



AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024

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CORPORATE INFORMATION

MEMBERS OF THE COUNCIL

Mr. Augustine Addo	President
Rev. Dr. Cynthia A. Sallah	Vice President
Ms. Patience Mawushie Dzikunoo	Member
Dr. Frank Yao Gbadago	Member
Mr. Thomas Kwesi Easo	Member
Dr. Frances Enyonam Sosoo	Member
Mrs. Belinda Dede Tandoh	Member
Nana Dr. David Annan-Bonny	Member
Mrs. Ellen Abena Addo	Member
Mr. Paul Kwasi Agyemang	Member / Chief Executive Officer

SECRETARY TO THE COUNCIL

Mr. Osei Adjaye-Gyamfi

PRINCIPAL PLACE OF BUSINESS

Accountancy House
Okponglo, East Legon
GA-416-9906
P. O. Box GP 4268, Accra

Telephone:

0544336701/2; 0277801422 - 5

Email: info@icagh.com

Website: www.icagh.org

BANKERS

Ecobank Ghana Ltd
Absa Bank Ghana Ltd
Republic Bank Ghana PLC
Standard Chartered Bank Ghana PLC
GCB Bank Ghana PLC
Fidelity Bank Ghana Ltd
UMB Bank Ltd

AUDITOR

The Auditor General
Ghana Audit Service

REPORT OF THE COUNCIL

The Council is pleased to submit its annual report together with the audited financial statements of the Institute for the year ended 31st December, 2024 showing Members' Fund of **GH¢95.3 million** made up as follows:

	2024	2023
	GH¢'000	GH¢'000
Balance as at 1st January	74,835	57,326
Surplus For the year	19,655	18,703
Building Levy Contributions	633	521
Members Welfare Contributions	202	192
Building Levy Write off (Special Waiver)	-	(1,907)
Balance as at 31st December	95,325	74,835

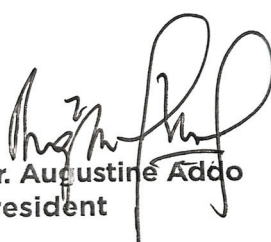
Results

The Statement of Financial Performance for the year ended 31st December, 2024 is set out on page 10.

Activities of the Institute

The Institute carried out its main functions as enshrined in the Institute of Chartered Accountants, Ghana Act, 2020 (Act 1058).

By Order of the Council


Mr. Augustine Addo
President

Date: 28th May, 2025


Mr. Paul Kwasi Agyemang
Chief Executive Officer

FINANCIAL HIGHLIGHTS

Revenue

Revenue recorded a significant growth by 30%, from GH¢55.8m in 2023 to GH¢72.8m in 2024. This is above the 2024 budget by 21%. The year under review saw an impressive growth in major revenue lines due to the following drivers:

- **Members' Activities:** About 1,000 more members participated in the 2024 Accountants Conference beyond the budgeted number of 1,200.
- **Examinations & Other Students Activities:** 38,128 Examination scripts were recorded as against a budget of 36,260.
- **Members' Subscription and Fees:** Practice Firm Fee saw about 38% & 25% positive variances compared to the prior year and budget, respectively. This is mainly attributable to re-categorization and increased compliance.
- **Students' Subscription and Fee:** The frequent reminders to students about the payment of their arrears yielded positive results, leading to about 79% increase in Exemptions income.

Expense

Total Expenses increased by **26%** to **GH¢64.6m** in 2024 compared to GH¢51.4m in 2023. This is also slightly above the budget by 4%. The rise in the number of participants for the 2024 Accountants' Conference contributed to the increased cost of Members' Activities.

Employment Costs also increased by 21% compared to 2023. The 11% variance in the 2024 actual verses budget is mainly due to an additional expense provided for after a High Court ruling in favour of Mr. Fred N.K. Moore, the past CEO.

The Institute in its quest to attract the brightest graduates into the accountancy profession, continues to offer scholarship packages to first-class Bachelor's degree & HND holders. The year under review saw about GH¢3.1m incurred towards this direction.

General Administrative Expenses also saw a significant increase of GH¢1.4m (25%) compared to 2023 and this represents 10% below the 2024 budget. The variance is mainly attributable to increase in Telecommunications costs, resulting from the Institute's digitization drive. To enhance the capacity of its workforce (to meet the demands of stakeholders), the Institute invested extensively in training and development in 2024.

Surplus from Operations

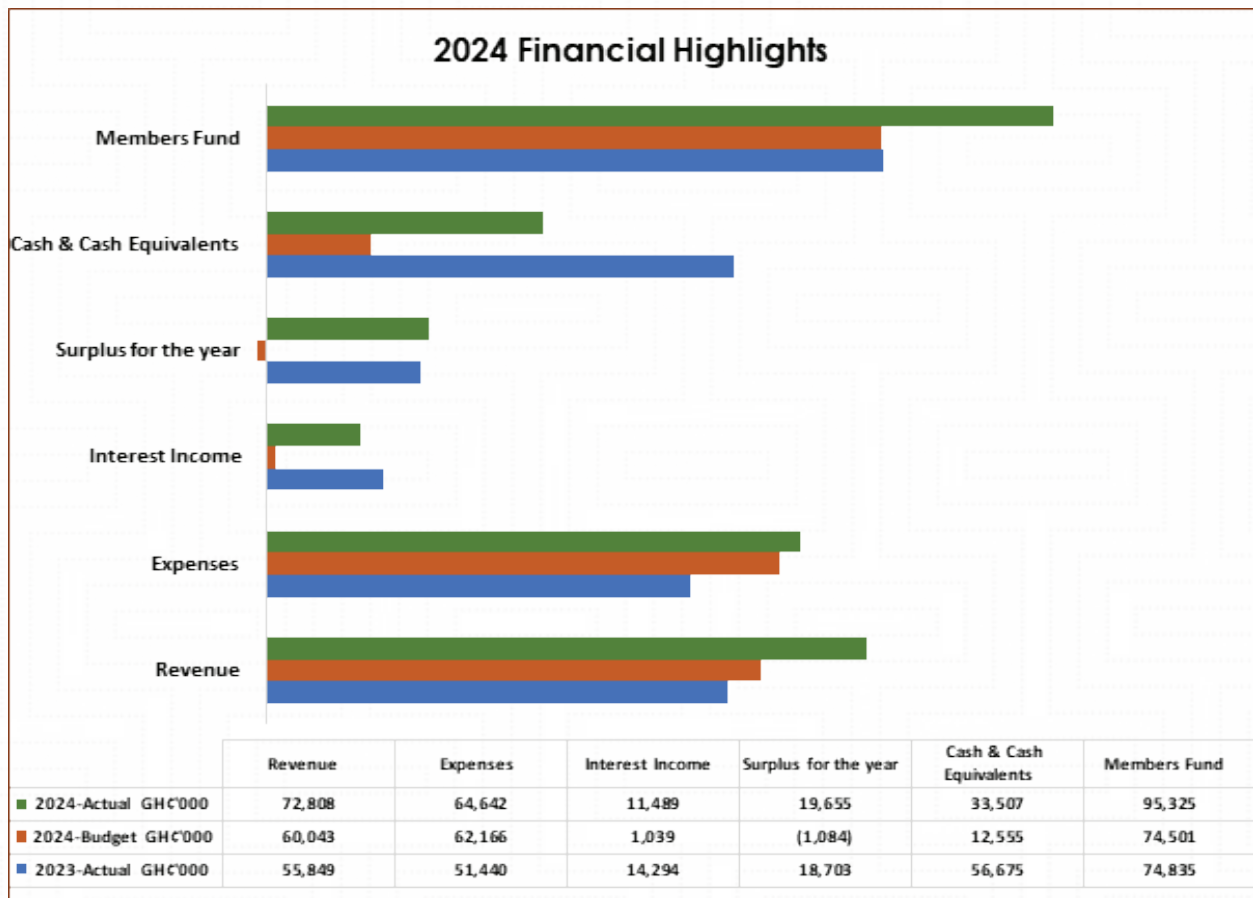
The increase in surplus from operations was 85% compared to 2023, and exceeded the budget projection by **GH¢10.3m**. This was primarily attributed to the impressive revenue growth outpacing the increase in expenses.

Interest Income & Surplus

Net Interest Income reduced by 20% to close the year at GH¢11.5m. This notwithstanding, 2024 recorded **GH¢10.4m** income from investments over the budget of GH¢1.1m. Investment income is projected to decline as resources are redirected toward strategic capital projects, including the auditorium construction and Oyibi land master plan development. Management's financial strategy will focus on expanding revenue streams while implementing cost control measures to sustain operations.

Member's Fund

Members' fund grew 27% to GH¢95.3 million from GH¢74 million in 2023, surpassing budget projections by 28%. This substantial improvement stems primarily from the GH¢19.7 million annual surplus and enhanced operational efficiency measures.





INSTITUTE OF CHARTERED ACCOUNTANTS, GHANA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INSTITUTE

Report on the Audit of Institute of Chartered Accountants, Ghana's Financial Statements

Opinion

We have audited the financial statements of the Institute of Chartered Accountants, Ghana, which comprise the Statement of Financial Position as at 31 December, 2024, and the Statement of Financial Performance, Statement of Changes in Net Assets and Cash Flow Statement for the year then ended, and the notes to the financial statements, set out on pages 10-28, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December, 2024 and of its financial performance and cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (IPSAS) and in the manner required by the Institute of Chartered Accountants, Ghana Act, 2020 (Act 1058).

Basis for Opinion

We conducted the audit in accordance with International Standards for Supreme Audit Institutions. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to the audit of the financial statements in Ghana and we have fulfilled our other ethical responsibilities in accordance with these

requirements and the Code of Ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Council is responsible for the other information. The other information comprises the President's Statement and reports of standing committees included in the 2024 annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance 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. We have nothing in this regard.

Responsibilities of the Council for the Financial Statements

The Council is responsible for the preparation of the financial statements in accordance with IPSAS and in the manner required by the Institute of Chartered Accountants, Ghana Act, 2020 (Act 1058), and for setting such internal controls as they determine necessary to enable the preparation of financial statements that are free from

material misstatements, whether due to fraud or error.

In preparing the financial statements, Council is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

The Council is responsible for overseeing the Institute's financial reporting process.

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 International Standards of Supreme Audit Institutions (ISSAIs), which is consistent with the Fundamental Auditing Principles (ISSAIs 100-999) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs) which is consistent with the Fundamental Auditing Principles (ISSAIs 100-999), we exercised professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, and designed and performed audit procedures responsive to those risks, while obtaining audit evidence sufficient and appropriate to provide enough basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for purposes of expressing an opinion on the effectiveness of the entity's internal controls.

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

- Conclude on the appropriateness of Council'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 doubts on the Institute of Chartered Accountant's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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 the report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Institute to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Institute's audit. We remain solely responsible for our audit opinion.

We 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 we identified during the audit.

We also provide those charged with governance a statement that we 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 our independence, and where applicable, related safeguards.

This independent auditor's report is issued by:



ELIZABETH BOTCHEY
DEPUTY AUDITOR-GENERAL/CAD
for: **AUDITOR-GENERAL**
P. O. BOX M96
GPS: GA-110-8787
MINISTRIES BLOCK "O"
ACCRA, GHANA

Date: 29 MAY 2025

DEPUTY AUDITOR-GENERAL/CAD

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31st DECEMBER, 2024

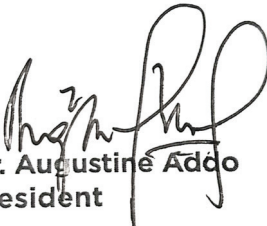
	Notes	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
REVENUE				
Members Subscription and Fees	4.1	19,247	16,246	16,101
Students Subscription and Fees	4.2	15,118	11,696	9,592
Revenue from Non-Exchange Transactions		34,365	27,942	25,693
Revenue from Exchange Transactions:				
Examinations & Other Students Activities	5.1	22,716	19,630	18,755
Accountancy College Income	5.2	1,222	1,547	1,250
Continuing Professional Development	5.3	3,076	3,985	2,912
Members' Activities	5.4	10,917	6,856	7,079
Revenue from other exchange transactions	5.5	512	83	160
		38,443	32,101	30,156
Total Revenue		72,808	60,043	55,849
EXPENSES				
Examinations & Other Student Activities	5.1	12,732	12,556	11,308
Accountancy College Costs	5.2	1,096	1,372	936
Continuing Professional Development	5.3	1,745	1,735	910
Members' Activities	5.4	15,416	15,096	10,460
Council and Committee Meetings	6	1,679	1,285	1,484
Employment Cost	7	24,898	22,361	20,612
General Administrative Expenses	8(a)	7,014	7,761	5,619
Impairment Charges	14(b)	62	-	111
Total Expenses		64,642	62,166	51,440
Surplus/(Deficit) from Operations		8,166	(2,123)	4,409
Interest Income	9	11,489	1,039	12,627
Impairment on Investments	12(b)	-	-	1,667
Net Interest Income		11,489	1,039	14,294
Surplus/(Deficit) for the year		19,655	(1,084)	18,703

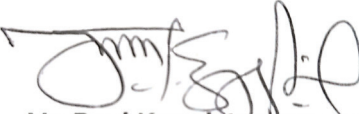
STATEMENT OF FINANCIAL POSITION

AS AT 31st DECEMBER, 2024

	Notes	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	10	38,680	57,960	12,462
Intangible Assets	11	722	952	275
Investments	12(a)	6,583	4,000	6,431
Total Non-Current Assets		45,985	62,912	19,168
Current Assets				
Inventories	13	1,889	1,084	903
Accounts Receivable from Exchange Transactions	14(a)	530	692	576
Accounts Receivable from Non-Exchange Transactions	14(a)	503	3,287	2,689
Prepayments	14(a)	24,257	457	381
Cash & Cash Equivalents	15	33,507	12,555	56,675
Total Current Assets		60,686	18,075	61,224
TOTAL ASSETS		106,671	80,987	80,392
Current Liabilities				
Advance Subscription from Non-Exchange Transactions	16	1,529	2,011	1,828
Accounts Payable	17	9,817	4,475	3,729
Total Current Liabilities		11,346	6,486	5,557
TOTAL LIABILITIES		11,346	6,486	5,557
NET ASSETS		95,325	74,501	74,835
MEMBERS' FUND				
Accumulated Fund	18	82,977	63,761	64,845
Building Fund	19	11,761	10,206	9,656
Members' Welfare Fund	20	587	534	334
TOTAL MEMBERS' FUND		95,325	74,501	74,835

The Council approved the 2024 Financial Statements set out on pages 10-28 on May 28, 2025.


Mr. Augustine Addo
President


Mr. Paul Kwasi Agyemang
Chief Executive Officer

Date: 28th May, 2025

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st DECEMBER, 2024

	Notes	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
Operating Activities				
Cash generated from Operations	21	(7,267)	(1,032)	8,685
Interest Income	9	11,489	1,039	12,627
Net cash inflow from Operating Activities		4,222	7	21,312
Investing Activities				
Purchase of Property and Equipment	10	(27,252)	(46,375)	(2,610)
Investments in Government bonds	12a	(152)	-	-
Liquidation of Government bonds	12a	-	2,498	7,312
Purchase of Intangible Assets	11	(828)	(1,000)	(179)
Proceeds from disposal	22	7	-	-
Net cash flow from/(used in) Investing Activities		(28,225)	(44,877)	4,523
Financing Activities				
Members' Contributions to Building Fund	19	633	550	521
Members' Contributions to Welfare Fund	20	202	200	192
Net cash generated from Financing Activities		835	750	713
(Decrease)/Increase in Cash and Cash equivalents		(23,168)	(44,120)	26,548
Movement in cash and cash equivalents				
At the start of the year		56,675	56,675	30,127
(Decrease)/Increase		(23,168)	(44,120)	26,548
At the end of the year	15	33,507	12,555	56,675

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31st DECEMBER, 2024

2024	Accumulated Fund	Building Fund	Members' Welfare Fund	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1st January	64,845	9,656	334	74,835
Surplus for the year	19,655	-	-	19,655
Contributions during the year	-	633	202	835
Transfer to Building & Welfare Fund	(1,523)	1,472	51	-
Balance at 31st December	82,977	11,761	587	95,325

2023	Accumulated Fund	Building Fund	Members' Welfare Fund	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1st January	48,112	9,097	117	57,326
Surplus for the year	18,703	-	-	18,703
Contributions during the year	-	521	192	713
Transfer to Building & Welfare Fund	(1,970)	1,945	25	-
Write Off (Special Waiver)	-	(1,907)	-	(1,907)
Balance at 31st December	64,845	9,656	334	74,835

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 2024

1. REPORTING ENTITY

Institute of Chartered Accountants, Ghana is a statutory body established under the Chartered Accountants Act, 1963 (Act 170), repealed by the Institute of Chartered Accountants, Ghana Act, 2020 (Act 1058), to promote the study of accountancy, to regulate the accountancy profession and practice and to provide for other related matters in Ghana. The Institute is an approved non-profit organization operating under the Ministry of Education.

The address of the Institute is Accountancy House, Okponglo, East Legon, Accra. On the Ghana post GPS GA-416-9898.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies used for the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB) in line with the accrual basis spelt out by IPSAS 33. The financial statements have been prepared under the historical cost convention except for certain financial instruments (Specifically Investments in GOG Bonds) measured at fair value.

2.1.1 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IPSAS 3 require the use of certain critical accounting estimates.

It also requires the Council to exercise its judgement in the process of applying the Institute's accounting policies. All estimates and underlying assumptions are based on historical experience and various other factors that Council believes are reasonable under the circumstances. The results of these estimates form the basis of judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any affected future periods.

Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements are:

- Useful life of Property plant and equipment (Note 2.3)
- Net realizable value of inventories (Note 2.6)
- Recoverability of receivables (Note 2.7)
- Classification of financial assets

2.2 Foreign Currency Translation

2.2.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Institute operates ('the functional currency'). The financial statements are presented in Ghana Cedis which is the Institute's functional currency.

2.2.2 Transactions and balances

Foreign currency transactions are translated into Ghana Cedis using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlements of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

2.3 Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and any accumulated impairment losses in accordance with IPSAS 17. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The annual rates in use are as follows:

Buildings	3.33%
Motor Vehicles	20%
Furniture and equipment	20%
Fittings	20%
Library Books	20%

Normal repairs and maintenance expenses are charged to operating expenses during the financial period in which they are incurred.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying

amount and are recognized within 'other gains/ (losses) in the statement of financial performance.

2.4 Intangible Assets-Computer Software

IPSAS 31 require that, acquired computer software licenses and intellectual property are capitalized on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortized on the straight-line basis over the estimated useful lives of the assets (usually three years).

Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software program controlled by the Institute and which will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets.

Computer software development costs recognized as assets are amortized over their estimated useful lives (usually three years).

2.5 Impairment of non-financial assets

The Institute assesses at each reporting date whether there is an indication that an asset may be impaired as prescribed in IPSAS 21 & 26. If any such indication exists, or when annual impairment testing for an asset is required, the Institute makes an estimate of the asset's recoverable amount. The recoverable amount is the higher of the fair value less cost to sell and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a

discount rate that reflects current market conditions of the time value of money and the risk specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. Other than for goodwill, a previously recognized impairment loss is reversed if there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of financial performance. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.6 Inventories

Stock of publications and souvenirs held for sale is stated at lower of cost and net realizable value in accordance with IPSAS 12. Cost is determined on first-in-first-out basis. Cost incurred in producing members' journals is expensed in the year the journals are transferred to members (IPSAS 48). Net realizable value represents estimated selling price less expenses incidental to make the sale. Inventory received as gifts are classified as those acquired through non-exchange transactions and measured at their fair value at the date of acquisition.

2.7 Accounts Receivable

Accounts receivable are recognized initially at fair value. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. An allowance for impairment of accounts receivable is established when there is

objective evidence that the Institute will not be able to collect all amounts due according to the original terms of the receivables.

As part of the 60th anniversary celebrations, council issued a waiver on all outstanding membership receivables through 2021. This gesture was to bring on board all members who have been inactive as a result of their inability to pay the accumulated outstanding subscriptions.

2.8 Cash and Cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents comprise cash on hand, balances with banks and other short-term highly liquid investments with original maturities of six months or less.

2.9 Accounts Payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.10 Provisions

Provisions are recognized when the Institute has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.11 Employee benefits obligations

The Institute has a defined contribution plan for its employees in respect of which the Institute pays contributions to publicly and privately administered pension insurance plans on a mandatory or contractual basis.

The contributions are recognized as employee benefit expense as the related service is provided. Under the plan the Institute pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods as required by IPSAS 39.

2.12 Revenue recognition

Members and Students fees and subscriptions are accounted for as income in the period to which they relate. Subscriptions and fees received in advance represent amounts paid to the Institute in the current year that relate to the annual subscriptions and fees for the ensuing periods, and are deferred and recognized as income, in the period to which they relate.

Fees from examinations and exemptions are recorded as income in the period in which a student registers for the examination or applies for the exemption.

Members' and students' subscriptions are accounted for under IPSAS 23 which is a non-exchange transaction whereas other revenue streams are recognized under IPSAS 9 due to their exchange nature.

2.13 Taxation

The Institute is not a taxable entity. No provision is therefore made in the financial statements.

2.14 Leases

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. IPSAS 13 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents lease transactions.

2.15 Financial Assets

The Institute's policy of recognising financial assets is in conformity with IPSASs 28, 29, 30 and 41 as follows:

2.15.1 Classification

The Institute classifies its financial assets in the following measurement categories:

- Those to be measured (fair value through surplus or deficit), and
- Those to be measured at amortized cost.

The classification depends on the Institute's business model for managing the financial assets and the contractual terms of the cash flows.

The Institute classifies its financial assets at amortized cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal (for non-interest bearing financial assets) or solely payment of principal and interest (for interest bearing financial assets).

For assets measured at fair value through surplus or deficit, gains and losses are recorded in statement of financial performance.

2.15.2 Recognition and Derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Institute commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Institute has transferred substantially all the risks and rewards of ownership.

2.15.3 Measurement

At initial recognition, the Institute measures its financial assets at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent measurements depend on the Institute's business model in managing the asset and the cash flow characteristics of the asset. Currently, the Institute's financial assets are classified in the measurement category of financial assets at amortized cost.

2.15.4 Financial assets at amortized cost

Financial assets at amortized cost are those assets which are held only for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any impairment losses are charged to the statement of financial performance. Receivables and cash and bank balances are classified as financial assets at amortized cost.

2.15.5 Impairment

The Institute assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. The carrying amount of the asset is reduced and the amount of the loss is recognized in the Statement of financial performance. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed and the amount of the reversal is recognized in the statement of financial performance.

2.15.6 Derecognition

The Institute derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when: the rights to receive cash flows from the asset have expired or is waived or the Institute has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the Institute has transferred substantially all the risks and rewards of the asset; or (b) the Institute has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.16 Financial liabilities

2.16.1 Initial recognition and measurement

All financial liabilities are recognized initially at fair value. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method.

2.16.2 De-recognition

A financial liability is derecognized, when and only when, it is extinguished. This is when the obligation under the liability is discharged, waived, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in statement of financial performance.

2.17 Building Fund

Building fund is in respect of amounts contributed by members of the Institute to support the construction of an auditorium. Contributions to the building

fund are recognized separately in reserves. Interest earned from investing members' contributions is included in Statement of Financial Performance and subsequently reclassified to the fund balance in the Statement of Financial Position.

3. FINANCIAL RISK MANAGEMENT

3.1 Liquidity Risk Management

The Institute evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Council of the Institute devises strategies to manage liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available through an adequate amount of committed credit facilities.

Cash of the Institute is placed in interest bearing accounts to provide sufficient funding to meet its operating expenditure. At the reporting date cash and cash equivalents amounted to **GH¢33.5m** (2023: GH¢56.7m). This is expected to readily generate cash inflows for managing liquidity risk. Due to the Government of Ghana Domestic Debt Exchange Programme (GDDEP), there has been the need to consider impairment of the Institute's medium to long-term GOG bonds **(Details in Note 12)**.

3.2 Credit Risk

Credit risk arises from cash and cash equivalents as well as credit exposures to members and students, including outstanding receivables and committed transactions. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Institute.

Credit risk is managed by the Finance and Administration Committee. The Institute does not have any significant concentration of credit risk. The Finance and Administration

Committee exercises strict credit control through monitoring of cash received from counterparties and, when necessary, provision is made for specific doubtful accounts.

As part of the 60th anniversary celebrations in 2023, council issued a waiver on all outstanding membership receivables through 2021. This gesture was to bring on board all members who have been inactive as a result of their inability to pay the accumulated outstanding subscriptions.

Members above age 65years are exempted from payment of annual subscription. About 1,619 members were above age 65years as at December 31, 2024. The Institute has enhanced its business development efforts to grow its membership base to safeguard against the risks posed by the growing members above the age 65.

3.3 Fair value of financial instruments

Management considers that the carrying amount of all financial assets and financial liabilities in the financial statements approximate their fair values as the impact of discounting is considered not significant. Fair value, which is determined for disclosure purposes is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest at the statement of financial position date.

3.4 Capital Risk Management

The Institute's objective when managing capital is to safeguard the Institute's ability to continue as a going concern in order to carry out its mandate as enshrined in the Institute of Chartered Accountants, Ghana Act 2020, (Act 1058). The capital structure of the Institute consists of the members' fund. In order to maintain or adjust the capital structure, the Institute from time to time reviews the subscription payable by members and students and may request members to pay special levies as appropriate.

The planned construction of the Institute's Auditorium project will lead to about GH¢70m cash outflow from the members' fund in the ensuing year. Management will therefore put in extra effort in revenue mobilization and efficient cost management in order to stay afloat.

NEW STANDARDS AND AMENDMENTS

IPSAS 45, Property, Plant and Equipment

IPSAS 45, Property, Plant and Equipment was approved by the International Public Sector Accounting Standards Board (IPSASB) in December 2022 and issued in May 2023. The standard replaces IPSAS 17, Property, Plant and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognized and measured. This standard is effective for financial statements beginning on or after 1 January 2025. This has not been applied by the Institute in preparing its financial statements for the year ended 31 December 2024.

IPSAS 46, Measurement

IPSAS 46, Measurement was approved by the International Public Sector Accounting Standards Board (IPSASB) in March 2023 and issued in May 2023. The standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. This standard is effective for financial statements beginning on or after 1 January 2025 and have not been applied by the Institute in preparing its financial statements for the year ended 31 December 2024.

IPSAS 43, Leases

IPSAS 43, 'Leases' was issued by the International Public Sector Accounting Standards Board (IPSASB) in January 2022. The risks and reward incidental to ownership model in IPSAS 13 required lessees and

lessors to classify leases as either finance leases or operating leases.

Operating leases did not require leases to recognize asset and liabilities, while finance leases did. For lessees, IPSAS 43 introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, Leases and for lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13. IPSAS 43 enhances the accounting for leases by lessees because the standard no longer requires the classification of leases as either finance leases or operating leases. The standard requires the recognition of assets and liabilities related to the rights and obligations created by leases. This standard is effective for financial statements beginning on or after 1 January 2025. Early adoption is permitted. This has not been applied by the Institute in preparing its financial statements for the year ended 31 December 2024.

IPSAS 47, Revenue

IPSAS 47, Revenue was approved by the International Public Sector Accounting Standards Board (IPSASB) in March 2023 and issued in May 2023. The standard replaces IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23,

Revenue from Non-Exchange Transactions (Taxes and Transfers). IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. The standard includes a comprehensive guidance for an entity to determine which accounting model to apply. This standard is effective for financial statements beginning on or after 1 January 2026 and have not been applied by the Institute in preparing its financial statements for the year ended 31 December 2024.

IPSAS 48, Transfer Expenses

IPSAS 48, Transfer Expenses was approved by the International Public Sector Accounting Standards Board (IPSASB) in March 2023

and issued in May 2023. A transfer expense is an expense arising from a transaction, other than taxes, in which an entity provides a good, service, or other asset to another entity, without directly receiving any good, service, or other asset in return. IPSAS 48 presents two accounting models based on

the existence of a binding arrangement. This standard is effective for financial statements beginning on or after 01 January 2026 and have not been applied by the Institute in preparing its financial statements for the year ended 31 December 2024.

4. REVENUE

	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000

4.1 Members Subscription and Fees

Subscription	10,916	8,900	10,183
Fees from Practising Firms	6,555	5,240	4,750
Entrance Fees	1,197	1,346	649
Practice Licence	579	760	519
	19,247	16,246	16,101

4.2 Student Subscription and Fees

Registration	975	992	714
Subscriptions	4,386	4,567	3,438
Exemptions	9,757	6,137	5,440
	15,118	11,696	9,592

5. OTHER OPERATING ACTIVITIES

	2024	2024-Budget	2023	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000

5.1 Examinations & Student Activities

	INCOME			EXPENDITURE		
Examinations	20,708	18,200	17,101	9,377	9,285	7,514
Manuals and Souvenirs	2,008	1,430	1,654	1,269	842	1,514
Student Activities	-	-	-	2,086	2,429	2,280
	22,716	19,630	18,755	12,732	12,556	11,308

5.2 Accountancy College

College Activities	1,222	1,547	1,250	1,096	1,372	936
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5.3 Continuing Professional Development

CPD Activities	1,452	1,790	699	735	546	182
Practice Orientation	356	640	275	30	109	33
Professional Diploma	1,268	1,555	1,938	980	1,080	695
	3,076	3,985	2,912	1,745	1,735	910

	2024	2024-Budget	2023	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
	INCOME			EXPENDITURE		
5.4 Members' Activities						
Accountants Week Conference	6,217	2,600	3,577	5,801	4,431	3,142
ABWA Expenses	-	-	-	1,172	1,181	283
PAFA Expenses	-	-	-	1,453	1,490	274
IFAC Expenses	-	-	-	447	714	204
WCOA Expenses	-	-	-	-	-	-
ACOA Expenses	-	-	-	-	-	630
Quality Assurance Expenses	-	-	-	243	375	7
Journal/Technical Expenses	-	-	-	1,334	1,140	327
Members' Costs	-	-	-	1,384	1,540	616
Anniversary Celebration	-	-	-	-	-	1,740
Subscription Affiliate	-	-	-	1,607	1,500	1,457
Academic Chair	-	-	-	-	300	-
Presidential Luncheon	-	1,050	1,082	-	915	895
Induction/Graduation	4,700	3,206	2,420	1,975	1,510	885
	10,917	6,856	7,079	15,416	15,096	10,460

	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000
5.5 Revenue from other exchange transactions			
Exchange Gains	49	-	78
Miscellaneous Income	456	83	82
Disposal of Asset	7	-	-
	512	83	160

6. COUNCIL AND COMMITTEE EXPENSES

Council Meeting Allowances	329	326	689
Council Committees' Meeting Allowances	894	647	631
Council Travel & Associated Cost	456	312	164
	1,679	1,285	1,484

7. EMPLOYMENT COSTS

Employee Benefits	19,304	18,037	16,389
Other Employment Costs	5,594	4,324	4,223
	24,898	22,361	20,612

8(A) GENERAL ADMINISTRATIVE EXPENSES

	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000
Bank Charges	97	100	34
Cleaning and Sanitation	312	341	293
Audit Expenses	4	6	6
Computer Accessories	49	133	148
Depreciation Expenses (Note 8b)	1,281	1,281	1,119
Donation	5	83	93
Electricity & Water	415	422	412
Fuel - Plant & Vehicles	135	139	66
Funeral Expenses	28	87	97
Insurance	255	291	291
Legal Expenses	6	10	257
Medical Cost-Retired Staff	31	34	38
Motor Vehicle Running Expenses	310	322	270
Newspaper & Periodicals	31	31	22
Postage & Courier	40	41	30
Printing & Stationery	121	122	125
Rent & Rates	443	500	379
Repairs and Maintenance-Equipment	228	78	87
Repairs & Maintenance - Buildings	235	321	543
Security Expenses	138	139	82
Staff Admin. Cost	579	572	477
Training/Development	815	835	103
Telecommunication Cost	994	1,362	458
Vehicles Tracking Cost	27	30	11
Adverts and Marketing	435	481	178
	7,014	7,761	5,619

8(B) ANALYSIS OF DEPRECIATION

Property, Plant & Equipment	1,034	980	818
Intangible assets:	381	301	301
Transfer to Study Manual Cost of Sales (Amortisation of Study materials development cost)	(134)	-	-
	247	301	301
Total Depreciation allocated to Gen. Admin. Expense	1,281	1,281	1,119

9. INTEREST INCOME

	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
Interest on Investments	10,795	1,003	12,257
Call Interest Income	621	27	282
Interest on staff loans	73	9	88
	11,489	1,039	12,627

10. PROPERTY, PLANT AND EQUIPMENT

2024	Leasehold Land and Buildings	Construction Work in Progress	Motor Vehicle	Equipment Furniture/ fittings	Library Books	Total
Cost	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1st January 2024	9,214	3,950	3,680	4,771	104	21,719
Additions	-	24,515	2,112	623	2	27,252
Disposal/Reversal	-	-	-	(52)	-	(52)
Balance at 31st December 2024	9,214	28,465	5,792	5,342	106	48,919
Depreciation						
Balance at 1st January 2024	2,175	-	2,776	4,209	97	9,257
Charge for the year	307	-	431	287	9	1,034
Disposal/Reversal	-	-	-	(52)	-	(52)
Balance at 31st December 2024	2,482	-	3,207	4,444	106	10,239
Net book value at 31st December 2024	6,732	28,465	2,585	898	-	38,680
2024-Budget						
Cost	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1st January 2024	9,214	3,950	3,680	4,771	104	21,719
Additions	-	42,550	2,500	1,320	5	46,375
Disposal/Reversal	-	-	-	-	-	-
Balance at 31st December 2024	9,214	46,500	6,180	6,091	109	68,094
Depreciation						
Balance at 1st January 2024	2,175	-	2,776	4,209	97	9,257
Charge for the year	330	-	289	250	8	877
Disposal/Reversal	-	-	-	-	-	-
Balance at 31st December 2024	2,505	-	3,065	4,459	105	10,134
Net book value at 31st December 2024	6,709	46,500	3,115	1,632	4	57,960

2023	Leasehold Land and Buildings	Construction Work in Progress	Motor Vehicle	Equipment Furniture/ fittings	Library Books	Total
Cost	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1st January 2023	9,088	2,704	2,863	4,350	104	19,109
Additions	126	1,246	817	421	-	2,610
Disposal/(Reversal)	-	-	-	-	-	-
Balance at 31st December 2023	9,214	3,950	3,680	4,771	104	21,719
Depreciation						
Balance at 1st January 2023	1,870	-	2,509	3,978	82	8,439
Charge for the year	305	-	267	231	15	818
Disposals	-	-	-	-	-	-
Balance at 31st December 2023	2,175	-	2,776	4,209	97	9,257
Net book value at 31st December 2023	7,039	3,950	904	562	7	12,462

II. INTANGIBLE ASSETS

Cost	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
Balance at 1st January	3,589	3,589	3,410
Additions	828	1,000	179
Disposals/Reversals	-	-	-
Balance at 31st December	4,417	4,589	3,589
Amortisation			
Balance at 1 January	3,314	3,314	3,013
Charge for the period	381	323	301
Disposals/Reversals	-	-	-
Balance at 31st December	3,695	3,637	3,314
Net book value as at Period End	722	952	275

12(A) INVESTMENT IN LONG-TERM BONDS

GoG Bonds	8,050	4,000	7,898
Allowance for Impairment	(1,467)	-	(1,467)
	6,583	4,000	6,431

12(B) IMPAIRMENT ON LONG TERM BONDS

Opening Balance	1,467	-	3,134
Charge/(Release) during the year	-	-	(1,667)
Closing Balance	1,467	-	1,467

Due to the Government of Ghana Domestic Debt Exchange Programme (DDEP), there was the need to consider impairment of the Institute's medium to long-term GOG bonds in 2022. Key considerations were given to the principal, rates, tenor and expected future cash flows. The anticipated losses from the risks associated with the DDEP have reduced significantly. The Institute received all its due coupons from the medium-long-term GOG bonds in 2024.

13. INVENTORIES

	2024 GH¢'000	2024-Budget GH¢'000	2023 GH¢'000
ICAG Souvenir items	584	841	701
Study Manuals	1,305	243	202
	1,889	1,084	903

14(A) ACCOUNT RECEIVABLE

Receivables from Non-Exchange Transactions:

Subscriptions and Fees Receivables	862	3,584	2,986
Building Levy Receivable	-	-	1,907
Levy- Written off	-	-	(1,907)
Additions/Reversals	-	-	-
Allowance for impairment	(359)	(297)	(297)
Net	503	3,287	2,689

Receivables from Exchange Transactions:

Staff Debtors	448	692	576
Sundry Receivables	82	-	-
	530	692	576
Total Accounts Receivables	1,033	3,979	3,265
Prepayments	24,257	457	381

Included in the 2024 prepayments is an amount of GHS23m paid towards the Auditorium project. This amount is secured with an advance mobilization bond.

14(B) IMPAIRMENT ALLOWANCE

Opening Balance	297	297	186
Charge during the year	62	-	111
Closing Balance	359	297	297

15. CASH AND CASH EQUIVALENTS

Cash and Bank balances	12,436	2,336	10,547
Short term investments	21,071	10,219	46,128
	33,507	12,555	56,675

16. SUBSCRIPTION/OTHER INCOME IN ADVANCE

Subscriptions paid in advance	1,529	2,011	1,828
	1,529	2,011	1,828

17. ACCOUNTS PAYABLE

Trade Creditors
Accrued Expenses
Statutory Expenses Payable

Total Accounts payables

2024	2024-Budget	2023
GH¢'000	GH¢'000	GH¢'000
7,343	2,363	1,969
1,508	989	936
966	1,123	824
9,817	4,475	3,729

18. ACCUMULATED FUND

Balance at 1st January
Surplus for the year
Transfer to Building & Welfare Fund

Balance at 31st December

64,845	64,845	48,112
19,655	(1,084)	18,703
(1,523)	-	(1,970)
82,977	63,761	64,845

19. BUILDING FUND

Balance at 1st January
Contributions during the year
Write-off
Investment Income

Balance at 31st December

9,656	9,656	9,097
633	550	521
-	-	(1,907)
1,472	-	1,945
11,761	10,206	9,656

20. MEMBERS' WELFARE FUND

Balance at 1st January
Contributions during the year
Investment Income

Balance at 31st December

334	334	117
202	200	192
51	-	25
587	534	334

21. CASH GENERATED FROM OPERATION

Net Surplus for the year
Interest Income
Depreciation - Property, Plant & Equipment
Depreciation - Intangibles
Profit on Disposal

19,655	(1,084)	18,703
(11,489)	(1,039)	(12,627)
1,034	810	818
381	323	301
(7)	-	-
9,574	(990)	7,195

Working Capital Movement
(Increase)/Decrease in Inventories
(Increase)/Decrease in Account Receivable
(Increase)/Decrease in Prepayments
Building Levy Write-Off (Special Waiver)
Increase in Accounts Payables
(Decrease)/Increase in Advance Receipts

(986)	(181)	604
2,232	(714)	950
(23,876)	(76)	(42)
-	-	(1,907)
6,088	746	1,759
(299)	183	126

Net Cash Inflow from Operating Activities

(16,841)	(42)	1,490
(7,267)	(1,032)	8,685

22. DISPOSAL OF ASSET

	2024	2024-Budget	2023
	GH¢'000	GH¢'000	GH¢'000
Cost of Asset	52	-	-
Less Accumulated Depreciation	(52)	-	-
Proceeds on Disposal	7	-	-
Profit on Disposal (Note 5.5)	7	-	-

23. CONTINGENT LIABILITY

There were contingent liabilities in respect of a pending legal suit against the Institute amounting to GH¢900,000 as at the reporting date (2023: GH¢900,000).

24. CAPITAL COMMITMENTS

There were capital commitments of about GH¢25,000,000 in relation to the Institute's Auditorium project. (2023: GH¢65,000,000)

25. EVENTS AFTER REPORTING DATE

There were no subsequent events after the reporting date (2023: Nil).