REPUBLIC OF ZAMBIA

FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

THE AUDITOR GENERAL
P.O. BOX 50071
LUSAKA - ZAMBIA

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THE INSTITUTIONAL PERFORMANCE REPORT

It is my honor to provide the background and overview of the performance of the Human Rights Commission for the financial year ended 31st December 2023.

Background and Location of the Commission

The Human Rights Commission is a Constitutional, autonomous National Human Rights Institution (NHRI), mandated by the Constitution under Article 230 of the Constitution of Zambia, to promote and protect human rights, by ensuring that the "Bill of Rights" is upheld and protected. Further, the Constitution empowers the Commission to undertake the following:

a) Investigate and report on the observance of rights and freedoms,
b) Take necessary steps to secure appropriate redress where rights and freedoms are violated,
c) Endeavour to resolve disputes through negotiation, mediation, or conciliation,
d) Carryout research on rights and freedoms and related matters,
e) Conduct civic education on rights and freedoms, and
f) Perform such other functions as prescribed.

Functions and Powers of the Commission

The Human Rights Act, Chapter 48 of the Laws of Zambia prescribes the functions and powers of the Commission as follows:

a) Investigate human rights violations,
b) Investigate any maladministration of justice,
c) Propose effective measures to prevent human rights abuse,
d) Visit prisons and places of detention or related facilities with a view to assessing and inspecting conditions of persons held in such places and make recommendations to redress existing problems,
e) Establish a continuing programme of research, education, information and rehabilitation of victims of human rights abuse to enhance the respect for and protection of human rights, and
f) Do all such things as are incidental or conducive to the attainment of the functions of the Commission.

The address of the registered office of the Human Rights Commission is as follows;

Human Rights House,
Mulungushi House Annex, Independence Avenue,
P. O. Box 33812,
Lusaka.

The Commission

The composition of the Commission is provided for under the Chapter 48 of the Laws of Zambia. The Commission consists of the Chairperson, the Vice Chairperson and not more than Five (5) other Members appointed by the President subject to ratification by the National Assembly. The

Members are responsible for the development and monitoring effective internal controls to safeguard the Commission's assets and financial data integrity.

The Commission Executive Management

The Commission Executive Management consists of the Director who is the Controlling Officer, Deputy Director, three (3) Heads of Departments, two (2) Heads of Sections and three (3) Heads of Units.

Major Developments / Key Policies Implemented

The Commission had several projects and carried out the following events the financial year under review:

1. **Complaint's handling**
   A total of 2,086 complaints were handled out of which 1, 627 were male and 459 females. 1,231 cases were resolved, 130 referred with 179 cases pending. 546 comprised of discontinued cases.

2. **Legal Reforms/Parliamentary Submissions**
   The Commission made appearances before Parliament and submitted reports/ memoranda on fourteen (14) different and other important matters of interest Bills.

The Commission participated and undertook the following activities:

1. Inspection of Places of Detention - Out of the target of sixty (60), the Commission conducted fifty (50) human rights sensitization sessions in the various detention and correctional facilities, directly reaching out to an estimated 15,086 persons in detention and correctional facilities in the ten (10) Provinces.

2. Legal Clinics/desks - The Commission conducted twenty (20) community sensitisation meetings, two (2) in each of the ten (10) Provinces.

3. Public Awareness on human rights - The Commission participated in seven (7) traditional ceremonies. A total of 6,200 copies of various Information Education and Communication (IEC) materials were distributed.

4. Branding visibility of HRC - 375 T-Shirts and 375 Caps were procured and branded and distributed to stakeholders during commemorations of human rights days and community sensitisation meetings.

   Over 31,324 different types of IEC materials were printed, and 31,234 copies were distributed against a target of 50,000.

5. Monitoring on Business and Human Rights - Zambia accepted a recommendation during the Universal Periodic Review (UPR) to develop a National Action Plan (NAP) on Business and

Human Rights. The Commission had three (3) engagement activities with stakeholders to equip them with necessary knowledge and skills in Business and Human Rights.

- National Consultative meeting sponsored by Human Rights Commission and United Nations Development Program (UNDP).
- Stakeholder engagement meetings on Business and Human Rights in four (4) Provinces.
- Monitoring of compliance on United Nations Guiding Principles (UNGP) on business and Human Rights.

6. Democracy Strengthening Project in Zambia - The project supported the development of the Commission Case Management System and the continued operations of three (3) Provincial Offices.

7. Press Statements - The Commission issued thirteen (13) Press Statements to provide advice on human rights matters.

8. Enabling Access to Justice, Civil Society Participation and Transparency - The Commission, in collaboration with Ministry of Justice and Zambia Police, conducted a capacity building Workshop on Economic, Social and Cultural Rights (ESCR) for its members of staff.

9. Implementation of Child Rights project activities under the Driving Sustainable Change for Children's Rights (DSCCR) - The Commission implemented activities on child rights protection in 20 districts of seven (7) Provinces as planned.

10. Social Media Monitoring - By 31st December 2023, the Commission had 36,688 followers on various social media platform. The Commission received Twenty-Six (26) complaints through the social media platform.

With regard to the key policies, the Human Rights Commission came up with the 2022-2026 Human Rights Strategic Plan which is a framework of the national, regional and international human rights instrument. It seeks to scale up the promotion and protection of human rights in Zambia, by expanding national coverage, and improving the standards, efficiency, and effectiveness of service delivery.

The plan is founded upon the assumption that adequate funding will be provided by the Government, and the supplementary support from the Cooperating Partners and other well-wishers. It is my considered view that, the successful implementation of this plan will significantly contribute to the attainment of the national goals on human rights, and the attainment of the country's regional and International Human Rights obligations. This, in the end, is expected to lead to increased observation of human rights to the benefit of all the people in Zambia.

Pamela Towela Sambo Ph.D.
Chairperson
HUMAN RIGHTS COMMISSION

27/05.................... 2024.

THE CONTROLLING OFFICER'S REPORT

I have the pleasure of presenting the report regarding the Human Rights Commission together with the financial statements for the year ended 31st December 2023 which disclose the sources, utilization and balances of cash for the Human Rights Commission.

OPERATING RESULTS

Receipts

Total receipts amounted to K37,153,186 compared to K24,530,660 for the previous year. This represented 51% (K12,622,526) increase. The increase is attributed to the increased funding from the Treasury.

Payments

Total expenditure amounted to K37,415,070 compared to K24,094,044 for the previous year. This represented 45% (K13,321,026) increase. The increase is attributed to the increased funding from the Treasury.

Increase /Decrease in Cash

The decrease in cash during the period under review was K261,884 compared to an increase of K436,616 in the previous period.

Related Party Transactions

There were no related party transactions for the financial year ended 31st December 2023.

Property, Plant and Equipment

The Commission procured Five (5) Motor vehicles, 15 Boardroom chairs and 5 desktop and 6 laptops computers. The Commission did not receive equipment and motor vehicles from Cooperating partners. No property, plant and equipment were disposed of during the financial year.

Intangible Assets

There were no purchases of intangible assets for the financial year.

Employees

The number of employees at the beginning of the year was 57 and increased to 61 as at the end of December 2023. The total amount spent on employees' remuneration and welfare was K13,531,013.

Health and Safety of Employees

The Commission is aware of its responsibilities regarding the safety and health of employees as prescribed in the Occupational Health and Safety Act No.36 of 2010 and took appropriate measures to safeguard their safety and health such as providing employees with training in safety protocols, use of correct working tools and keeping the work environment clean.

Events

The Commission incurred K276, 913 towards the commemoration of the International Human Rights Day for the financial year ended 31st December 2023.

Auditors

In line with Article 250 of the Constitution of Zambia (Amendment) Act No.2 of 2016 and Section 73 of the Public Finance Management Act No.1, the Commission is audited by the Auditor General.

Conclusion

The 2023 original budget for Head 34 - Human Rights Commission was K32,754,027. The original budget was re-aligned because supplementary provision warrant was granted to the institution to re-allocate K3,000,000 from use of goods and services to Non-financial Assets. Further, I wish to express my sincere gratitude and appreciation to all the Officers that facilitated Government programme and prepared the financial report for the year ended 31st December 2023.

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Katendi Kapiná Nkombo (Mrs.)
Acting Director

......24/05/......... 2024

STATEMENT OF RESPONSIBILITIES FOR ANNUAL FINANCIAL STATEMENTS

In line with the requirements of Part VI Section 70 (4) of the Public Finance Management Act No. 1 of 2018, the Controlling Officer is responsible for preparing and certifying the correctness of the financial statements for the year ended 31st December, 2023 which are free from material misstatement, whether due to fraud or error, and are prepared, in all material respects, in accordance with the International Public Sector Accounting Standard (IPSAS) Cash Basis of Accounting. In preparing the financial statements, the Commission selected applicable policies from Central Government Accounting Policies (CGAPs) No. 2 and applied them consistently, making judgment and estimates that were reasonable and prudent.

The Controlling Officer is also responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information.

The Controlling Officer accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with the Cash Basis IPSAS, the requirements of the Public Finance Management Act No.1 of 2018 and Central Government Accounting Policies (CGAPs) No. 2.

In addition, Part III and section 8(s) of the Public Finance Management (General) Regulations 2020 requires the Head of the Accounting Unit to sign off Accounts, Management Reports, Financial Statements, or any component of the work submitted to the supervising officer or any other Officer as Input in the financial report of the Republic.

The Controlling Officer and Head of Accounting Unit, further accepts responsibility: -

- for the maintenance of accounting records that may be relied upon in the preparation of financial statements, and
- for designing, implementing, and maintaining systems of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

To the best of our knowledge, proper books of accounts were maintained to support preparation of financial statements comprising Statement A - Statement of Cash Receipts and Payments, Statement B – Statement of Comparison of Budget and Actual Amounts(Budget Execution), Statement C – Statement of Comparison of Authorised Provision and Actual Expenditure (by programme and Sub -Programme), a summary of significant accounting policies and other explanatory information that present fairly the financial results of the of the Human Rights Commission for the financial year ended 31st December 2023.

Signed on behalf of the Human Rights Commission

Name: KABANDALA INAMBAO	**Name: KATENDI KAPINÁ NKOMBO**
Signature:	**Signature:** ....
Date: .24/05/...... **2024.**	**Date:** ....24/05/........ **2024.**
Position: Head - Finance and Accounting	**Position: Acting Director**

REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

STAND No.7901
HAILE SELASSIE AVENUE, LONGACRES
P.O BOX 50071
LUSAKA, ZAMBIA
E-mail: auditorg@ago.gov.zm
Website: www.ago.gov.zm
Telephone: +260211252611/252771

To: The Commission Chairperson – Human Rights Commission

Report on the Audit of the Financial Statements of Head 34 – Human Rights Commission for the Financial Year Ended 31st December 2023

Opinion

I have audited the financial statements of Head 34 – Human Rights Commission for the financial year ended 31st December 2023, which comprise Statement A - Statement of Cash Receipts and Payments, Statement B - Statement of Comparison of Budget and Actual Amounts (Budget Execution), Statement C - Statement of Comparison of Budget and Actual Amounts (by Programme and Sub Programme) and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the Statement A - Statement of Cash Receipts and Payments, Statement B - Statement of Comparison of Budget and Actual Amounts (Budget Execution) and Statement C- Statement of Comparison of Budget and Actual Amounts (by Programme and Sub Programme) for the year ended 31st December 2023, in accordance with the International Public Sector Accounting Standard (IPSAS) Cash Basis of Accounting and the Central Government Accounting Policies (CGAPs) No. 2.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of the Human Rights Commission in accordance with the International Organisation of Supreme Audit Institutions (INTOSAI) Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Zambia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the INTOSAI Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements. Key audit matters are selected from the matters communicated with the Controlling Officer but are not intended to represent all matters that were discussed with them.

However, I have determined that there are no key audit matters to communicate.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standard Cash Basis of Accounting, the Public Finance Management Act No. 1 of 2018 and Central Government Accounting Policies (CGAPs) No.2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Human Right Commission.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Head 34 – Human Rights Commission's internal control.

REPUBLIC OF ZAMBIA
OFFICE OF THE AUDITOR GENERAL

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Head 34 – Human Rights Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, the going concern of the Human Rights Commission is dependent on the government policy decision.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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Dr. Ron M. Mwambwa, FCMA, FZICA, CGMA, CFE
ACTING AUDITOR GENERAL

DATE:28/05/**2024**

STATEMENT A – STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023

	Note	2023 Kwacha	2022 Kwacha
RECEIPTS			
Treasury	2	34,592,164	21,199,507
External Assistance	3	2,561,022	3,331,153
TOTAL RECEIPTS		**37,153,186**	**24,530,660**
PAYMENTS			
Personnel Emoluments	4	15,369,151	12,501,422
Goods and Services	5	14,312,866	7,836,029
Financial Charges	6	-	-
Social benefits	7	-	11,700
Non-financial assets acquisition	8	4,533,912	797,799
Financial Assets	9	-	
Other payments	10	3,199,141	2,947,094
TOTAL PAYMENTS		**37,415,070**	**24,094,044**
Increase/(decrease) in Cash		**(261,884)**	**436,616**
Foreign Exchange Losses	12	-	-
Cash at beginning of the year	13	888,349	451,733
Cash at the end of the period	13	**626,465**	**888,349**

Name: KABANDALA INAMBAO

Signature: ....

Date: 24/05/2024

Position: Head, Finance and Accounting

Name: KATENDI KAPINÁ NKOMBO

Signature: ....

Date: 24/05/2024

Position: Acting Director/Controlling Officer

STATEMENT B – STATEMENT OF BUDGET EXECUTION FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER

	Original Budget Kwacha	Adjustments Kwacha	Final Budget Kwacha	Actual Amounts Kwacha	% Performance	Variance Kwacha	% Variance
RECEIPTS							
Funding	32,754,027	-	32,754,027	32,754,026	100%	(1)	0%
External Assistance	-	-	-	-	-	-	
Other Receipts	-	-	-	-	-	-	
TOTAL RECEIPTS	**32,754,027**	-	**32,754,027**	**32,754,026**	**100%**	**(1)**	**0%**
PAYMENTS	-						
Personnel Emoluments	13,586,135	-	13,586,135	13,531,013	100%	55,122	0%
Use of goods and services	17,684,812	(3,000,000)	14,684,812	14,312,866	97%	371,946	3%
Financial Charges	-	-	-	-		-	
Social benefits	-	-	-	-		-	
Non-financial assets acquisition	1,483,080	3,000,000	4,483,080	4,533,912	101%	(50,832)	-1%
Financial Assets	-	-	-	-		-	
Other payments	-	-	-	-		-	
TOTAL PAYMENTS	**32,754,027**	-	**32,754,027**	**32,377,791**	**3**	**376,236**	**0**

The composition of budget adjustments and explanations of major variances are provided in Note 1.

Name: KABANDALA INAMBAO

Signature: ....

Date: 24/05/2024

Position: Head, Finance and Accounting

Name: KATENDI KAPINÁ NKOMBO

Signature: ....

Date: 24/05/2024

Position: Acting Director/Controlling Officer

STATEMENT C – STATEMENT OF COMPARISON OF BUDGET AND ACTUAL EXPENDITURE BY PROGRAMME AND SUB-PROGRAMME FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023

		2023 KWACHA				
		Original Budget	supplementary/ Variance Budget	Final Budget	Actual Expenditure	Variance
4140	Protection and Promotion of Human Rights	19,449,464		15,754,464	15,462,857	291,607
4199	Management Support Services	13,304,563		16,999,563	16,914,934	84,629
	TOTAL	**32,754,027**	-	**32,754,027**	**32,377,791**	**376,236**

Name: KABANDALA INAMBAO

Signature: ....

Date: ..24/05/2024......

Position: Head, Finance and Accounting

Name: KATENDI KAPINÁ NKOMBO

Signature: ....

Date: ....24/05/2024........

Position: Acting Director/Controlling Officer

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. Basis of the Preparation of the Financial Statements

The financial statements have been prepared in accordance with Cash Basis IPSAS, *Financial Reporting under the Cash Basis of Accounting*, issued by the International Public Sector Accounting Standards Board (IPSASB) and Central Government Accounting Policies (CGAPs) No. 2.

The financial statements have been prepared in accordance with the historical cost convention as the basis of measurement, unless specified otherwise. The accounting policies have been applied consistently throughout the year.

1.1 Reporting Entity

These financial statements are for the Human Rights Commission. The financial statements encompass the Commission as set up in the Constitution of Zambia (Amendment) Act No. 2 of 2016, Human Rights Act, Chapter 48 of the Laws of Zambia, and the Public Finance Management Act No.1 of 2018.

The principal function of the Commission is outlined under Article 230 the Constitution of Zambia (Amendment) No.2 of 2016.

Further, the Human Rights Act, Chapter 48 of the Laws of Zambia prescribes the functions and powers of the Commission.

1.2 Authorisation Date

The financial statements were authorised for issue on ..24/05/.. 2024 by the Controlling Officer.

1.3 Revenue

The Commission does not generate its own revenue. Instead, it receives financial support from Central Government in form of funding. Funding consists of amounts appropriated by Parliament which the Treasury releases to the Commission. The Commission does not operate its own bank accounts for the amounts received from the Treasury. Instead, the Government through the Ministry of Finance and National Planning's Treasury Services Department operates a centralised treasury function through the Treasury Single Account (TSA) set up in line with Section 25 of the PFMA 2018.

Amounts are funded on request in IFMIS to the Commission by the Treasury. Funded amounts are moved from Government revenue control account maintained at Bank of Zambia (BOZ) to TSA Payment Account also maintained with BOZ. Except for funds meant for capital projects, amounts authorised for use by the Commission which are unexpended at year end are transferred back to the revenue control account of the Treasury.

Apart from funds received from the Treasury, the Commission operates Third Party Accounts to cater for specific projects funded by Cooperating Partners. The balances on these accounts are reported in the financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1.4 Expenditure

Expenditure is recognised when payment is made for expenses incurred. The Commission incurs expenditure relating to the discharge of its functions which includes expenses relating to other personnel emoluments, goods and services, general administration, and acquisition of non-financial assets.

Items of a capital nature are expensed at the time of payment and such transactions are depicted in the appropriate class and heading in the financial statements. Since capital expenditure is expensed when incurred, neither depreciation nor amortization is charged on non-current assets.

1.5 Reporting on Gross Basis

Transactions are reported on gross basis without netting off similar classes of receipts and payments. However, transactions may be reported on net basis when they relate to transactions the Commission administers on behalf of other entities recognised in the financial statements

1.6 Cash on hand at the Beginning and the End of the Year

Cash at the beginning and end of the year consist of cash on hand, demand deposits and cash equivalents held at such dates.

Cash on hand refers to notes and coins held by the Commission at the reporting date, and it includes petty cash. Demand deposits consist of reconciled balances held in the Commission's bank accounts which it can use on demand. Cash equivalents, on the other hand, refer to short term high liquid investments that can easily be converted to known amounts of cash and are subject to insignificant risk of change in values. The Commission recognises all short-term high liquid investments having maturities of three months or less as cash equivalents.

1.7 Presentation Currency

The presentation currency is Zambian Kwacha.

1.8 Foreign Currencies

Transactions in other currencies are converted into Zambian Kwacha using the spot rate at the time of receipt or payment. Balances expressed in foreign currencies at the year-end are translated into Kwacha at the ruling rate then. The resulting difference from the conversion and translation are charged to the Statement of Cash Receipts and Payments.

The Commission did not make any foreign transactions for the financial year ended 31st December 2023.

1.9 Borrowings

No borrowings are undertaken by the Commission. Therefore, neither borrowings nor their repayments are recognised in the financial statements of the Commission.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1.10 Budgets and Actual Amounts

A final budget includes all adjustments (supplementary and re-allocations) made to the original approved budget during the year. Supplementary budgets consist of additional provisions beyond what was originally approved while re-allocations are approved budget variations.

The approved budget is developed on the same accounting and classification basis as Statement B for revenue and Statement C for expenditure, and for the same year as for the financial statements. All material differences between final budgets and actual amounts are explained in the notes to the annual financial statements. Budget differences of 20% and above are considered material.

1.11 Encouraged Disclosures of Accrual Type of Items

The Commission makes Accrual Basis type of disclosures called Encouraged Additional Disclosures in line with Part 2 of Cash Basis IPSAS as follows: -

i. Property, Plant and Equipment

These are assets that have useful economic lives or service potential of more than one year. They are recorded and disclosed at either cost or valuation. Valuations are conducted by the Government Valuation Department. Where valuation has been undertaken, the applicable valuation bases are as follows: -

• Land	Market Value
• Buildings	Historical Cost or Market Value
• Plant and Equipment	Historical Cost

ii. Investments in Other Entities

The Commission had no investments in other entities during the period under review.

iii. Administered Transactions

The Commission administered transactions amounting to K371,211.28 for the year ended 31st December 2023.

iv. Related Party Transactions

A related party is one that has the ability to control the Commission or exercise significant influence over the Commission in making financial and operating decisions. The related party entity is also any entity that is subject to common control with the Commission.

Related parties include: -

(a) Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the Commission,

(b) Associates being entities over which the Commission has significant influence,

(c) Individuals that have significant influence over the Controlling Officer such as Members of Parliament, Chiefs and close family members of such individuals,

(d) Key management personnel, and close members of the family of key management personnel; and

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

(e) Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in (c) or (d), or over which such a person can exercise significant influence.

The key management personnel of the Commission are: -

(a) the Commissioners, members of the Audit, Human Resource, Administration & Finance and Procurement Committees; and
(b) The Director, Deputy Director, and other members of the Management team.

Spouses, children and grandchildren, grandparents, brothers, sisters, parents in law, brothers in law, and sisters in law of key management personnel are related parties to the Commission Secretariat.
The Commission discloses the nature of the related party relationship as well as information about those transactions and outstanding balances as a note to the financial statements. Such transactions may include remuneration, loans and contracts awarded to key management personnel and their close relatives.

v. External Assistance

External assistance comprises grants from multilateral and bilateral agencies provided under agreements specifying the purposes for which the assistance will be utilised. In the year under review the Commission received K2,561,022 in external assistance. This amount was paid direct to third party Accounts without passing through the IFMIS System.

The Human Rights Commission discloses total external assistance received in cash during the year, total external assistance paid by the agencies for the benefit of the Commission, external assistance received in form of loans and grants, their classifications, purposes for which it was received and undrawn balances.

vi. Other Receipts

There were no other receipts for the financial year ended 31st December 2023.

vii. Payments by Third Parties

There were no payments by third parties for the financial year ended 31st December 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

2. Funding from the Treasury

During the financial year under review, the Commission received funding from the Treasury as follows: -

Funding	2023 KWACHA		2022 KWACHA
1st Funding	1,195,512.00		1,955,000.00
2nd Funding	395,713.00		175,000.00
3rd Funding	1,272,652.00		1,099,202.00
4th Funding	1,195,512.00		1,463,321.00
5th Funding	2,149,591.00		649,999.00
6th Funding	1,195,512.00		1,099,202.00
7th Funding	1,145,387.00		1,472,500.00
8th Funding	1,508,323.00		1,099,202.00
9th Funding	1,400,000.00		1,099,202.00
10th Funding	1,195,512.00		1,099,202.00
11th Funding	1,195,512.00		1,099,202.00
12th Funding	853,867.00		1,099,202.00
13th Funding	1,195,512.00		1,099,202.00
14th Funding	1,195,512.00		1,514,999.00
15th Funding	891,876.00		360,000.00
16th Funding	1,195,512.00		450,000.00
17th Funding	800,000.00		25,000.00
18th Funding	1,195,512.00		425,000.00
19th Funding	1,422,984.00		1,099,202.00
20th Funding	7,346,195.00		1,420,586.00
21st Funding	1,422,984.00		1,099,202.00
22nd Funding	1,800,000.00		250,000.00
23rd Funding	1,422,984.00		46,082.00
TOTAL	**34,592,164**	-	**21,199,507**

3. External Assistance

During the financial year ended 31st December 2023, the Commission directly received funding from Cooperating Partners: -

	KWACHA	KWACHA
USAID		-
Save the Children	1,324,993	881,249
GIZ	406,780	1,095,186
UNDP	829,249	1,354,718
Total	**2,561,022**	**3,331,153**

4. Personnel Emoluments

The Commission prepares its own payroll and below are actual amounts of emoluments paid to staff in various categories that amounted to K13,531,013:

	2023 KWACHA	2022 KWACHA
Super scale	960,357	874,541
Salary Division 1	9,154,451	8,871,485
Salary Division 2	1,857,936	1,380,046
Salary Division 3	1,294,283	1,057,534
Other Personal Emoluments	263,986	317,817
Total	**13,531,013**	**12,501,423**

Note: The difference of K1,838,138.00 with the figure in Statement A and B is due to increased funding to accommodate salary increment and Treasury Authority to recruit new Officers. The institution did not have an adequate budget for personnel emoluments. Consequently, the expenditure was posted by the Ministry of Finance and National Planning under head 99 - Constitutional and Statutory Expenditure.

5. Use of Goods and Services (Appendix 1)

Use of Good and services consist of expenditure incurred on administrative activities.

	2023		2022
	KWACHA		KWACHA
Office Costs	455,196		370,903
Building Repair and Maintenance Cost	632,445		508,854
Plant, Machinery, Vehicle Running & Maintenance Cost	2,472,093		1,684,929
Other Administrative & operating costs	1,722,599		282,367
Requisites	13,000		44,880
Services	2,949,888		1,761,041
Travel expenses within Zambia	4,177,196		2,437,669
Travel expenses Outside Zambia	1,575,626		525,010
Short Term Training & staff development	92,400		15,000
Registration & Subscription (Professional Bodies)	222,422		205,376
Training			-
Medical costs			-
Other costs			-
TOTAL	**14,312,866**		**7,836,029**

6. Financial Charges

The Commission had no financial charges paid during the period under review.

7. Social Benefits

Social benefits include payments towards death on duty, burial, and other benefits. For the financial year ended 31st December 2023 the Commission paid K7,900 in social benefit payments.

8. Non-financial Asset Acquisition (Appendix 2)

Acquisition of assets involved the following payments.

	2023		2022
	KWACHA		KWACHA
Land	51,500		
Furniture & Equipment	367,980		187,649
Plant & Machinery			
Building			
Motor Vehicle	4,114,432		610,150
Assets Under Construction			
Other assets			
TOTAL	**4,533,912**		**797,799**

Note1a: The difference of K3,050,832 on Non-Financial Assets between the original budget of K1,483,080 and the actual expenditure of K4,533,912 in statement B was due to supplementary budget on the expenditure line.

9. Financial Assets

The Commission acquired no financial assets for the financial year ended 31st December 2023.

10. Other payments

The Commission made other payments on behalf of the Co-operating Partners during the financial year ended 31st December 2023. The expenditure is reported only in Statement A as it constitutes funds received from Co-operating Partners which were not funded through TSA.

	2023	2022
	KWACHA	KWACHA
UNDP	832,592	1,680,647
Save The Children	1,238,389	
GIZ-ASHRR	1,128,160	1,266,448
TOTAL	**3,199,141**	**2,947,094**

11. Foreign Exchange Losses/Gains

There were no foreign Exchange losses/gains for the financial year ended 31st December 2023.

12. Cash Balances

The Commission's sash amounts consisted of cash on hand, demand deposits and cash equivalents.

	2023	2022
	KWACHA	KWACHA
Cash on hand	-	-
Demand Deposits	626,465	888,349
Cash equivalents	-	-
TOTAL	**626,465**	**888,349**

a. Cash on Hand

The Commission did not have cash on hand as at 31st December 2023.

b. Demand Deposits – Bank Balances

The Commission had the following reconciled bank account balances as at the 31st December 2023.

	2023 KWACHA	2022 KWACHA
TSA	376,236	52,557
GIZ-HRC Annual State of Human Rights	531	702,791
GIZ-HRC Awareness	1,676	1,676
HRC-Save the Children	145,884	30,059
HRC-EU Death Penalty	102,103	101,266
HRC-UNDP Ewer	35	-
TOTAL	**626,465**	**888,349**

c. Cash Equivalents

The Commission held no treasury bills for the financial year ended 31st December 2023.

13. Budget Adjustments and Variances

a. Budget Adjustments

The original budget was approved by the National Assembly in December 2022. There were subsequent approved adjustments to the budgets for supplementary provisions and budget allocations to re-allocate K3,000,000 from goods and services to non- financial assets.

	Approved Supplementary Kwacha	Approved Varriations Kwacha	Total Adjustments Kwacha
RECEIPTS			-
Funding	-	-	-
External Assistance	-	-	-
Others	-	-	-
TOTAL RECEIPTS	-	-	-
PAYMENTS			
Personal Emoluments	-	-	-
Use of goods and services	-	(3,000,000)	(3,000,000)
Financial charges	-	-	-
Social Benefits	-	-	-
Non-financial assets acquisi	-	3,000,000	3,000,000
Financial payments	-	-	-
Other payments	-	-	-
TOTAL EXPENDITURE	-	-	-

b. Budget Variances

- **Own Source Revenues**

The Commission did not generate any form of revenue for the financial year ended 31st December 2023.

14. Property, Plant and Equipment

The Commission had property, plant and equipment valued at K11,044,565.

	Land and Buildings	Motor Vehicles	Office Equipment	Communication Equipment	Furniture and Fittings	Plant and Equipment	Total
	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW	ZMW
Opening balance (Restated)	**537,558**	**4,869,428**	**741,984**	**2,258**	**357,406**	**2,020**	**6,510,653**
Additions	51,500	4,114,432	0	0	367,980	0	4,533,912
Revaluation	0	0	0	0	0	0	0
Re-classification	0	0	0	0	0	0	0
Disposal	0	0	0	0	0	0	0
Closing balance	**589,058**	**8,983,860**	**741,984**	**2,258**	**725,386**	**2,020**	**11,044,565**

15. Investments

The Commission had no investments during the financial year ended 31st December 2023.

16. Administered Transactions

The Commission did administer Withholding Value Added Tax collection amounting to K371,211.28 on behalf of Zambia Revenue Authority (ZRA) for the financial year ended 31st December 2023.

17. Related Party Disclosures

The following disclosures are made in the financial statements of the Human Rights Commission:

a. Fringe Benefits Disclosures

The Director/Controlling Officer was provided with a personal-to-holder car, an office and personal secretary.

b. Remuneration of the Director/Controlling Officer

The aggregate remuneration of the Director/Controlling Officer determined on a full-time equivalent basis receiving remuneration under the Commission is:

Aggregate Remuneration	K960,356.64
Number of persons	1

The Director/Controlling Officer did not have any outstanding loans obtained under the Commission.

c. Remuneration of Senior Management

The aggregate remuneration of members of the Senior Management and the number of individuals determined on a full-time equivalent basis receiving remuneration from the Commission Secretariat are:

Aggregate Remuneration	K5,203,616.26
Number of persons	11

Two (2) of the members of Senior Management acquired loans amounting to K77,000 from the Commission for the financial year ended 31st December 2023.

For the purposes of this part:
- Remuneration refers to salaries and other personnel emoluments; and
- Senior Management refers to officers from salary scale HRC H to Super Scale.

18. External Assistance

The amounts, class of provider and purpose for which external assistance was received for the financial year are outlined below:

	2023	2022
Details	**KWACHA**	**KWACHA**
Technical and Capacity Building		
USAID	-	649,999
GIZ	406,780	
Save the Children-Zambia	1,324,993	
UNDP	829,249	
TOTAL	**2,561,022**	**649,999**

19. Third Party Payments (Direct Payments)

The Human Rights Commission did not benefit from payments made by third parties for the financial year ended 31st December 2023.

APPPENDIX 1 - List of Goods & Service (Note 5)

GL	Description	Kwacha
221010	Office Material	394,242
221020	Telephone, Fax Telex Radio	31,800
221030	Internet Charges	11,777
221040	Postal Charges	200
221060	Maintenance of Office Equipment	5,450
221095	Insurance - Other	2,727
221100	Other Office Costs	9,000
222010	Rentals for Buildings	113,987
222020	Water and Sanitation Charges	113,350
222030	Electricity Charges	164,300
222040	Maintenance of Buildings (Maintenance Consu	82,880
222070	Security and Care taking Charges	157,928
223010	Petrol, oil & lubricants.	1,906,333
223020	Servicing Other Consumebles	281,491
223030	Spare Parts	7,790
223040	Tyres	40,085
223060	Insurance - Plant and Equipment	209,039
223070	Licences and Taxes	26,716
223080	Toll Fees	640
224040	Uniform Allowance	66,000
224060	Boards And committees Allowances	301,550
224099	Other Administrative Operating Costs	1,355,049
225001	Hand tools & Equipment.	13,000
226001	Consultancy, Studies, Technical Assistance Fee	26,000
226004	Accounts & Audit Services Expenses	50,010
226005	Printing	871,500
226008	Advertising & Publicity	691,984
226015	Traditional Ceremonies	1,000
226018	Official Entertainment	39,200
226020	Public Functions and Ceremonies	10,328
226023	Shows and Exhibits	55,566
226030	Accommodation Services	17,200
226063	Hire of Plant & Equipment	34,976
226073	Medical Fee/ Charges	3,600
226078	Conferences,seminars and Workshops	1,144,024
226083	Bank Charges	4,500
227110	Road,Rail & Air Fare	970
227130	Allowances-Travel Expenses within Zambia	4,176,226
227210	Road,Rail & Air Fares Outside Zambia	745,990
227230	Allowances Foreign	808,712
227270	Visas-Foreign	20,924
228120	Training & Educ Charges Within Zambia <=6 Mt	91,500
228140	Road,Rail & Air Fares Wthin Zambia <=6 Mths	900
228520	Subscriptions to Professional Bodies	222,422
	TOTAL	**14,312,866**