



INSTITUTE OF CHARTERED ACCOUNTANTS, GHANA

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

CONTENT

| | |
|---|--------------|
| Corporate Information | 2 |
| Report of the Council | 3 |
| Financial Highlights | 4 |
| Independent Auditor's Report | 5-6 |
| Statement of Financial Performance | 7 |
| Statement of Financial Position | 8 |
| Cash Flow Statement | 9 |
| Statement of Changes in Net Assets | 10 |
| Notes to the Financial Statements | 11-23 |

CORPORATE INFORMATION

MEMBERS OF THE COUNCIL

| | |
|-------------------------------------|--------------------------------------|
| Mr. Augustine Addo | President |
| Rev. Dr. Cynthia A. Sallah | Vice-President |
| Ms. Patience Mawushie Dzikunoo | Member |
| Professor Dr. Dr. Frank Yao Gbadago | Member |
| Mr. Thomas Kwesi Esso | Member |
| Dr. Frances Enyonam Sosoo | Member |
| Mrs. Belinda Dede Tandoh | Member |
| Nana Dr. David Annan-Bonny | Member |
| Mr. Inusah Shirazu | Member |
| Mr. Paul Kwasi Agyemang | Member / CEO (Retired on 26/11/2025) |
| Mr. Eric Oduro Osae | Member / CEO (Appointed on 5/1/2026) |

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

BACK Consult Chartered Accountants
59A Farrar Avenue, Adabraka
P. O. Box CT945, Cantonments
Accra Ghana

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 31 December 2025, showing Members' Fund of **GH¢121.6 million** (2024: GH¢95.3 million) made up as follows:

| | 2025 | 2024 |
|------------------------------------|----------------|---------------|
| | GH¢'000 | GH¢'000 |
| Balance as at 1st January | 95,325 | 74,835 |
| Surplus for the year | 25,460 | 19,655 |
| Building Levy Contributions | 547 | 633 |
| Members Welfare Contributions | 295 | 202 |
| Balance as at 31st December | 121,627 | 95,325 |

Results

The Statement of Financial Performance for the year ended 31 December 2025 is set out on page 7.

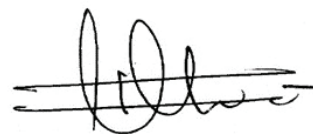
Activities of the Institute

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: 14th April, 2026



E. O. Osae, FCA
Chief Executive Officer

FINANCIAL HIGHLIGHTS

The financial year ended 31 December 2025 marks a period of significant capital transition and operational growth. While we have prioritized the completion of our flagship auditorium project, the Institute remains in a robust liquid position with a strengthening membership base.

1. Operational Performance & Surplus

- **Surplus Growth:** The Institute achieved a surplus from operations of **GH¢16.72 million**, a substantial **105% increase** over the 2024 surplus of GH¢8.17 million. This growth reflects a robust recovery in core operations and disciplined cost management.

The primary driver was a surge in **studentship enrolment (+30.6%)** and rise in **examinations income by +21.1%**, the single largest income contributor and consistent with increased student enrolment.

Membership activations increased across all categories of members, reflecting improved compliance. For the first time, members in good standing was expanded to include Associate and Student members. This move contributed positively to the rise in reactivations and renewals from these categories of members.

The year 2025 experienced a reduced turnout for major events, **-193** and **-169** for Accountants' Conference and Presidential Luncheon respectively, compared to budget. Notably, the cost of running the 2025 presidential luncheon far exceeded the income by about 34%. It is strategically important that events generate enough funds to at least break even. This is very necessary to mitigate the risk of using the limited funds for the on-going auditorium project for events.

The digitalization drive of the Institute has started to pay-off as the year under review reflects reducing per-member cost of service delivery. The Institute will continue to invest meaningfully in this very important department to ensure enhanced value to our stakeholders.

- **Yield Compression:** Interest income declined by **24%** to GH¢8.74 million. This was a strategic trade-off, as liquid funds were redirected from interest-bearing accounts toward the auditorium construction. This is a significant adverse movement and also reflect the declining yields on treasury bills and government securities, a market trend in Ghana post-DDEP.

- **Investment Mix:** Exposure to Government of Ghana (GOG) bonds was reduced to **GH¢5.57 million** from GH¢6.58 million. The Institute received all its due coupons in the year under review.

2. Capital Projects: The Auditorium

- **Execution:** Total investment in the auditorium project reached **GH¢66.2 million** by year-end.

- **Progress:** The project advanced from 25.02% to 87.00% completion. The Building Fund has been fully utilized to facilitate this progress.

- **Liquidity Buffer:** Despite the heavy capital expenditure, we maintain **GH¢33.1 million** in cash reserves, ensuring sufficient capacity to complete the remaining 13% and furnishing of the project.

3. Membership Dynamics

- **Growth Trends:** Total membership in good standing across all categories grew by 7%, with Student Members remaining our largest category at 11,872.

- **Demographic Risks:** There is a growing segment of members above age 60 (1,753 members), as this group typically transitions out of active service and may impact future subscription consistency. Notably, about 964 members are now aged 65+ and are exempt from annual subscriptions.

4. Strategic Outlook:

- ICAG's financial performance in 2025 is commendable. Revenue growth of 21.5% significantly outpaced expenditure growth of 11.0%, generating a record operating surplus of GH¢16.7m and net surplus of GH¢25.5m. The Institute is in a strong and sustainable financial position.

- **Cost Containment:** Given that event expenses are growing at more than double the rate of income (25% vs 10%), we will continue to explore further diversification of our revenue sources to mitigate the risk.

- Our focus for 2026 remains the finalization and furnishing of the auditorium project. While the conversion of cash into physical assets reduces short-term interest income, it significantly enhances the Institute's long-term balance sheet and operational independence.

Independent Auditor's Report To The Members of Institute of Chartered Accountants, Ghana

Opinion

We have audited the financial statements of Institute of Chartered Accountants, Ghana which comprise the Statement of Financial Position as of 31 December 2025, the statement of Financial Performance, Statement of Changes in Net Assets, Cash-Flow Statement for the year then ended, and the notes to the financial statements, set out on pages 7-23, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2025 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 our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of this report.

We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance

in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to communicate in our report.

Other Information

The Council is responsible for the other information. This Other Information comprises the President's Statement and reports of standing committees included in the 2025 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 from 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 to report in this regard.

Responsibilities of the Council for the financial statements

The Council is responsible for the preparation and fair presentation 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 such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 unless the Institute intends to cease operations.

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

Auditor's responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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; however it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicated 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 identify during our audit.

We also provided those charged with governance with 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.

The engagement partner on the audit resulting in this independent auditor's report is **Abed Narteh Botchway (ICAG/P/1064)**.

For and on behalf of



BACK Consult (ICAG/F/2026/315)
Chartered Accountants
59A Farrar Avenue, Adabraka
Accra, Ghana
Date: April 15, 2026

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2025

| | Notes | 2025 GH¢'000 | 2024 GH¢'000 |
|---|-------|-----------------|-----------------|
| Revenue from Exchange Transactions | | | |
| Members' Income | 4.1 | 18,496 | 17,392 |
| Students' Income | 4.2 | 19,746 | 15,118 |
| Examinations Income | 4.3 | 25,072 | 20,708 |
| Manuals and Souvenirs | 4.4 | 2,245 | 2,008 |
| Accountancy College | 4.5 | 1,164 | 1,222 |
| Training & Development | 5.1 | 3,574 | 3,076 |
| Events | 5.2 | 9,321 | 6,217 |
| Technical & Quality Assurance | 5.3 | 8,271 | 6,900 |
| Revenue from other exchange transactions | 5.4 | 583 | 167 |
| Total Revenue | | 88,472 | 72,808 |
| EXPENSES | | | |
| Members' Costs | 5.5 | 3,596 | 4,077 |
| Students' Costs | 4.2 | 1,761 | 2,086 |
| Examinations Costs | 4.3 | 11,432 | 9,377 |
| Manuals and Souvenirs | 4.4 | 2,013 | 1,269 |
| Accountancy College Costs | 4.5 | 950 | 1,096 |
| Training & Development | 5.1 | 1,797 | 1,745 |
| Events | 5.2 | 8,491 | 6,690 |
| Technical & Quality Assurance | 5.3 | 1,205 | 1,577 |
| Professional Body Activities | 5.6 | 2,250 | 3,072 |
| Council and Committee Meetings | 6 | 2,698 | 1,679 |
| Employment Cost | 7 | 27,054 | 24,898 |
| General Administrative Expenses | 8(a) | 8,578 | 7,014 |
| Finance Costs | 9b | 50 | - |
| Impairment (Release)/Charges | 14(b) | (125) | 62 |
| Total Expenses | | 71,750 | 64,642 |
| Surplus from Operations | | 16,722 | 8,166 |
| Interest Income | 9a | 8,512 | 11,489 |
| Release of Impairment | 12(b) | 226 | - |
| Non-Operational Income | | 8,738 | 11,489 |
| Surplus for the year | | 25,460 | 19,655 |

STATEMENT OF FINANCIAL POSITION

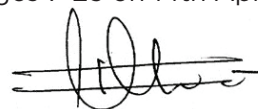
AS AT 31 DECEMBER 2025

| | Notes | 2025 GH¢'000 | 2024 GH¢'000 |
|---|-------|-----------------|-----------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 10a | 80,622 | 38,680 |
| Right of Use (RoU) Assets | 10b | 347 | - |
| Intangible Assets | 11 | 374 | 722 |
| Investments | 12(a) | 5,569 | 6,583 |
| Total Non-Current Assets | | 86,912 | 45,985 |
| Current Assets | | | |
| Inventories | 13 | 2,947 | 1,889 |
| Accounts Receivable from Exchange Transactions | 14(a) | 1,203 | 530 |
| Accounts Receivable from Non-Exchange Transactions | 14(a) | 312 | 503 |
| Prepayments | 14(a) | 1,857 | 24,257 |
| Cash & Cash Equivalents | 15 | 33,103 | 33,507 |
| Total Current Assets | | 39,422 | 60,686 |
| TOTAL ASSETS | | 126,334 | 106,671 |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Lease Liability | 18 | 305 | - |
| Current Liabilities | | | |
| Advance Subscription from Non-Exchange Transactions | 16 | 918 | 1,529 |
| Accounts Payable | 17 | 3,378 | 9,817 |
| Lease Liability | 18 | 106 | - |
| Total Current Liabilities | | 4,402 | 11,346 |
| TOTAL LIABILITIES | | 4,707 | 11,346 |
| NET ASSETS | | 121,627 | 95,325 |
| MEMBERS' FUND | | | |
| Accumulated Fund | 19 | 120,745 | 82,977 |
| Building Fund | 20 | - | 11,761 |
| Members' Welfare Fund | 21 | 882 | 587 |
| TOTAL MEMBERS' FUND | | 121,627 | 95,325 |

The Council approved the 2025 Financial Statements set out on pages 7-23 on 14th April, 2026.



Mr. Augustine Addo
President
Date: 14th April, 2026



E. O. Osae, FCA
Chief Executive Officer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

| | Notes | 2025 GH¢'000 | 2024 GH¢'000 |
|---|-------|-----------------|-----------------|
| Operating Activities | | | |
| Cash generated from Operations | 22 | 40,849 | 4,222 |
| Net cash inflow from Operating Activities | | 40,849 | 4,222 |
| Investing Activities | | | |
| Purchase of Property and Equipment | 10a | (43,666) | (27,252) |
| Investments in Government bonds | 12(a) | - | (152) |
| Liquidation of Government bonds | 12(a) | 1,014 | - |
| Purchase of Intangible Assets | 11 | (35) | (828) |
| Proceeds from disposal | 23 | 550 | 7 |
| Net cash flow used in Investing Activities | | (42,137) | (28,225) |
| Financing Activities | | | |
| Members' Contributions to Building Fund | 20 | 547 | 633 |
| Members' Contributions to Welfare Fund | 21 | 295 | 202 |
| Movement in Lease Liability | 18 | 42 | - |
| Net cash generated from Financing Activities | | 884 | 835 |
| Decrease in Cash and Cash equivalents | | (404) | (23,168) |
| Movement in cash and cash equivalents | | | |
| At the start of the year | | 33,507 | 56,675 |
| Decrease | | (404) | (23,168) |
| At the end of the year | 15 | 33,103 | 33,507 |

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 DECEMBER 2025

| 2025 | Accumulated Fund | Building Fund | Members' Welfare Fund | Total |
|--------------------------------------|---------------------|------------------|--------------------------|----------------|
| | GH¢'000 | GH¢'000 | GH¢'000 | GH¢'000 |
| Balance at 1 January | 82,977 | 11,761 | 587 | 95,325 |
| Surplus for the year | 25,460 | - | - | 25,460 |
| Contributions during the year | - | 547 | 241 | 788 |
| Transfers | 12,308 | (12,308) | 54 | 54 |
| Balance at 31 December | 120,745 | - | 882 | 121,627 |

| 2024 | Accumulated Fund | Building Fund | Members' Welfare Fund | Total |
|-------------------------------------|---------------------|------------------|--------------------------|---------------|
| | GH¢'000 | GH¢'000 | GH¢'000 | GH¢'000 |
| Balance at 1 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 31 December | 82,977 | 11,761 | 587 | 95,325 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 Institute is located at Accountancy House, Trinity Road, Okponglo, East Legon, Accra. The Ghana Post GPS address is 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 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 requires 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 the 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 ongoing 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 45. 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 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 based on 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 in exchange for consideration. IPSAS 43 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.

The Institute has recognised an asset (Right of Use of the leased item) and a financial liability (Lease Liability) to pay rentals for all leases, under the single accounting model in line with IPSAS 43 except for short-term leases and low value leases expensed in the statement of comprehensive income.

The Right-of-Use (RoU) asset is measured at cost less accumulated depreciation and accumulated impairment. Right-of-Use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over lease period on straight-line basis over the lease period.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. If the rate cannot be readily determined, the Institute uses the incremental borrowing rate.

The total expenditure for lease recognised under IPSAS 43 is higher in the earlier years of a lease and lower in the later years. Additionally, operating expenditure has been replaced with interest expense (finance cost) and depreciation.

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¢33.1m** (2024: GH¢33.5m). 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.

Members above age 65years are exempted from payment of annual subscription. About 1,753 members were age 60years and above as at December 31 2025. The Institute keeps enhancing its business development efforts to grow its membership base to safeguard against the risks posed by the growing members above the age 60.

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.

| | INCOME | | EXPENDITURE | |
|---|----------------|----------------|---------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| | GH¢'000 | GH¢'000 | GH¢'000 | GH¢'000 |
| 4.3 Examinations | | | | |
| Examinations | 25,072 | 20,708 | 11,432 | 9,377 |
| 4.4 Manuals and Souvenirs | | | | |
| Manuals and Souvenirs | 2,245 | 2,008 | 2,013 | 1,269 |
| 4.5 Accountancy College | | | | |
| College Activities | 1,164 | 1,222 | 950 | 1,096 |
| 5.1 Training & Development | | | | |
| CPD Activities | 1,182 | 1,452 | 425 | 735 |
| Practice Orientation | 453 | 356 | 166 | 30 |
| Professional Diploma | 1,939 | 1,268 | 1,206 | 980 |
| | 3,574 | 3,076 | 1,797 | 1,745 |
| 5.2 Events | | | | |
| Accountants Week Conference | 8,475 | 6,217 | 7,170 | 6,384 |
| Presidential Luncheon | 846 | - | 1,137 | - |
| Carol Service Expenses | - | - | 184 | 306 |
| | 9,321 | 6,217 | 8,491 | 6,690 |
| 5.3 Technical and Quality Assurance | | | | |
| Quality Assurance Expenses | - | - | 219 | 243 |
| Fines & Penalties | 289 | 345 | - | - |
| Journal/Technical Expenses | - | - | 986 | 1,334 |
| Fees from Practising Firms | 7,982 | 6,555 | - | - |
| | 8,271 | 6,900 | 1,205 | 1,577 |
| 5.4 Revenue from other exchange transactions | 2025 | 2024 | | |
| | GH¢'000 | GH¢'000 | | |
| Exchange (Loss)/Gains | (103) | 49 | | |
| Miscellaneous Income | 136 | 111 | | |
| Disposal of Asset | 550 | 7 | | |
| | 583 | 167 | | |
| 5.5 Members' Costs | | | | |
| Members' Souvenirs | 166 | 125 | | |
| Members' Insurance | 308 | 279 | | |
| Members Other Expenses | - | 91 | | |
| Induction/Graduation | 1,319 | 1,975 | | |
| Subscription Affiliate | 1,803 | 1,607 | | |
| | 3,596 | 4,077 | | |
| 5.6 Professional Body Activities | | | | |
| ABWA Expenses | 423 | 1,172 | | |
| PAFA Expenses | 638 | 1,453 | | |
| IFAC Expenses | 247 | 447 | | |
| ACOA Expenses | 942 | - | | |
| | 2,250 | 3,072 | | |

| | 2025 | 2024 |
|--|----------------|----------------|
| | GH¢'000 | GH¢'000 |
| 6 Council and Committee Expenses | | |
| Council Meeting Allowances | 1,099 | 329 |
| Council Committees' Meeting Allowances | 1,245 | 894 |
| Council Travel & Associated Cost | 354 | 456 |
| | 2,698 | 1,679 |
| 7 Employment Costs | | |
| Employee Benefits | 21,261 | 19,304 |
| Other Employment Costs | 5,793 | 5,594 |
| | 27,054 | 24,898 |
| 8(a) General Administrative Expenses | | |
| Bank Charges | 64 | 97 |
| Cleaning and Sanitation | 368 | 312 |
| Audit Expenses | 150 | 4 |
| Computer Accessories | 533 | 49 |
| Depreciation Expenses (Note 8b) | 1,824 | 1,281 |
| Donation | 18 | 5 |
| Electricity & Water | 428 | 415 |
| Fuel - Plant & Vehicles | 13 | 135 |
| Insurance | 357 | 255 |
| Legal Expenses | 152 | 6 |
| Medical Cost-Retired Staff | 22 | 31 |
| Motor Vehicle Running Expenses | 450 | 337 |
| Newspaper & Periodicals | 35 | 31 |
| Postage & Courier | 22 | 40 |
| Printing & Stationery | 176 | 121 |
| Rent & Rates | 590 | 443 |
| Repairs and Maintenance-Equipment | 235 | 228 |
| Repairs & Maintenance - Buildings | 165 | 235 |
| Security Expenses | 157 | 138 |
| Staff Admin. Cost | 635 | 607 |
| Training/Development | 1,002 | 815 |
| Telecommunication Cost | 818 | 994 |
| Adverts and Marketing | 364 | 435 |
| | 8,578 | 7,014 |
| 8(b) Analysis Of Depreciation | | |
| Property, Plant & Equipment | 1,695 | 1,034 |
| Right of Use (RoU) Asset | 22 | - |
| | 1,717 | 1,034 |
| Intangible assets | 383 | 381 |
| Transfer to Study Manual Cost of Sales (Amortisation of Study materials development cost) | (276) | (134) |
| | 107 | 247 |
| Total Depreciation allocated to Gen. Admin. Expense | 1,824 | 1,281 |

| | 2025 | 2024 |
|---|--------------|---------|
| | GH¢'000 | GH¢'000 |
| 9a Interest Income | | |
| Interest on Investments | 7,693 | 10,795 |
| Interest on Call Accounts | 717 | 621 |
| Interest on Staff Loans | 102 | 73 |
| | 8,512 | 11,489 |
| 9b Finance Costs - Lease Liability | | |
| Finance Cost | 50 | - |

This relates to interest expense resulting from the application of IPSAS 43.

10a Property, Plant And Equipment

| 2025 | 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 1 January 2025 | 9,214 | 28,465 | 5,792 | 5,342 | 106 | 48,919 |
| Additions/Reversal | 2,105 | 37,757 | 2,549 | 1,255 | - | 43,666 |
| Disposal | - | - | (985) | - | - | (985) |
| Balance at 31 December 2025 | 11,319 | 66,222 | 7,356 | 6,597 | 106 | 91,600 |
| Depreciation | | | | | | |
| Balance at 1 January 2025 | 2,482 | - | 3,207 | 4,444 | 106 | 10,239 |
| Charge for the year | 307 | - | 905 | 483 | - | 1,695 |
| Disposal/Reversal | - | - | (956) | - | - | (956) |
| Balance at 31 December 2025 | 2,789 | - | 3,156 | 4,927 | 106 | 10,978 |
| Net book value at 31 December 2025 | 8,530 | 66,222 | 4,200 | 1,670 | - | 80,622 |
| 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 1 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 31 December 2024 | 9,214 | 28,465 | 5,792 | 5,342 | 106 | 48,919 |
| Depreciation | | | | | | |
| Balance at 1 January 2024 | 2,175 | - | 2,776 | 4,209 | 97 | 9,257 |
| Charge for the year | 307 | - | 431 | 287 | 9 | 1,034 |
| Disposals | - | - | - | (52) | - | (52) |
| Balance at 31 December 2024 | 2,482 | - | 3,207 | 4,444 | 106 | 10,239 |
| Net book value as at 31 December 2024 | 6,732 | 28,465 | 2,585 | 898 | - | 38,680 |

| 10b Right of Use (RoU) Assets | 2025 | 2024 |
|--------------------------------------|----------------|----------------|
| | GH¢'000 | GH¢'000 |
| Leasehold Land | | |
| Balance at 1 January | 369 | - |
| Addition | - | - |
| Balance at 31 December | 369 | - |
| Depreciation | | |
| Balance at 1 January | - | - |
| Charge for the year | 22 | - |
| Balance at 31 December | 22 | - |
| Net book value | 347 | - |

| 11 Intangible Assets | | |
|-------------------------------|--------------|-------|
| Cost | | |
| Balance at 1 January | 4,417 | 3,589 |
| Additions | 35 | 828 |
| Balance at 31 December | 4,452 | 4,417 |
| Amortisation | | |
| Balance at 1 January | 3,695 | 3,314 |
| Charge for the period | 383 | 381 |
| Balance at 31 December | 4,078 | 3,695 |
| Net book value | 374 | 722 |

| 12(a) Investment in Long-term Bonds | | |
|--|----------------|---------|
| GoG Bonds | 6,810 | 8,050 |
| Allowance for Impairment | (1,241) | (1,467) |
| | 5,569 | 6,583 |

| 12(b) Impairment on Long term Bonds | | |
|--|--------------|-------|
| Opening Balance | 1,467 | 1,467 |
| Release during the year | (226) | - |
| Closing Balance | 1,241 | 1,467 |

The anticipated losses from the risks associated with the DDEP have reduced significantly. The Institute received all due coupons from the medium to long-term GOG bonds in 2025. Consequently, the impairment allowance made in 2024 has been partially reversed.

| 13 Inventories | | |
|-----------------------|--------------|-------|
| ICAG Souvenir items | 1,263 | 584 |
| Study Manuals | 1,684 | 1,305 |
| | 2,947 | 1,889 |

| | 2025 | 2024 |
|---|---------------|---------------|
| | GH¢'000 | GH¢'000 |
| 14 (a) Account Receivable | | |
| Receivables from Non-Exchange Transactions: | | |
| Subscriptions and Fees Receivables | 546 | 862 |
| Allowance for impairment | (234) | (359) |
| Net | 312 | 503 |
| Receivables from Exchange Transactions: | | |
| Staff Debtors | 1,202 | 448 |
| Sundry Receivables | 1 | 82 |
| | 1,203 | 530 |
| Total Accounts Receivables | 1,515 | 1,033 |
| Prepayments | 1,857 | 24,257 |
| <p>Included in the 2025 prepayments is an amount of GH¢1.1 million paid towards 2026 IFAC & PAFA subscriptions. The comparative figure includes GH¢23 million that has been utilised in the current period on the auditorium project.</p> | | |
| 14(b) Impairment Allowance | | |
| Opening Balance | 359 | 297 |
| (Release)/Charge during the year | (125) | 62 |
| Closing Balance | 234 | 359 |
| 15 Cash and Cash Equivalents | | |
| Cash and Bank balances | 3,525 | 12,436 |
| Short term investments | 29,578 | 21,071 |
| | 33,103 | 33,507 |
| 16 Subscription/Other Income in Advance | | |
| Subscriptions paid in advance | 918 | 1,529 |
| | 918 | 1,529 |
| 17 Accounts payable | | |
| Trade Creditors | 1,640 | 7,343 |
| Accrued Expenses | 1,554 | 1,508 |
| Statutory Expenses Payable | 106 | 966 |
| Provisions | 78 | - |
| Total Accounts payables | 3,378 | 9,817 |
| 18 Lease Liability | | |
| Balance at 1 January | 369 | - |
| Finance Cost | 50 | - |
| Payment in the Year | (8) | - |
| Balance at 31 December | 411 | - |

| | 2025 | 2024 |
|---|-----------------|----------|
| | GH¢'000 | GH¢'000 |
| Lease Liability | | |
| Payable within 1 year | 106 | - |
| Payable after 1 year | 305 | - |
| | 411 | - |
| 19 Accumulated Fund | | |
| Balance at 1 January | 82,977 | 64,845 |
| Surplus for the year | 25,460 | 19,655 |
| Transfer from/(to) Building Fund | 12,308 | (1,523) |
| Balance at 31 December | 120,745 | 82,977 |
| 20 Building Fund | | |
| Balance at 1 January | 11,761 | 9,656 |
| Contributions during the year | 547 | 633 |
| Investment Income | - | 1,472 |
| Transfer to Accumulated Fund | (12,308) | - |
| Balance at 31 December | - | 11,761 |
| The balance in the members' building fund has been utilized for the construction of the auditorium project. | | |
| 21 Members' Welfare Fund | | |
| Balance at 1 January | 587 | 334 |
| Contributions during the year | 241 | 202 |
| Investment Income | 54 | 51 |
| Balance at 31 December | 882 | 587 |
| 22 Cash Generated from Operation | | |
| Net Surplus for the year | 25,460 | 19,655 |
| Depreciation - Property, Plant & Equipment | 1,695 | 1,034 |
| Depreciation - Right of Use (RoU) Asset | 22 | - |
| Depreciation - Intangibles | 383 | 381 |
| Profit on Disposal | (521) | (7) |
| | 27,039 | 21,063 |
| Working Capital Movement | | |
| Increase in Inventories | (1,058) | (986) |
| (Increase)/Decrease in Account Receivable | (482) | 2,232 |
| Decrease/(Increase) in Prepayments | 22,400 | (23,876) |
| (Decrease)/Increase in Accounts Payables | (6,439) | 6,088 |
| Decrease in Advance Receipts | (611) | (299) |
| | 13,810 | (16,841) |
| Net Cash Inflow from Operating Activities | 40,849 | 4,222 |

| | 2025 | 2024 |
|-------------------------------|----------------|----------|
| | GH¢'000 | GH¢'000 |
| 23 Disposal of Asset | | |
| Cost of Asset | 985 | 52 |
| Less Accumulated Depreciation | (956) | -52 |
| Proceeds on Disposal | 550 | 7 |
| Profit on Disposal | 521 | 7 |

24 Contingencies

There were no contingent liabilities as at the reporting date (2024: Nil)

25 Capital Commitment

There were no capital commitments as at the reporting date. (2024: GH¢25million)

26 Prior Year Financial Statements

The prior year financial statements of Institute of Chartered Accountants, Ghana were audited by the Auditor General of Ghana, who issued an unqualified opinion on those financial statements dated 29 May 2025.