staffing**

The total number of actual staff employed as at 31 December 2019, stood at 66 against the authorised establishment of 85. The breakdown by Contract duration is shown in the table below



Contract Duration in months	Total Number of Staff as at 31 December		Directors		Managers		Specialists		Officers		Support Staff	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
60	58	56	4	4	12	10	26	27	11	10	5	5
36	1	0	0	0	0	0	1	0	0	0	0	0
18	1	0	1	0	0	0	0	0	0	0	0	0
24	2	2	0	0	0	0	0	1	1	0	1	1
12	1	7	0	0	0	0	0	1	1	6	0	0
6	0	1	0	1	0	0	0	0	0	0	0	0
2	3	0	0	0	0	0	0	0	3	0	0	0
<b>Total</b>	<b>66</b>	<b>66</b>	<b>5</b>	<b>5</b>	<b>12</b>	<b>10</b>	<b>29</b>	<b>29</b>	<b>15</b>	<b>16</b>	<b>6</b>	<b>6</b>

Staff members holding long-term appointments in the professional categories comprised approximately 43%. Women staff accounted for approximately 44% of actual total.

### Appointments

Following appointments were made during the period.

Position	Number
Director	1
Manager	3
<b>Total</b>	<b>4</b>

### Recruitments

The following recruitments were made during the period

Position	Number
Assessments Specialist	1
Data Entry Officer (5-year Contract)	1
Data Entry Officer (Seasonal-2 months)	3
<b>Total</b>	<b>4</b>

### Separations

One (1) 5-year Contract employee resigned during the period.

#### ii) The TEVET fund

The Technical Education, Vocational and Entrepreneurship Training (TEVET) Fund is a financing mechanism that was established by the Government through the enactment of the Technical Education, Vocational and Entrepreneurship Training (TEVET) Act No. 13 of 1998

and the TEVET Amendment Act No. 11 of 2005. The objective of the Fund is to promote increased TEVET outputs and improved outcomes of the TEVET System. The fund plays an important role in facilitating development of a high quality, sustainable, demand-driven, and equitable TEVET system. Disbursement from the fund is done through four windows . Three of the windows (pre-employment, in-service and SME/informal sector training) are towards recurrent expenditure whilst the fourth window is the investment and development financing window.

The TEVET Fund establishes financing platforms that purchase training services on a competitive basis for skills development in the formal and informal sectors. The Fund also finances SME/Informal sector and Employer-Based training. Financing of the SME/Informal sector players is aimed at promoting their increased participation in socio-economic development, enhancing their employability and competitiveness. Employer-based training financing seeks to upgrade employees' skills and imparting new skills for increased productivity and competitiveness.

The Fund also provides for continuous improvements to access, quality, and relevance of TEVET in relation to the Seventh National Development Plan (7NDP). The 7NDP recognises TEVET as a strategic component that ensures enhanced human capacity for sustainable national development, increased skilled persons' employability, productivity, and efficiency. The TEVET Fund, therefore, provided mechanisms that encourage training institutions to be able to respond to skills demands from the labour market in the formal and informal sectors.

Sources of financing to the TEVET Fund in the year under review were from Government grant, the Skills Development Fund (SDF) and Support to Science and Technology Education Project (SSTEP).

### Programmes, Objectives and Strategies

The matrix below presents the interventions that TEVETA implemented through the TEVET Fund towards achieving the national development goals in the 7NDP by programme, objective and strategy:

No	Programmes	Objectives	Strategies	TEVET Fund Intervention
1	Enhance access to skills training	Increase access to basic skills education	Provide financing for SME and Informal Sector skills training through training providers	The TEVET Fund provided financing for training of youth SMEs and informal sector players in various skills.
2	Enhance private sector participation	Coordinate provision of skills that match skills demanded by industry/labour market	Promote private sector/industry participation in SMEs and informal sector skills development to improve the link between training and labour market requirements.	The TEVET Fund promoted collaboration between training provision and industry/private sector in the provision of quality and relevant skills that match industry needs.

3	Enhance income opportunities for poor and marginalized groups, and enhance access to quality, equitable and inclusive education	Increase trainee absorption capacity in TEVET institutions	Promote trainee absorption capacity in TEVET institutions by providing capacity building to institutions on how to access funding	Four (4) regional capacity building workshops were held and participation and absorption capacity in most rural based institutions improved as more trainees were able to access sponsored skills training programmes.
		Enhance inclusive education and broaden access and participation to education by disenfranchised populations in remote areas	Increase access to skills training in rural areas	The TEVET Fund provided financing to training providers including those in rural parts of the country, which led to a reduction in skills inequality in the economy.
		Promote inclusiveness skills acquisition by youths lacking financial capacity	Promote skills acquisition by providing skills to SMEs and the informal sector at a subsidized cost to the trainees.	The TEVET Fund has promoted inclusiveness and has enabled youths, who are unable to pay tuition fees charged in training institutions, to have access to training.
4	Promote entrepreneurship skills training and development	Enhance decent job opportunities in the economy and promoting entrepreneurship skills training	Integrate entrepreneurship into basic skills and TEVET.	Entrepreneurship training has been integrated into the curriculum for all programmes being financed under the TEVET Fund, thereby enhancing SMEs and informal sector training.
5	Enhance role of science, technology, and innovation, and improve production and productivity	Improve quality of products and services and increase innovation	Promote innovation by reskilling and up-skilling of SMEs	Reskilling of SMEs has led to increased productivity and innovation, as entrepreneurs are able to keep abreast with the latest trends in their respective industries.

### iii) Progress on programmes financed through the TEVET Fund

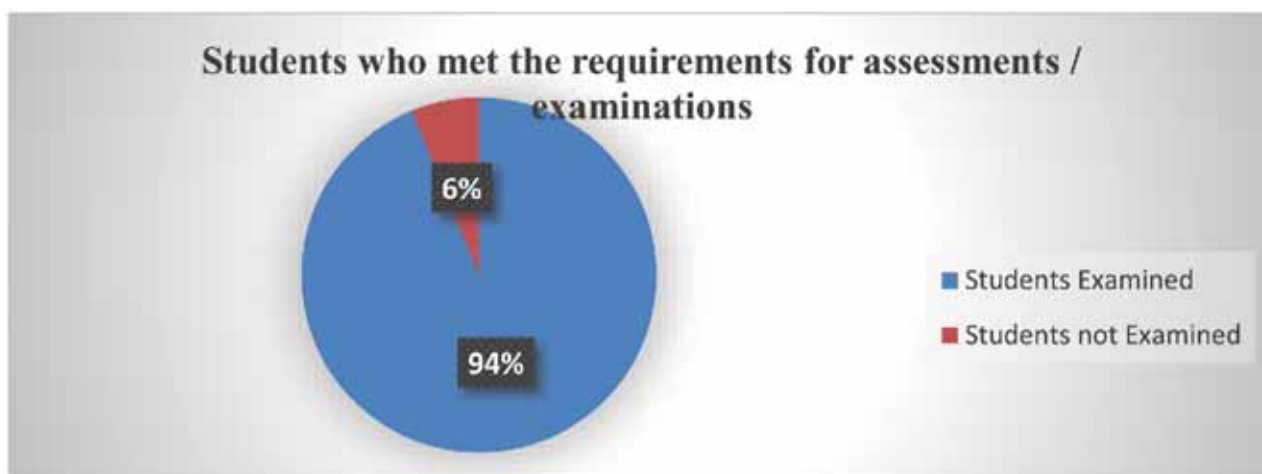
#### Employer-Based Training

Invitations for training proposals to support Employer-Based Training were made thrice during the year. The proposals received were evaluated and recommendations for award were made. Training contracts worth K18.3 million were signed with various training providers that partnered with companies from different sectors to train 2, 782 employees to enhance productivity. The employees were from water, mining, hydro generation, automobile, and manufacturing sectors. The activities under this window were financed using proceeds from the Skills Development Fund.

By the end of the year, some training had not yet been concluded. Companies whose employees benefited from the training reported enhanced productivity, minimal downtime, and reduced cost on overall training budgets. The beneficiary companies also reported that it was now possible to promote multi-skilling amongst their employees because they had an input in the design of the training programmes that the employees were undergoing. Employer based training programmes also strengthened partnerships between the training institutions and industry, which has potential to enhance the capacity of training providers to meet needs of industry and therefore improving the relevance of TEVET.

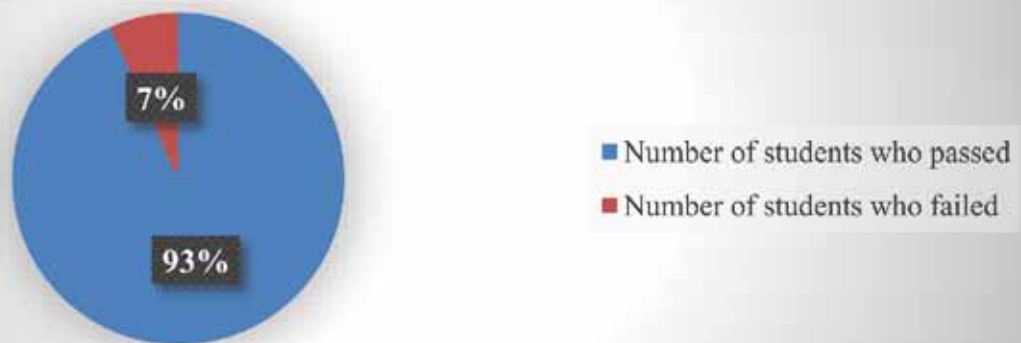
#### SMEs and Informal Sector Training

The Authority started the year by rolling out training activities for the 235 contracts that had been signed at the end of 2018 with 78 Training institutions with a view to train 5,520 youths. The actual number of learners who enrolled was 6,306 translating into 114% of the targeted number. Out of the 6,306 of learners who underwent training, 5,916 satisfied the requirements and were examined/assessed in accordance with contract provisions. This translates to 94% of the total number enrolled. The SDF financed 80% of the activities under this window, while 20% of the activities were financed through the Support to Science and Technology Education Project (SSTEP).



A total of 5, 518 trainees (93% of the examined candidates) successfully passed the examinations and were awarded TEVETA certificates.

### Pass rate of Students Examined

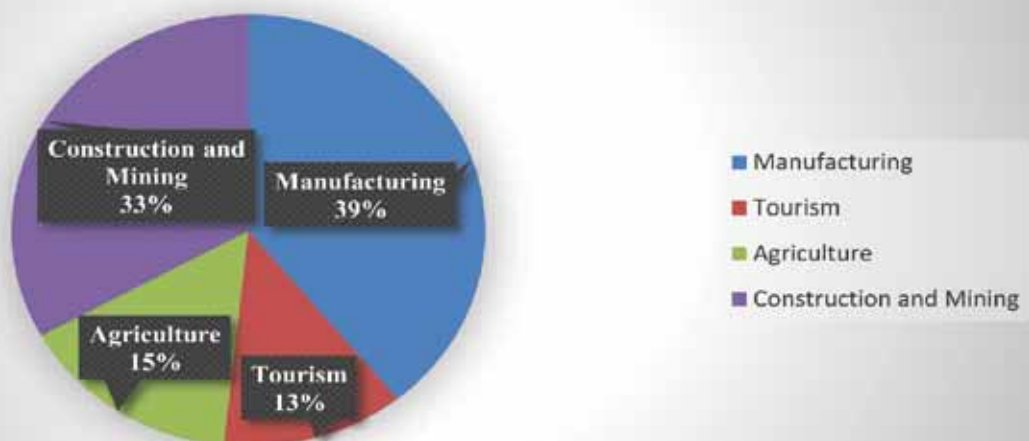


During the year, training institutions were invited to submit training proposals under Window Three (3). More than 500 proposals were received from 94 registered TEVET institutions. A total of 311 of the received proposals were successful and were recommended for award and financing to train 7, 085 students at an estimated budget of K19.2 million. Contracts for SME/informal sector training are yet to be signed as financing is not yet available.

### SME and Informal Sector Training Enrolments per sector

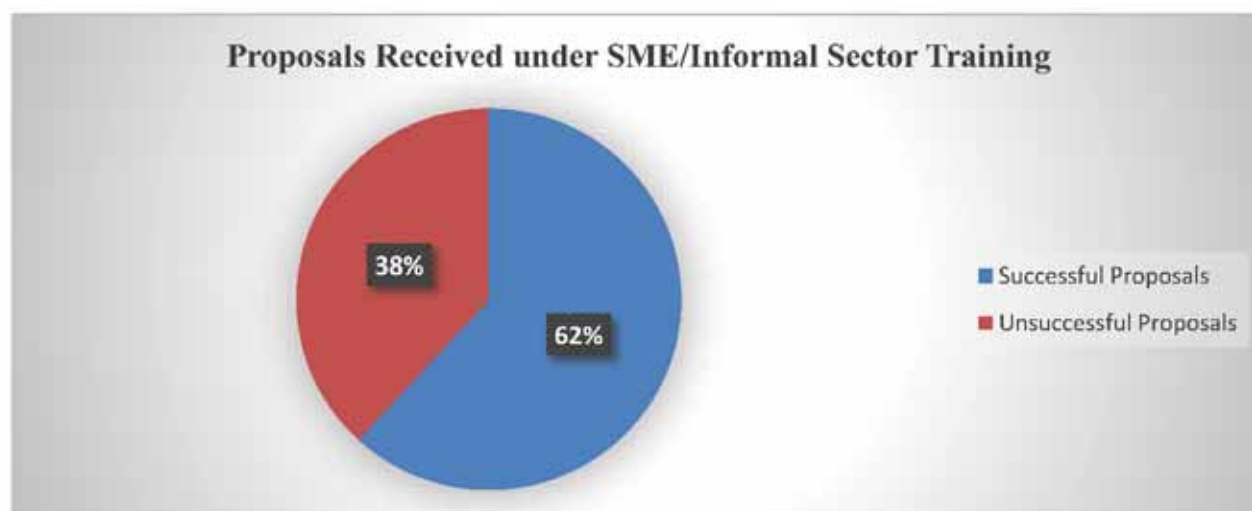
The programmes that were financed fell in the priority sectors which have been identified in the 7NDP as means of attaining economic diversification due to their high growth potential, comparative and competitive advantages, as well as potential for poverty reduction. These are construction, agriculture, tourism, manufacturing, and mining. Below is the chart presentation of the enrolments per sector:

### Enrolments in main sectors



SME and informal sector training programmes promoted collaboration between training institutions and local economy. It is a requirement under this Funding Window that training institutions conduct training needs analyses to establish skills relevant to the local economy and design training programmes to address the identified need. This Funding Window also

provided an opportunity for rural training institutions to access financing to conduct training for MSEs, informal sector players and youths in rural areas who normally are vulnerable and rarely would afford to pay for skills training. The Funding Window also supported vulnerable rural youths to access Recognition of Prior Learning (RPL) Assessments



### Highlights of the achievements under SME/Informal sector Training

**Table 13:** Overall SME/Informal sector training achievement

Total Trained	Total examined	Total Passed	Total Failed
6, 306	5, 916	5, 516	398

The training was in motor vehicle repair, construction, agriculture, hospitality, mining and fashion design.

#### iv) **Sensitization activities**

To increase access to the TEVET Fund, sensitization and capacity building activities were undertaken in the year to create awareness on the operations of the TEVET Fund and the eligibility criteria for accessing financing. Four (4) sensitization activities and capacity building workshops in both Lusaka and Kitwe were held. The workshops were attended by a total of 198 participants drawn from various organisations. Arising from the sensitization workshops and capacity building conducted the number of proposals for funding increased to 503 in 2019 compared to 463 in 2018.

## 8.0 CONCLUSION

In 2019, the Authority faced a number of challenges in meeting the AW&B mainly due to financial constraints and an increase in the number of illegal institutions as a consequence of not inspecting institutions on a regular basis. Most of the inspected training institutions were in Grade 3, which has an implication on out put of TEVET in the country and ultimate the performance of the economy. In addition, reviewing curricula could not be done as planned due to limited resources. More resources should be invested in quality assurance, curriculum

review and CPD to ensure quality and relevant TEVET provision in order to achieve the aspirations of the 7NDP. .

## **9.0 OUTLOOK FOR 2020**

Enhancing the TEVET Management Information System (MIS) will be priority in 2020. This is meant to improve provision of online services. It is the goal of the Authority to promote increased activity on the digital platforms.

The integration of the TEVET management information system will continue to be enhanced. The Authority has embarked on the development of an examination question bank and certification systems. The question bank system will enhance security and efficiencies in TEVET assessment. An online payment system to enhance accountability will be rolled-out in the year. In the enhanced management information system, provision of other online services such as the E - Statements of results and access to result via Short Message Services (SMS) will be prioritized.

The Authority will further support training institutions' capacity provide teaching and learning through appropriate digital platforms. The digital platforms will provide access to teaching and learning materials to registered students remotely and therefore promote distance learning.



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# Technical Education, Vocational and Entrepreneurship Training Authority

## **FINANCIAL REPORT**



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## TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

### Board Members' Report

For the year ended 31 December 2019

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The Board Members submit their report together with the audited financial statements for the year ended 31 December 2019, which disclose the state of affairs of the Authority.

### PRINCIPAL ACTIVITIES

*The principal activities of the Authority are to regulate, co-ordinate and monitor technical education, vocational and entrepreneurship training in consultation with the industry, employers, employees and others stakeholders*

### RESULTS

The deficit for the year of ZMW3.2 million (2018: ZMW16 million surplus) has been deducted from accumulated reserves.

### BOARD MEMBERS

There was no board during the year under review. However, the responsibilities of the board were carried out by the office of the Permanent Secretary of the Ministry of Higher Education.

### MANAGEMENT TEAM

The Management Team who served office during the year were:

Mr. Cleophas S. Takaiza	-	Director-General
Dr. Phillip Mubanga	-	Director of Finance and Administration
Mr. Orphan Hachinene	-	Director Development
Mr. Ocean Matimba	-	Director Assessments and Certifications
Mrs. Rudo M Banda	-	Director Training Standards

### BOARD MEMBERS' REMUNERATION

Remuneration paid to directors during the year amounted nil (2018: Nil)

### NUMBER OF EMPLOYEES AND REMUNERATION

The total number of employees was 68 (2018:68) and remuneration of employees during the year amounted to ZMW14 million (2018: ZMW10 million)

The Authority has policies and procedures to safeguard the occupational health, safety, and Welfare of its employees

### GIFTS AND DONATIONS

During the year the Authority did not make any donations to charitable organisations and events.

**PROPERTY, PLANT AND EQUIPMENT**

The Authority purchased property, plant and equipment worth ZMW0.265 million during the year (2018: ZMW12 million). In the opinion of the directors, the carrying value of property, plant and equipment is not less than their recoverable value.

**Auditor**

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



By order of the Board  
**SECRETARY**

19th June, 2020

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Statement of Board Members' Responsibilities**

For the year ended 31 December 2019

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The law requires the Board Members to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Authority as at the end of the financial year and of its surplus or deficit. It also requires the Board Members to ensure that the Authority keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Authority. They are also responsible for safeguarding the assets of the Authority.

The Board Members accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of the law. The Board members are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Authority and of its surplus or deficit in accordance with International Financial Reporting Standards. The Board Members further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Nothing has come to the attention of the Board Members to indicate that the Authority will not remain a going concern for at least twelve months from the date of this statement.

Signature   
Chairman

1st July, 2020

Signature   
Board Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TEVETA  
MANAGEMENT BOARD

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

### **Opinion**

We have audited the accompanying financial statements of **Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA)** which comprise the statement of financial position as at 31st December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements give a true and fair view of the financial position of the **Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA)** as at 31st December 2019 and of its financial performance and cash flows for the year ended and have been properly prepared in accordance with the International Financial Reporting Standards

### **Basis for Opinion**

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

### **Other information**

Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or have no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Agency's reporting process.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TEVETA MANAGEMENT BOARD

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

Our Objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- (b) Obtain an understanding of internal controls 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 Authority's internal controls.
- (c) Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- (d) 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.
- (e) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Authority audit. We remain solely responsible for our audit opinion.

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TEVETA  
MANAGEMENT (CONTINUED)

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**Report on other Legal and Regulatory Requirements**

In our opinion, the financial statements of Technical Education, Vocational and Entrepreneurship Training Authority as of 31 December 2019 have been properly prepared in accordance with the Technical Education, Vocational and Entrepreneurship Training (TEVEAT) Act No 13 of 1998 and TEVET (amendment) Act No 11 of 2005 and Public Finance Act No 1 of 2018 and other registers have been properly kept in accordance with the Act.

*Mark Dairer*

Chartered Accountants  
Lusaka

13th July, 2020

*WKKKK Kasongo*

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

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Statement of comprehensive income**

	Notes	2019 ZMW	2018 ZMW
<b>Revenue</b>	6	<b>289,379,362</b>	128,759,646
<b>Expenditure</b>			
Direct Expenses		<b>(257,426,882)</b>	(93,353,353)
Administration Expenses		<b>(35,120,822)</b>	(19,394,202)
<b>(Deficit)/Surplus for the year</b>		<b>(3,168,342)</b>	16,012,091

There were no items of other comprehensive income

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY  
(TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Statement of financial position**

	Notes	31 December 2019 ZMW	31 December 2018 ZMW
<b>Non-Current Assets</b>			
Property, Plant and Equipment	8	47,860,561	49,992,488
Intangible Assets	9	15,958	39,588
		<u>47,876,519</u>	<u>50,032,076</u>
<b>Current assets</b>			
Inventories	10	732,764	604,162
Receivables	11	140,308,696	12,659,556
Cash and Cash Equivalents	12	10,289,329	48,943,870
		<u>151,330,789</u>	<u>62,207,588</u>
<b>Total assets</b>		<b>199,207,308</b>	112,239,664
<b>Equity</b>			
Capital Grant		42,914,457	42,914,457
Reserves		52,831,329	55,999,671
		<u>95,745,786</u>	<u>98,914,128</u>
<b>Non-current Liabilities</b>			
Deferred Income	13	668,300	-
		<u>668,300</u>	-
<b>Current Liabilities</b>			
Bank overdraft		-	43,791
Trade and other payables	14	102,793,222	13,281,745
		<u>102,793,222</u>	<u>13,325,536</u>
<b>Total Liabilities</b>		<b>103,461,522</b>	<u>13,325,536</u>
<b>Total Equity and liabilities</b>		<b>199,207,308</b>	<u>112,239,664</u>

The financial statements on pages 7 to 28 were approved for issue by the board of directors on 19th June, 2020 and signed on its behalf by:

Signature   
Chairman

Signature   
Board Secretary



TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Statement of changes in equity**

	<b>Capital grant ZMW</b>	<b>Accumulated funds ZMW</b>	<b>Total ZMW</b>
<b>Year ended 31st December 2018</b>			
Balance on 1st January 2018	36,938,687	39,987,580	76,926,267
Received during the year	5,975,770	-	5,975,770
	<u>42,914,457</u>	<u>39,987,580</u>	<u>82,902,037</u>
<b>Comprehensive income</b>			
Surplus for the year	-	16,012,091	16,012,091
<b>At 31st December 2018</b>	<u><u>42,914,457</u></u>	<u><u>55,999,671</u></u>	<u><u>98,914,128</u></u>
<b>Year ended 31st December 2019</b>			
Balance on 1st January 2019	<u>42,914,457</u>	<u>55,999,671</u>	<u>98,914,128</u>
Comprehensive income			
Deficit for the year	-	(3,168,342)	(3,168,342)
<b>At 31st December 2019</b>	<u>42,914,457</u>	<u>52,831,329</u>	<u>95,745,786</u>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Statement of cash flows**

	<b>Year ended 31 December</b>	
	<b>2019</b>	<b>2018</b>
	<b>ZMW</b>	<b>ZMW</b>
<b>Cash flow from operating activities</b>		
(Deficit) /Surplus of Income over Expenditure	<b>(3,168,342)</b>	16,012,091
<b>Adjustment for Non-Cash items</b>		
Interest income	<b>(96,744)</b>	(37,305)
Depreciation	<b>2,396,631</b>	1,903,945
Loss on Disposal of Non-Current Assets	-	(9,440)
Amortisation of intangible assets	<b>23,630</b>	44,662
<b>Changes in Working Capital</b>		
Increase in Inventories	<b>(128,602)</b>	(250,910)
Increase in Receivables	<b>(127,649,140)</b>	(8,154,051)
Increase in other Payables	<b>90,179,777</b>	5,421,276
<b>Net cash (used on)/generated from operating activities</b>	<b>(38,442,790)</b>	<u>14,930,268</u>
<b>Cashflow from investing activities</b>		
Interest Income	<b>96,744</b>	37,305
Purchase of property, Plant and Machinery	<b>(264,704)</b>	(12,001,737)
Proceeds from disposal of assets	-	68,192
<b>Net cash outflows on investing activities</b>	<b>(167,960)</b>	<u>(11,896,240)</u>
<b>Cashflow from financing activities</b>		
Increase in Capital Grant	-	<u>5,975,770</u>
<b>Net Cash Inflows from financing activities</b>	-	<u>5,975,770</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(38,610,750)</b>	9,009,798
<b>Movement in cash and cash equivalents</b>		
Cash and cash Equivalents at the beginning of the year	<b>48,900,079</b>	39,890,281
(Decrease)/increase during the year	<b>(38,610,750)</b>	9,009,798
Cash and cash Equivalents at the end of the year	<b>12</b>	<u>48,900,079</u>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes**

**1 General information**

The Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) was established under the Technical Education Entrepreneurship Training (TEVET) Act No 13 of 1998, as amended by the Technical Education, Vocational and Entrepreneurship Training (Amendment) Act No 11 of 2005 and Public and Finance Act No.1 of 2018. Its general function is to regulate, co-ordinate and monitor technical education, vocational and entrepreneurship training in consultation with industry, employers, employees and other stakeholders.

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

**(a) New standards and amendments-applicable 1 January 2019**

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2019

Title	Key requirements	Effective date*
IFRS 16 Leases	<p>IFRS 16 will affect primarily the accounting by leases and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.</p> <p>The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.</p> <p>Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.</p> <p>The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.</p> <p>Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p>	<p>1 January 2019 Early adoption is permitted only if IFRS 15 is adopted at the same time.</p>
Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	<p>The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:</p> <p>how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty</p>	<p>1 January 2019</p>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes (continued)**

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

**2.1 (a) New standards and amendments-applicable 1 January 2019 (continued)**

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2019

Title	Key requirements	Effective date*
<p>Interpretation 23 <i>Uncertainty over Income Tax Treatments (continued)</i></p>	<p>that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored</p> <p>that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment</p> <p>that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and</p> <p>that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.</p> <p>While there are no new disclosure requirements, entities are reminded of the general requirement to provide information about judgements and estimates made in preparing the Financial Statements.</p>	<p>1 January 2019</p>
<p><i>Prepayment Features with Negative Compensation - Amendment to IFRS 9</i></p>	<p>The narrow-scope amendments made to IFRS 9 Financial Instruments in October 2017 enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss.</p> <p>To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.</p>	<p>1 January 2019</p>
<p><i>Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28</i></p>	<p>The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 Financial Instruments before applying the loss allocation and impairment requirements in IAS 28 Investments in Associates and Joint Ventures.</p>	<p>1 January 2019</p>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes (continued)**

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

(a) New standards and amendments-applicable 1 January 2019 (continued) The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2019

Title	Key requirements	Effective date*
<i>Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28</i>	The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 Financial Instruments before applying the loss allocation and impairment requirements in IAS 28 Investments in Associates and Joint Ventures.	
<i>Annual Improvements to IFRS Standards 2015-2017 Cycle</i>	<p>The following improvements were finalised in December 2017:</p> <p>IFRS 3 Business Combinations – clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.</p> <p>IFRS 11 Joint Arrangements – clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.</p> <p>IAS 12 Disclosure of Interests in Other Entities – clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.</p> <p>IAS 23 Borrowing Costs – clarified that, if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.</p>	1 January 2019
<i>Plan Amendment, Curtailment or Settlement – Amendments to IAS 19</i>	<p>The amendments to IAS 19 Employee Benefits clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must:</p> <p>calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change</p> <p>recognise any reduction in a surplus immediately in profit or loss, either as part of past service cost or as a gain or loss on settlement.</p> <p>In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling</p> <p>separately recognise any changes in the asset ceiling through other comprehensive income.</p>	1 January 2019

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes (continued)**

(b) Forth coming requirements

As at 31 May 2019, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending 31 December 2019

Title	Key requirements	Effective date*
IFRS 17 <i>Insurance Contracts</i>	<p>IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured in each reporting period. Contracts are measured using the building blocks of:</p> <p style="padding-left: 40px;">discounted probability-weighted cash flows an explicit risk adjustment, and a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.</p> <p>The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.</p> <p>An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.</p> <p>There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.</p> <p>The new rules will affect the Financial Statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.</p>	1 January 2021 (likely to be extended to 1 January 2022)
<i>Definition of Material – Amendments to IAS 1 and IAS 8</i>	<p>The IASB has made amendments to IAS 1 <i>Presentation of Financial Statements</i> and IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> which use a consistent definition of materiality throughout International Financial Reporting Standards and the <i>Conceptual Framework for Financial Reporting</i>, clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.</p> <p>In particular, the amendments clarify:</p> <p style="padding-left: 40px;">that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the Financial Statements as a whole, and</p>	1 January 2020

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes (continued)**

(b) Forth coming requirements (continued)

As at 31 May 2019, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending 31 December 2019

Title	Key requirements	Effective date*
<p>Transfers of Investment Property – Amendments to IAS 40</p>	<p>The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.</p> <p>The list of evidence for a change of use in the standard was re-characterised as a non-exhaustive list of examples to help illustrate the principle.</p> <p>The Board provided two options for transition:                      prospectively, with any impact from the reclassification recognised as adjustment to opening retained earnings as at the date of initial recognition, or                      retrospectively - only permitted without the use of hindsight. Additional disclosures are required if an entity adopts the requirements prospectively.</p>	<p>1 January 2018</p>
<p>Interpretation 22 Foreign Currency Transactions and Advance Consideration</p>	<p>The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.</p> <p>For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability).</p> <p>If there are multiple payments or receipts for one item, a date of transaction should be determined as above for each payment or receipt.</p> <p>Entities can choose to apply the interpretation:</p> <ul style="list-style-type: none"> <li>■ retrospectively for each period presented</li> <li>■ prospectively to items in scope that are initially recognised on or after the beginning of the reporting period in which the interpretation is first applied, or</li> <li>■ prospectively from the beginning of a prior reporting period presented as comparative information.</li> </ul>	<p>1 January 2018</p>

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**Financial Statements**

For the year ended 31 December 2019

**Notes (continued)**

(b) Forth coming requirements

As at 31 May 2019, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending 31 December 2019

Title	Key requirements	Effective date*
<i>Definition of Material – Amendments to IAS 1 and IAS 8 (continued)</i>	the meaning of ‘primary users of general purpose Financial Statements’ to whom those Financial Statements are directed, by defining them as existing and potential investors, lenders and other creditors’ that must rely on general purpose Financial Statements for much of the financial information they need.	1 January 2020
<i>Definition of a Business – Amendments to IFRS 3</i>	<p>The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term ‘outputs’ is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.</p> <p>The amendments will likely result in more acquisitions being accounted for as asset acquisitions.</p>	1 January 2020
<i>Revised Conceptual Framework for Financial Reporting</i>	<p>The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:</p> <ul style="list-style-type: none"> <li>increasing the prominence of stewardship in the objective of financial reporting</li> <li>reinstating prudence as a component of neutrality</li> <li>defining a reporting entity, which may be a legal entity, or a portion of an entity</li> <li>revising the definitions of an asset and a liability</li> <li>removing the probability threshold for recognition and adding guidance on derecognition</li> <li>adding guidance on different measurement basis, and</li> <li>stating that profit or loss is the primary performance indicator and that,</li> </ul> <p>in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the Financial Statements.</p>	1 January 2020



TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

(b) Forth coming requirements (continued)

As at 31 May 2019, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending 31 December 2019

Title	Key requirements	Effective date*
<p><i>Revised Conceptual Framework for Financial Reporting (continued)</i></p>	<p>No changes will be made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised Framework from 1 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Framework.</p>	<p>1 January 2020</p>
<p><i>Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28</i></p>	<p>The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in associates and joint ventures.</p> <p>The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a ‘business’ (as defined in IFRS 3 Business Combinations).</p> <p>Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor’s interests in the associate or joint venture. The amendments apply prospectively.</p> <p>** In December 2015 the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.</p>	

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

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**Financial Statements**

For the year ended 31 December 2019

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**Notes (Continued)**

**3 Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**(a) Basis of preparation**

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Zambian Kwacha (ZMW).

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

**(b) Revenue recognition**

The Authority recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the TEVETA and when specific criteria have been met for each of the Authority's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the revenue have been resolved. TEVETA bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

***Rendering of services***

Services rendered are recognised when the service provided is complete as the outcome of the transaction can be estimated reliably and it is not probable that the costs incurred will be recovered.

***Interest income***

Revenue is recognised as interest accrues using the effective interest method.

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

Transactions are recorded on initial recognition in Zambia Kwacha, being the currency of the primary economic environment in which the Authority operates (the functional currency). Transactions in foreign currencies are converted into Zambia Kwacha using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transaction at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income and expenditure account within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income and expenditure account within 'other (losses)/gains – net'.

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

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**Notes (Continued)**

**3 Summary of significant accounting policies (continued)**

**(d) Property, plant and equipment**

All categories of property, plant and equipment are initially recorded at cost. Buildings and freehold land are subsequently shown at market value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income and expenditure account during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the income and expenditure account. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the profit and loss account) and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Depreciation on assets is calculated using the straight line method to allocate their cost or revalued amounts less their residual values over their estimated useful lives, as follows:

Land and buildings	2%
Computer equipment	25%
Motor vehicles	25%
Furniture and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining profit. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

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**Notes (Continued)**

**3 Summary of significant accounting policies**

**(e) Receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the Authority will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of expected cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income and expenditure account.

**(f) Payables**

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**(g) Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the income and expenditure account over the period of the borrowings.

Borrowings are classified as current liabilities unless TEVETA has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**(h) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(i) Employee benefits**

**(i) Retirement benefit obligations**

The Authority operates a defined contribution retirement benefit scheme for all employees. The Authority and all its employees contribute to the National Pension Scheme Fund, which is a defined contribution scheme. The Authority pays Gratuity to its employees at the end of every employee's contract.

The Authority's contributions to the defined contribution schemes are charged to the income and expenditure account in the year in which they fall due.

**(ii) Other entitlements**

The estimated monetary liability for employees' accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

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**Notes (Continued)**

**4 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

**(i) Critical accounting estimates and assumptions**

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**Receivables**

Critical estimates are made by the board in determining the recoverable amount of impaired receivables.

**(ii) Critical judgements in applying the entity's accounting policies**

In the process of applying the Authority's accounting policies, management has made judgements in determining:

- the classification of financial assets
- whether assets are impaired.

**5 Financial risk management objectives and policies**

The Authority's activities expose it to a variety of financial risks: Market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance, but the Authority does not hedge any risks.

**(i) Fair Value Risk**

Fair value is the amount at which assets and liabilities can be exchanged in a current transaction between willing parties, other than in a forced liquidation, and is best evidenced by a quoted market price, where one exists.

The estimated fair values of assets and liabilities have been determined by the Authority using available market information and appropriate valuation methodologies. However, judgement is required to interpret market data to estimate fair values. Accordingly, the estimates are not necessarily indicative of the amounts the Authority could realise in a current market exchange. The carrying amounts of the assets and liabilities approximate their fair values.

**ii) Credit Risk**

The exposure to credit risk is monitored on an on-going basis. Reputable financial Institutions are used for investing and cash handling purposes.

Investments are allowed only in liquid securities and management does not expect to fail to meet its obligations.

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

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**Notes (Continued)**

**5 Financial risk management objectives and policies (continued)**

**(iii) Operational Risk**

Certain policies, procedures and limits are properly documented in each department within the Authority and updated occasionally to take account of the changes to internal controls, procedures and limits. Management endeavours to continuously update policies and procedures.

**(iv) Strategic Risk**

The Authority's strategic plan is comprehensive in all aspects with particular emphasis on compliance with legal and market conditions and senior management effectively communicates the plan to all staff levels and allocates resources in line with the laid down objectives.

**(v) Interest Risk**

The Authority is exposed to interest rate risk to the extent of the balance of any loans and bank overdrafts taken and outstanding.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Authority's liquidity reserve on the basis of expected cash flow.

Capital management

The Authority's objectives when managing capital are to safeguard the Authority's ability to continue as a going concern in order to provide returns for stakeholders.

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Notes (Continued)**

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>6 Revenue</b>		
Accreditation Fees	<b>1,497,900</b>	1,886,900
Bank Interest	<b>96,744</b>	37,305
Examination Fees	<b>15,649,940</b>	14,710,840
GRZ Grants - Examinations	<b>3,800,000</b>	3,799,949
GRZ Grants - Operations	<b>8,364,639</b>	8,364,638
TEVET Fund Grant - GRZ	<b>1,349,997</b>	2,000,000
Other Income	<b>6,595,556</b>	1,159,874
Proceeds from Disposal	-	9,440
Registration Fees	<b>330,650</b>	1,990,700
Skills Development Levy	<b>121,111,999</b>	94,800,000
Skills Development Levy Receivable	<b>130,144,688</b>	-
CEEC Grants	<b>270,584</b>	-
TEVET Bursary - GRZ	<b>166,665</b>	-
	<b>289,379,362</b>	128,759,646
<b>7 Expenses by nature</b>		
The following items have been charged in arriving at the deficit for the year.		
Amortisation of intangible assets	<b>23,630</b>	44,662
Depreciation on property, plant and equipment	<b>2,396,631</b>	1,903,945

**Financial Statements**

For the year ended 31 December 2019

**Notes (Continued)**

**8. Property, Plant and Equipment**

	Land & Buildings ZMW	Motor Vehicles ZMW	Office Equipment ZMW	Furniture & Fittings ZMW	Computer Equipment ZMW	Capital Work-In-Progress ZMW	Total ZMW
<b>At 1 January 2018</b>							
Cost	321,106	4,325,026	2,267,668	972,720	1,205,212	36,793,908	45,885,640
Accumulated depreciation	(37,197)	(2,831,426)	(1,421,852)	(786,855)	(891,173)	-	(5,968,503)
Net book value	283,909	1,493,600	845,816	185,865	314,039	36,793,908	39,917,137
<b>Year ending 31 December 2018</b>							
Opening net book value	283,909	1,493,600	845,816	185,865	314,039	36,793,908	39,917,137
Additions	-	4,201,059	825,291	105,376	894,241	5,975,770	12,001,737
Disposals - cost	-	(235,134)	-	-	(120,735)	-	(355,869)
Disposals - depreciation	-	230,235	(371,388)	-	103,193	-	333,428
Depreciation	(6,422)	(1,243,511)	1,299,719	(68,768)	(213,856)	-	(1,903,945)
<b>Closing net book value</b>	<b>277,487</b>	<b>4,446,249</b>	<b>4,446,249</b>	<b>222,473</b>	<b>976,882</b>	<b>42,769,678</b>	<b>49,992,488</b>
<b>At 31 December 2018</b>							
Cost	321,106	8,290,951	3,092,959	1,078,096	1,978,718	42,769,678	57,531,508
Accumulated depreciation	(43,619)	(3,844,702)	1,299,719	(855,623)	(1,001,836)	-	(7,539,020)
At 31 December 2018	277,487	4,446,249	4,446,249	222,473	976,882	42,769,678	49,992,488



**Financial Statements**

For the year ended 31 December 2019

**Notes (Continued)**

**8. Property, Plant and Equipment**

	Land & Buildings ZMW	Motor Vehicles ZMW	Office Equipment ZMW	Furniture & Fittings ZMW	Computer Equipment ZMW	Capital Work-In-Progress ZMW	Total ZMW
<b>Year ending 31 December 2019</b>							
Opening net book value	277,487	4,446,249	1,299,719	222,473	976,882	42,769,678	49,992,488
Additions	-	96,441	57,230	24,905	86,128	-	264,704
Depreciation	(6,422)	(1,536,316)	(435,609)	(79,475)	(338,809)	-	(2,396,631)
Closing net book value	271,065	3,006,374	921,340	167,903	724,201	42,769,678	47,860,561
<b>At 31 December 2019</b>							
Cost	321,106	8,387,392	3,150,189	1,103,001	2,064,846	42,769,678	57,796,212
Accumulated depreciation	(50,041)	(5,381,018)	(2,228,849)	(935,098)	(1,340,645)	-	(9,935,651)
At 31st December 2019	271,065	3,006,374	921,340	167,903	724,201	42,769,678	47,860,561

**Financial Statements**

For the year ended 31 December 2019

**Notes (Continued)**

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>9 Intangible assets</b>		
At start of the year	<b>39,588</b>	120,561
Disposals	-	(36,311)
Amortisation	<b>(23,630)</b>	<u>(44,662)</u>
At end of the year	<b>15,958</b>	39,588

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

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>10 Inventory</b>		
Consumables	<u><b>732,764</b></u>	<u>604,162</u>

**11 Trade and other receivables**

Trade debtors	<b>8,504,934</b>	4,657,555
Revenue Grant Receivable	<b>4,786,621</b>	7,069,413
Skills Development Levy Receivable	<b>134,931,309</b>	-
Staff and other debtors	<b>1,659,074</b>	932,588
Provision for doubtful debts	<b>(4,786,621)</b>	-
	<u><b>140,308,696</b></u>	<u>12,659,556</u>

**12 Cash and cash equivalents**

Cash at bank and on hand	<b>10,289,329</b>	<u>48,943,870</u>
	<u><b>10,289,329</b></u>	<u>48,943,870</u>

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

Cash and bank balances as above	<b>10,289,329</b>	48,943,870
Bank overdraft	-	<u>(43,791)</u>
	<u><b>10,289,329</b></u>	<u>48,900,079</u>

**Financial Statements**

For the year ended 31 December 2019

**Notes (Continued)**

	2019 ZMW	2018 ZMW
<b>13 Deferred Income</b>		
At start of year	-	-
Increase during the year		<b>668,300</b>
	<b>668,300</b>	-

The deferred income relates to the two thirds of the Institutional Registration Fees and Accreditation Fees for Trainers, Assessors and Examiners which will be amortised equally in the subsequent two years.

	2019 ZMW	2018 ZMW
<b>14 Trade and other payables</b>		
Trade payables	<b>88,305,127</b>	879,172
Employees related accruals	<b>6,516,177</b>	2,103,820
Other creditors	<b>7,971,918</b>	10,163,726
	<b>102,793,222</b>	13,146,718

The carrying amounts of the above payables and accrued expenses approximate to their fair values

**15 Related party transactions**

The following transactions were carried out with related parties:

**(i) GRZ**

The Authority should have received grants from the Government of ZMW3,800,000.00 for Examinations and ZMW8,364,636.00 for Operations during the year under review. However, the Authority only received ZMW1,899,999.00 for Examinations and ZMW5,478,019.00 for Operations. The balances of ZMW1,900,001.00 Examinations Grant and ZMW2,886,620.00 Operations Grants were not received.

**(ii) Key management compensation**

Salaries and other short-term employment benefits	<b>4,995,645</b>	3,451,432
	<b>4,995,645</b>	3,451,432

**(iii) Directors' remuneration**

Fees for services as a director	<b>2,089,596</b>	1,264,710
	<b>2,089,596</b>	1,264,710

**16 Contingent liabilities**

There were no contingent liabilities as at the balance sheet date

**17. Capital commitments**

Capital expenditure contracted at the end of the reporting period but not yet incurred:	-	-
	<u>                    </u>	<u>                    </u>

**18. Events subsequent to balance sheet date**

There has not arisen since the end of the financial year any item, transactions or event of a material and unusual nature likely, in the opinion of the directors of the company, affect substantially the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

**19. Comparative figures**

Comparative figures are restated where necessary to afford a reasonable comparison.

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TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

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**Appendix i**

**Detailed operating statement**

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>Revenue</b>	<b>289,379,362</b>	<u>128,759,646</u>
<b>Direct Expenses</b>		
Conduct and Administer Exams	<b>4,928,645</b>	4,551,444
Develop and Promote Synergies	<b>203,543</b>	205,360
Develop and Revision of Occupation Profile	<b>535,362</b>	725,154
Human Resource Development Plan	<b>1,207,026</b>	1,714,490
Improve Operational Efficiency of TEVETA	<b>235,953</b>	260,018
Improve Trade Testing Systems	<b>3,568,290</b>	4,512,316
TEVET Fund / SDF operations	<b>245,751,928</b>	80,114,164
Promote and Implement IEC Strategy	<b>668,968</b>	1,141,773
TEVET Institutions Registered	<b>216,295</b>	148,115
Implement TQF to Improve TAQS	<b>110,872</b>	<u>37,841</u>
<b>Total Direct Expenditure</b>	<b>257,426,882</b>	<u>93,353,353</u>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

	2019 ZMW	2018 ZMW
<b>Operating costs</b>		
<b>Adherence to Reporting Requirements</b>		
Audit fees	103,530	-
Bad Debts Written Off	3,901,881	-
Bank Charges	118,786	69,868
Cleaning Expenses	77,397	88,452
Computer Expenses	-	2,500
Depreciation	2,420,261	1,948,608
Electricity	85,568	54,208
General Expenses	1,125,423	418,115
Group Life Assurance	109,043	95,850
Insurance and Licenses	91,425	85,375
Internet Charges	139,409	84,627
Leave and Gratuity	4,879,646	3,134,708
Medical Expenses	729,229	572,663
Motor Vehicles	1,084,787	768,687
Office Expenses	59,623	56,245
Other Expenses	7,427	943
Personal Emoluments	13,806,085	10,304,829
Postage	26,650	30,998
Printing Expenses	2,100	-
Provision for doubtful debts	4,786,621	-
Repairs and Maintenance - General	33,743	66,814
Repairs and Maintenance - Office Equipment	79,661	103,589
Security	101,059	106,070
Settling Allowance	1,808	75,510
Staff Relocation Costs	8,208	15,708
Stationery and Consumables	1,089,188	1,078,047
Stock Variance/Count Variance	-	182
Telephone	252,264	231,607
<b>Total Operating costs</b>	<b>35,120,822</b>	<b>19,394,203</b>
<b>(Deficit)/surplus for the year</b>	<b>(3,168,342)</b>	<b>16,012,091</b>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Appendix ii**

**TEVETA Comprehensive Income and Expenditure without SDF/TEVET Fund**

		<b>2019 ZMW</b>	<b>2018 ZMW</b>
<b>Revenue</b>	Appendix ii	<b><u>41,061,205</u></b>	<u>33,959,646</u>
<b>Expenditure</b>			
Direct Expenses	Appendix ii	<b>(11,849,272)</b>	(13,233,621)
Administration Expenses	Appendix ii	<b><u>(35,056,685)</u></b>	<u>(19,394,203)</u>
<b>(Deficit)/Surplus for the year</b>		<b><u>(5,844,752)</u></b>	<u>1,331,822</u>

**SDF/TEVET Fund Comprehensive Income and Expenditure**

		<b>2019 ZMW</b>	<b>2018 ZMW</b>
<b>Revenue</b>	Appendix iii	<b>257,884,455</b>	94,800,000
<b>Expenditure</b>	Appendix ii	<b>(255,208,045)</b>	(80,119,731)
<b>Surplus for the year</b>		<b><u>2,676,410</u></b>	<u>14,680,269</u>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Appendix iii**

**TEVETA Detailed Income and Expenditure without SDF/TEVET Fund**

	2019 ZMW	2018 ZMW
<b>Income</b>		
Accreditation Fees	1,497,900	1,886,900
Bank Interest	18,399	37,305
Examination Fees	15,649,940	14,710,840
GRZ Grant – Examinations	3,800,000	3,799,949
GRZ Grant – Operations	8,364,639	8,364,638
GRZ Grant - TEVET Fund Grant	-	2,000,000
Other Income	1,562,795	1,159,874
Proceeds from Disposal	-	9,440
Registration Fees	330,650	1,990,700
Skills Development Fund Support	9,566,298	-
CEEC Grants	270,584	-
	<u>41,061,205</u>	<u>33,959,646</u>
<b>Direct Expenses</b>		
Conduct and Administer Exams	4,928,645	4,488,554
Develop and Promote Synergies	203,543	205,360
Develop and Revision of Occupation Profile	535,362	725,154
Human Resource Development Plan	1,207,026	1,714,490
Improve Operational Efficiency of TEVETA	235,953	260,018
Improve Trade Testing Systems	3,568,290	4,512,316
TEVET Fund operations	174,319	-
Promote and Implement IEC Strategy	668,968	1,141,773
TEVET Institutions Registered	216,295	148,115
Implement TQF to Improve TAQS	110,872	37,841
<b>Total Direct Expenditure</b>	<u>11,849,272</u>	<u>13,233,621</u>



**TEVETA Detailed Income and Expenditure without SDF/TEVET cont'd**

	2019 ZMW	2018 ZMW
<b>Administrative Expenses</b>		
Audit fees	103,530	-
Bad Debts Written Off	3,901,881	-
Bank Charges	54,649	69,868
Cleaning Expenses	77,397	88,452
Computer Expenses	-	2,500
Depreciation	2,420,261	1,948,608
Electricity	85,568	54,208
General Expenses	1,125,423	418,115
Group Life Assurance	109,043	95,850
Insurance and Licenses	91,425	85,375
Internet Charges	139,409	84,627
Leave and Gratuity	4,879,646	3,134,708
Medical Expenses	729,229	572,663
Motor Vehicles	1,084,787	768,687
Office Expenses	59,623	56,245
Other Expenses	7,427	943
Personal Emoluments	13,806,085	10,304,829
Postage	26,650	30,998
Printing Expenses	2,100	-
Provision for doubtful debts	4,786,621	-
Repairs and Maintenance - General	33,743	66,814
Repairs and Maintenance - Office Equipment	79,661	103,589
Security	101,059	106,070
Settling Allowance	1,808	75,510
Staff Relocation Costs	8,208	15,708
Stationery and Consumables	1,089,188	1,078,047
Stock Variance/Count Variance	-	182
Telephone	252,264	231,606
	<u>35,056,685</u>	<u>19,394,202</u>
<b>Total Expenditure</b>	<u>46,905,958</u>	<u>32,627,824</u>
<b>Deficit for the year</b>	<u>(5,844,752)</u>	<u>1,331,822</u>

The bad Debt written of amounting K3,901,881 relates to the unreceived grants for operation and examinations for 2018, while the provision for doubtful debt of K4,786,621 relates to the unreceived grants for 2019 for both Examinations and Operations.

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING  
AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Appendix iv**

**TEVETA Expenditure without SDF per Division**

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>Expenditure</b>		
<b>Direct Expenses</b>		
Training Standards Division Activities	<b>3,609,726</b>	2,700,141
Curriculum Development Division Activities	<b>3,867,899</b>	3,613,505
Assessment and Certification Division Activities	<b>15,157,558</b>	14,258,591
TEVETA Fund	<b>-</b>	<u>79,933,275</u>
<b>Total Direct Expenses</b>	<b><u>22,635,182</u></b>	<u>100,505,512</u>
<b>Finance and Administration Expenses</b>	<b><u>24,270,775</u></b>	<u>12,242,042</u>

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Appendix v**

**SKILLS DEVELOPMENT FUND RECEIPTS AND PAYMENTS**

	<b>2019</b>	2018
	<b>ZMW</b>	ZMW
<b>Receipts</b>		
Opening Balance 01/01/2019	<b>32,141,766</b>	31,861,724
Skills Development Fund Funding during the year	<b>131,329,984</b>	<u>94,800,000</u>
<b>Total Amount of Income</b>	<b>163,471,750</b>	<u>126,661,724</u>
<b>Payments</b>		
<b>Direct Expenses</b>		
Capacity Building	<b>7,134,552</b>	624,330
Curriculum and Systems Development	-	238,630
Employer Based Training	<b>2,600,000</b>	6,990,900
Equipment Purchase for Institutions	<b>61,611,708</b>	2,535,673
Informal Sector/ SME Training	-	19,697,069
Infrastructure Development	<b>34,087,662</b>	23,374,433
Pre-Employment Window	<b>43,933,714</b>	27,340,360
SDF Asset Purchase	-	3,299,811
System Development	<b>4,147,705</b>	-
Disbursements to TEVETA	-	<u>3,900,000</u>
<b>Total Direct Expenses</b>	<b>153,515,341</b>	<u>88,001,206</u>
<b>Administrative Expenses</b>		
Monitoring and Evaluation	<b>1,733,444</b>	2,354,006
Operational Costs	<b>6,509,550</b>	-
	<u><b>8,242,994</b></u>	<u>2,354,006</u>
<b>Total Expenses</b>	<b>161,758,336</b>	<u>90,355,212</u>
<b>Closing Balance as at 31 December 2019</b>	<b>1,713,414</b>	<u>36,306,512</u>

The Difference in the opening balance figure is as a result of TEVET Fund account which was combined in 2018 and only separated in 2019.

The approved Parliamentary allocation for Skills Development Fund (SDF) for the year 2019 was K163,993,697. However, only K121,111,999 was received by TEVETA representing 74% of the approved amount and K42,881,698 was not remitted at the close of the Financial year.

Furthermore, the approved Parliamentary allocation for TEVET Fund for the year 2019 was K2,700,001. However, only K1,349,997.14 was received by TEVETA representing 50% of the approved amount and K1,350,003.86 was not remitted at the close of the Financial year.

TECHNICAL EDUCATION, VOCATIONAL AND ENTREPRENEURSHIP TRAINING AUTHORITY (TEVETA)

**Financial Statements**

For the year ended 31 December 2019

**Appendix vi**

**TEVET Fund / SDF analysis**

	<b>SDF</b>	<b>TEVET</b>	<b>Total</b>
<b>i INCOME</b>			
GRZ Grant - TEVET Bursary	166,665	-	166,665
GRZ Grant - TEVET Fund	-	1,349,997	1,349,997
Skills Development Levy	251,256,687	-	251,256,687
Other Income	51,320	5,059,786	5,111,106
	<u>251,474,672</u>	<u>6,409,783</u>	<u>257,884,455</u>
<b>ii DISBURSEMENTS</b>			
Employer Based Training	2,600,000	2,457,654	5,057,654
Investment & Development	178,774,430	-	178,774,430
Informal Sector/SME training	-	5,200	5,200
Pre-Employment Window	43,933,714	-	43,933,714
	<u>225,308,144</u>	<u>2,462,854</u>	<u>227,770,998</u>
<b>iii ADMINISTRATIVE EXPENSES</b>			
Operational Expenses	8,448,994	1,251,613	9,700,607
Bank Charges	45,231	18,906	64,137
Exchange loss	17,672,303	-	17,672,303
	<u>26,166,528</u>	<u>1,270,519</u>	<u>27,437,047</u>
Total expenses	<u>251,474,672</u>	<u>3,733,373</u>	<u>255,208,045</u>
Surplus	-	2,676,410	2,676,410

The Skills Development Levy includes a recognition of a grant receivable of K130,144,688 which is yet to be remitted by Government.

## VISION

A World-class Technical Education, Vocational and Entrepreneurship Training (TEVET) system that drives skills empowerment for sustainable development

## MISSION

In support of the Technical Education, Vocational and Entrepreneurship Training Policy of the Government of the Republic of Zambia, the Technical Education, Vocational and Entrepreneurship Training (TEVET) through regulation, coordination, monitoring and stakeholder consultation will:

- **Develop and maintain** a TEVET system that operates to internationally best practices/or standards;
- **Promote** efficient, effective and equitable TEVET delivery, through support services to Training provider;
- **Sources and optimize** the utilisation of resources for TEVET
- **Facilitate** improved interaction and communication between TEVET stakeholders;

## CORE VALUES

We at TEVETA adhere to these fundamental values in the conduct of our functions and in our internal and external relationships.

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Accommodation different opinions

Loyalty

Up-right in all our dealings

Equity and Empathy in all our decisions

Service above self

