



**CELL INSURANCE COMPANY  
(PRIVATE) LIMITED**

# **Consolidated Annual Report for the Year Ended 31 December, 2023**



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These consolidated inflation adjusted financial statements are expressed in Zimbabwe Dollars (ZWL).

# CORPORATE INFORMATION

Cell Insurance (Private) Limited (“the Company”) and its subsidiaries (together “the Group”), concentrate on the provision of short-term insurance business for both corporates and individuals through Alternative Risk Transfer, Conventional Insurance Solutions as well as Enterprise-Wide Risk Management Solutions and pharmaceutical and medical services.

The Company is incorporated and domiciled in Zimbabwe.

## DIRECTORS



**D. Birch**  
Non-Executive Chairman



**F. Makoni**  
Non-Executive Director



**I. Makuzwa**  
Group Chief Executive Officer



**E. T. Chikwenhere**  
Non-Executive Director



**V. S. Ramlochun**  
Non-Executive Director



**N. S. Mutamuko**  
Non-Executive Director



**B. W. Kahari**  
Non-Executive Director



**M. Mutsau**  
Principal Officer (Ex Officio)

## GROUP SECRETARY



**Y Gumbo**

## PUBLIC OFFICER

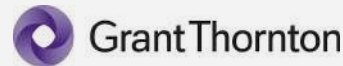


**B Mutaurwa**



**Registered office**  
Finsure House  
86 Kwame Nkrumah Avenue  
Harare

### Auditors



Grant Thornton  
Chartered Accountants (Zimbabwe)  
Registered Public Auditors, Camelsa  
Business Park , 135 Enterprise Road,  
Highlands

### Main Bankers



### Lawyers



Mbidzo Muchadehama and Makoni  
Legal Practitioners, 34 Wyvern Avenue  
Belvedere North, Harare



Danziger and Partners Legal Practitioners  
Finsure House, 3rd Floor, Corner Sam  
Nujoma/Kwane Nkrumah Avenue, Harare

# Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements for the year ended 31 December 2023


It is the Directors' responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the Group. The external auditors are responsible for independently reviewing and reporting on the consolidated financial statements.

The Directors have assessed the ability of the Group to continue as a going concern and believe that the preparation of these consolidated financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Group to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these consolidated financial statements.

The consolidated financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

The Group's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the consolidated financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures and all employees are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Directors have been addressed and the Directors confirm that the system of accounting and internal control is operating in a satisfactory manner.

The Group's consolidated financial statements which are set out on pages 10 to 84 were, in accordance with their responsibilities, approved by the Board of Directors on the [\(Date comes here\)](#) 2024 and are signed on its behalf by:



**F. Makoni**  
(Vice-Chairman)



**I. Makuzwa**  
(Group Chief Executive Officer)



**Y. Gumbo**  
(Group Secretary)

These financial statements were prepared under the supervision of:

B. Mutaurya  
Group Finance Executive  
Registered Public Accountant (PAAB No. 04932)

# INDEPENDENT AUDITOR'S REPORT

To the members of Cell Insurance Company (Private) Limited

## Report on the Audit of the Consolidated Inflation Adjusted Financial Statements

### Qualified Opinion

We have audited the inflation adjusted consolidated financial statements of Cell Insurance Company (Private) Limited "the Group" set out on pages 10 to 84, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant group accounting policies.

In our opinion, except for the matters described in the Basis for Qualified Opinion section of our report, the inflation adjusted consolidated financial statements present fairly, in all material respects, the consolidated financial position of Cell Insurance Company (Private) Limited as at 31 December 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Qualified Opinion

#### **Non-compliance with International Financial Reporting Standard (IFRS) 13 - Fair Value Measurement on the property and equipment.**

The determination of fair values for assets presented in the consolidated inflation adjusted financial statements is affected by the prevailing economic environment. These consolidated financial statements include property and equipment that are carried at fair value in accordance with IFRS 13, "Fair value measurement". The valuation of the and property and equipment was performed by professional valuers. The property valuations were denominated in USD and then translated to ZWL using the interbank foreign exchange rate of the Reserve Bank of Zimbabwe as at 31 December 2023 plus 10%.

Although the determined USD values reflect the fair value of the property and equipment in USD, the converted ZWL fair values were not in compliance with IFRS 13 as they may not reflect the assumptions that market participants would apply in valuing similar items of property and equipment in ZWL. This is because the application of the interbank foreign exchange rate in converting the valuation fair values from USD to ZWL may not reflect the price that would be received in an orderly transaction between market participants, assuming the market participants act in their economic best interest.

#### **Valuation and accuracy of inventory and cost of sales of Nectacare (Private) Limited, a subsidiary of Cell Insurance Company (Private) Limited**

Included in the consolidated financial statements is inventory amounting to ZWL 621 032 879. As at 31 December 2023, the Group maintained its inventory valuation report in USD. The value of inventory in USD as at 31 December 2023 was then translated to ZWL using the interbank exchange rate of the Reserve Bank of Zimbabwe as of the last day of receipt of inventory. This constitutes a departure from International Accounting Standard (IAS) 21 - The Effects of Changes in Foreign Exchange Rates, which requires foreign currency transactions to be translated to functional currency using the spot exchange at the date of the transaction. We were not able to obtain reasonable assurance through alternative procedures regarding the valuation of inventory and consequently the accuracy of cost of sales. Accordingly, we were unable to quantify adjustments that might have been necessary to these consolidated inflation adjusted financial statements in respect of inventory and cost of sales.

The effects of the above matters have been considered to be material but not pervasive to the consolidated financial statements as a whole.

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 Annual Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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 year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA) 240 - "The Auditor's Responsibilities Relating to Fraud in an Audit of Special purpose financial statements" Revised. There is a risk that insurance revenue are presented at amounts higher than what has been actually generated by the Group. This is a significant risk and accordingly a key audit matter.</p>	<p>Our audit procedures incorporated a combination of tests of the Group's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>● Reviewed that revenue recognition criteria is appropriate and in line with the requirements of IFRS 17 Insurance Contracts and IFRS 15 Revenue from Contracts with Customers.</li> <li>● Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review.</li> <li>● Tested the design and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions.</li> <li>● The results of our controls testing have been the basis for the nature and scoping of the additional test of details, which mainly consisted of testing individual transactions by reconciling them to external sources (supporting documentation).</li> <li>● Performed cut-off tests on year end balances to ensure revenues are recognised in the correct period.</li> <li>● Analytical procedures and assessed the reasonableness of explanations provided by management.</li> </ul> <p>We satisfied ourselves that the recognition of insurance revenue is appropriate.</p>
<p>Valuation of insurance contract liabilities</p> <p>We considered the valuation of insurance contract liabilities to be a matter of most significance to our current year audit of the financial statements due to the following:</p> <ul style="list-style-type: none"> <li>● Data is a key input into the valuation process. The calculation of insurance contract liabilities has a number of inputs, which are reliant on various processes and systems for accurate and complete data. A breakdown of these processes and systems could result in a misstatement of the value of insurance contracts.</li> <li>● The valuation of the Group insurance contract liabilities involves complex calculations, significant judgements, and long and short-term estimates and assumptions.</li> <li>● The methodology involves judgements about future events, both internal and external to the Group; and</li> <li>● The value of the Group insurance contract liabilities is significant to the financial statements.</li> <li>● The main valuation assumptions include expense inflation, previous experience in claim patterns, claim settlement patterns, trends in claims frequency.</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>● We assessed the competence and experience of the experts used by the Group in the determination of insurance contract liabilities.</li> <li>● Using our actuarial expert, we assessed that assumptions, data and models used for transition are consistent with historical assumptions, data and models that are available at the time.</li> <li>● We reviewed management's contract classification assessment and terms of the contract and assessed whether the contracts meet the definition of insurance contract liabilities.</li> <li>● Evaluated the Group's methodology for applying the level of aggregation against the requirements of IFRS 17, considering the identification of portfolios of insurance contracts and groupings of contracts.</li> </ul> <p>We satisfied ourselves that the valuation of insurance contract liabilities is appropriate.</p>

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group 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 Group to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the
- Group 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 identify during our audit.

We also provide 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.

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

**Report on other legal and regulatory requirements.**

In our opinion, except for the matters described in our Basis for Qualified Opinion, the financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in this Independent Auditor’s Report is Edmore Chimhowa.

Edmore Chimhowa  
Partner

Registered Public Auditor (PAAB No: 0470)

Grant Thornton  
Chartered Accountants (Zimbabwe) Registered Public Auditors

(Date comes here) 2024


HARARE

# CELL INSURANCE COMPANY (PRIVATE) LIMITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	Inflation adjusted			Historical cost		
		2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
		ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property and equipment	4	53 593 582 226	12 141 199 550	7 511 183 903	53 205 909 185	1 546 083 693	178 016 202
Right of use asset	8.4	8 631 932 354	3 691 634 861	2 035 759 404	4 666 257 390	312 748 932	23 808 045
Financial assets at fair value through profit or loss	5	5 145 514 340	2 493 127 682	1 746 690 863	5 145 514 340	518 820 600	105 738 600
Reinsurance contract assets	6	28 450 919 723	12 600 224 135	3 402 056 541	28 450 919 723	2 127 501 320	389 830 340
Insurance contract assets	6.1	-	623 099 087	-	-	129 667 103	-
Net-investment in lease receivable	8.5	-	310 799 705	136 877 701	-	64 677 510	8 286 100
Investment in associate	9	5 615 864 341	2 814 458 935	1 514 759 535	5 615 864 341	585 689 729	91 698 284
Deferred tax asset	10.3	-	-	1 294 594	-	13 665 090	208 282
Goodwill		-	110 773 017	110 773 017	-	351 670	351 670
		<b>101 437 812 984</b>	<b>34 785 316 972</b>	<b>16 459 395 558</b>	<b>97 084 464 979</b>	<b>5 299 205 647</b>	<b>797 937 523</b>
<b>Current assets</b>							
Cash and cash equivalents	11	14 668 012 154	3 930 608 609	3 801 661 625	14 668 012 154	817 960 802	230 139 393
Insurance and other receivables	12	5 173 009 760	2 141 853 282	3 167 828 949	5 173 009 760	402 676 131	191 637 152
Inventory	13	621 032 879	465 326 206	296 282 221	538 197 224	53 301 202	16 424 267
Income tax asset	10.2	49 697 170	458 007 940	56 634 724	49 697 169	95 311 096	3 428 452
Reinsurance contract assets	6	14 692 925 513	20 957 370 005	10 684 333 309	14 692 925 513	3 538 574 542	1 224 282 207
Insurance contract assets	6.1	-	246 201 855	-	-	51 234 678	-
Financial assets at fair value through profit or loss	5	1 658 318 943	1 030 271 840	1 467 186 807	1 658 318 943	214 399 872	88 818 394
Gold coins	5.2	1 377 542 181	382 869 449	-	1 377 542 181	79 675 244	-
		<b>38 240 538 600</b>	<b>29 612 509 186</b>	<b>19 473 927 635</b>	<b>38 157 702 944</b>	<b>5 253 133 567</b>	<b>1 754 729 865</b>
<b>Total assets</b>		<b>139 678 351 584</b>	<b>64 397 826 158</b>	<b>35 933 323 193</b>	<b>135 242 167 923</b>	<b>10 552 339 214</b>	<b>2 552 667 388</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity and reserves</b>							
Share capital	28.2	11 880 396	11 880 396	11 880 396	11 583	11 583	11 583
Share premium	28.3	4 012 988 351	4 012 988 351	4 012 988 351	3 912 551	3 912 551	3 912 551
Revaluation reserve	28.5	30 213 288 163	2 916 145 446	12 334 798	39 884 106 172	1 078 458 053	31 573
Foreign currency translation reserve	28.4	4 048 364 770	1 599 453 925	478 426 156	5 099 854 185	534 065 583	79 133 318
Retained earnings		6 404 158 042	3 287 660 444	7 066 081 046	(4 878 647 838)	1 789 928	161 998 361
		<b>44 690 679 722</b>	<b>11 828 128 562</b>	<b>11 581 710 747</b>	<b>40 109 236 653</b>	<b>1 618 237 698</b>	<b>245 087 386</b>
Non-controlling interest		277 573 596	254 611 814	273 810 129	95 825 394	(46 085 232)	(4 201 145)
		<b>44 968 253 318</b>	<b>12 082 740 376</b>	<b>11 855 520 876</b>	<b>40 205 062 047</b>	<b>1 572 152 466</b>	<b>240 886 241</b>

LIABILITIES							
<b>Non-current liabilities</b>							
Deferred tax liability	10.3	10 749 389 981	2 039 013 891	-	11 076 397 591	191 133 917	-
Lease liabilities	8	111 487 401	1 469 360 499	354 986 864	111 487 401	305 774 350	21 489 672
Reinsurance contract liabilities	6.2	-	1 384 284 910	-	-	288 070 095	-
Insurance contract liabilities	7	40 340 907 177	16 093 859 342	4 733 279 161	40 340 907 177	2 895 829 792	542 370 711
Amounts due to cell owners	14	1 989 245 589	1 137 091 633	796 648 960	1 989 245 589	236 629 102	48 226 362
		<b>53 191 030 148</b>	<b>22 123 610 275</b>	<b>5 884 914 985</b>	<b>53 518 037 758</b>	<b>3 917 437 256</b>	<b>612 086 745</b>
<b>Current liabilities</b>							
Insurance and other payables	15	7 877 583 132	3 292 292 993	3 084 699 836	7 877 583 132	489 579 854	186 737 002
Income tax liability	10.2	211 711 394	72 943 617	-	211 711 394	15 179 588	-
Reinsurance contract liabilities	6.2	-	259 534 147	-	-	54 009 132	-
Insurance contract liabilities	7	20 553 101 210	22 848 373 123	11 070 464 041	20 553 101 210	3 730 195 018	1 268 527 642
Amounts due to cell owners	14	8 123 651 135	3 171 965 990	3 783 331 593	8 123 651 135	660 087 051	229 029 758
Lease liabilities	8	4 753 021 247	546 365 637	254 391 862	4 753 021 247	113 698 849	15 400 000
		<b>41 519 068 118</b>	<b>30 191 475 507</b>	<b>18 192 887 332</b>	<b>41 519 068 118</b>	<b>5 062 749 492</b>	<b>1 699 694 402</b>
<b>Total equity, reserves and liabilities</b>		<b>139 678 351 584</b>	<b>64 397 826 158</b>	<b>35 933 323 193</b>	<b>135 242 167 923</b>	<b>10 552 339 214</b>	<b>2 552 667 388</b>



**F. Makoni**  
(Vice-Chairman)



**I. Makuzwa**  
(Group Chief Executive Officer)



**Y. Gumbo**  
(Group Secretary)

# CELL INSURANCE COMPANY (PRIVATE) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	Inflation adjusted		Historical cost	
		2023	2022 Restated	2023	2022 Restated
		ZWL	ZWL	ZWL	ZWL
Insurance revenue	16	154 316 074 374	82 020 569 938	95 717 802 329	8 690 029 488
Insurance service expenses	16.1	(127 545 000 215)	(75 690 053 306)	(61 307 545 774)	(8 673 071 380)
<b>Insurance service result before reinsurance contracts held</b>		<b>26 771 074 159</b>	<b>6 330 516 632</b>	<b>34 410 256 555</b>	<b>16 958 108</b>
Allocation of reinsurance premiums	16.2	(94 671 405 743)	(56 375 843 220)	(59 485 189 546)	(6 600 307 931)
Amounts recoverable from reinsurers for incurred claims	16.3	46 746 181 164	41 943 093 559	20 065 139 980	4 806 119 542
<b>Net expense from reinsurance contracts held</b>		<b>(47 925 224 579)</b>	<b>(14 432 749 661)</b>	<b>(39 420 049 566)</b>	<b>(1 794 188 389)</b>
Insurance service result		(21 154 150 420)	(8 102 233 029)	(5 009 793 011)	(1 777 230 281)
Interest revenue	17	200 441 378	244 690 986	167 662 707	38 940 098
Net fair value gains on financial assets at fair value through profit or loss		2 451 494 504	211 715 952	3 797 038 172	314 468 000
Other related income		9 703 622 777	2 775 430 085	6 956 125 558	458 889 615
Net foreign exchange income	18	92 999 855	1 198 995 539	92 999 855	242 483 002
<b>Total Investment income</b>		<b>12 448 558 514</b>	<b>4 430 832 562</b>	<b>11 013 826 292</b>	<b>1 054 780 715</b>
<b>Net insurance financial result</b>		<b>(8 705 591 906)</b>	<b>(3 671 400 467)</b>	<b>6 004 033 281</b>	<b>(722 449 566)</b>
Other income		11 099 090 155	919 204 542	5 736 868 313	1 007 237 223
Other non attributable expenses	20	(17 889 782 678)	(5 188 949 512)	(13 488 742 327)	(492 540 611)
Net monetary gain		20 856 733 093	5 696 846 143	-	-
<b>Profit/(loss) before income tax</b>		<b>5 360 448 664</b>	<b>(2 244 299 294)</b>	<b>(1 747 840 733)</b>	<b>(207 752 954)</b>
Share of profit of equity-accounted investees, net of tax	9	224 096 749	72 708 911	224 096 749	15 130 746
<b>Profit/(loss) before income tax</b>		<b>5 584 545 413</b>	<b>(2 171 590 383)</b>	<b>(1 523 743 984)</b>	<b>(192 622 208)</b>
Income tax (expense)/credit	10.1	(2 433 336 873)	(1260 615 171)	(3 364 695 845)	125 395 750
Profit from continuing operations		3 151 208 540	(3 432 205 554)	(4 888 439 829)	(67 226 458)
Discontinued operations					
Perissos Hiring Services (Private) Limited	21.1	(206 941 698)	(320 393 769)	76 594 997	(72 081 735)
Karoo Management Services (Private) Limited	21.2	195 192 538	(47 890 325)	73 317 692	(62 784 327)
<b>Profit/(loss) for the year</b>		<b>3 139 459 380</b>	<b>(3 800 489 648)</b>	<b>(4 738 527 140)</b>	<b>(202 092 520)</b>
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange gain on translating foreign operations net of tax	28.6	2 438 593 182	1 114 986 125	4 555 923 930	453 138 180
<b>Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods</b>		<b>2 438 593 182</b>	<b>1 114 986 125</b>	<b>4 555 923 930</b>	<b>453 138 180</b>

Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax)					
Revaluation of property and equipment	28.5	27 297 142 717	2 903 810 648	38 805 648 119	1 078 426 480
Equity accounted investee- share of other comprehensive income	28.6	10 317 663	6 041 645	9 864 672	1 794 085
<b>Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>		<b>27 307 460 380</b>	<b>2 909 852 292</b>	<b>38 815 512 791</b>	<b>1 080 220 565</b>
Other comprehensive income for the year, net of tax		29 746 053 562	4 024 838 417	43 371 436 721	1 533 358 745
<b>Total comprehensive income for the year</b>		<b>32 885 512 942</b>	<b>224 348 769</b>	<b>38 632 909 581</b>	<b>1 331 266 225</b>
<b>Profit attributable to:</b>					
Owners of parent		3 116 497 598	(3 781 291 333)	(4 880 437 766)	(162 036 608)
Non-controlling interest		22 961 782	(19 198 315)	141 910 626	(40 055 912)
		3 139 459 380	(3 800 489 648)	(4 738 527 140)	(202 092 520)
<b>Total comprehensive income attributable to:</b>					
Owners of parent		32 908 673 188	218 065 550	38 490 998 955	1 371 322 137
Non-controlling interest		(23 160 246)	6 283 219	141 910 626	(40 055 912)
		<b>32 885 512 942</b>	<b>224 348 769</b>	<b>38 632 909 581</b>	<b>1 331 266 225</b>

# CELL INSURANCE COMPANY (PRIVATE) LIMITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Inflation adjusted							
	Share capital	Share premium	Translation reserve	Revaluation reserve	Retained earnings	Total	Non-controlling interest	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
At 31 December 2021	11 880 396	4 012 988 351	478 426 156	12 334 798	7 780 670 926	12 296 300 626	273 810 129	12 570 110 755
Impact of initial application of IFRS 17	-	-	-	-	(714 589 880)	(714 589 880)	-	(714 589 880)
<b>Restated balance as at 1 January 2022</b>	<b>11 880 396</b>	<b>4 012 988 351</b>	<b>478 426 156</b>	<b>12 334 798</b>	<b>7 066 081 046</b>	<b>11 581 710 746</b>	<b>273 810 129</b>	<b>11 855 520 875</b>
Transactions with owners of equity (see note)	-	-	-	-	2 870 732	2 870 732	-	2 870 732
Changes in ownership interest	-	-	-	-	2 870 732	2 870 732	-	2 870 732
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1 121 027 770</b>	<b>2 903 810 648</b>	<b>(3 781 291 333)</b>	<b>243 547 084</b>	<b>(19 198 315)</b>	<b>224 348 770</b>
Profit for the year	-	-	-	-	(3 781 291 333)	(3 781 291 333)	(19 198 315)	(3 800 489 648)
Other comprehensive income	-	-	1 121 027 770	2 903 810 648	-	4 024 838 418	-	4 024 838 418
<b>Restated balances as at 31 December 2022</b>	<b>11 880 396</b>	<b>4 012 988 351</b>	<b>1 599 453 925</b>	<b>2 916 145 446</b>	<b>3 287 660 444</b>	<b>11 828 128 562</b>	<b>254 611 814</b>	<b>12 082 740 376</b>
<b>Balance as at 1 January 2023</b>	<b>11 880 396</b>	<b>4 012 988 351</b>	<b>1 599 453 925</b>	<b>2 916 145 446</b>	<b>3 287 660 444</b>	<b>11 828 128 562</b>	<b>254 611 814</b>	<b>12 082 740 376</b>
Total comprehensive income	-	-	2 448 910 845	27 297 142 717	3 116 497 598	32 862 551 160	22 961 782	32 885 512 942
Profit for the year	-	-	-	-	3 116 497 598	3 116 497 598	22 961 782	3 139 459 380
Other comprehensive income (note 27.5)	-	-	2 448 910 845	27 297 142 717	-	29 746 053 562	-	29 746 053 562
<b>Balance as at 31 December 2023</b>	<b>11 880 396</b>	<b>4 012 988 351</b>	<b>4 048 364 770</b>	<b>30 213 288 163</b>	<b>6 404 158 042</b>	<b>44 690 679 722</b>	<b>277 573 569</b>	<b>44 968 253 318</b>

	Historical cost							
	Share capital	Share premium	Translation reserve	Revaluation reserve	Retained earnings	Total	Non-controlling interest	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	US\$	ZWL	ZWL
At 31 December 2021	11 583	3 912 551	79 133 318	31 573	246 935 946	330 024 971	(4 201 145)	325 823 826
Impact of initial application of IFRS 17	-	-	-	-	(84 937 585)	(84 937 585)	-	(84 937 585)
<b>Restated balance as at 1 January 2022</b>	<b>11 583</b>	<b>3 912 551</b>	<b>79 133 318</b>	<b>31 573</b>	<b>161 998 361</b>	<b>245 087 386</b>	<b>(4 201 145)</b>	<b>240 886 241</b>
Transactions with owners of equity	-	-	-	-	1 828 175	1 828 175	(1 828 175)	-
Change in ownership interest	-	-	-	-	1 828 175	1 828 175	(1 828 175)	-
Total comprehensive income	-	-	454 932 265	1 078 426 480	(162 036 608)	1 371 322 137	(40 055 912)	1 331 266 225
Profit for the year	-	-	-	-	(162 036 608)	(162 036 608)	(40 055 912)	(202 092 520)
Other comprehensive income	-	-	454 932 265	1 078 426 480	-	1 533 358 745	-	1 533 358 745
<b>Restated balances as at 31 December 2022</b>	<b>11 583</b>	<b>3 912 551</b>	<b>534 065 583</b>	<b>1 078 458 053</b>	<b>1 789 928</b>	<b>1 618 237 698</b>	<b>(46 085 232)</b>	<b>1 572 152 466</b>
<b>YEAR ENDED 31 DECEMBER 2023</b>								
Balance as at 1 January 2023	11 583	3 912 551	534 065 583	1 078 458 053	1 789 928	1 618 237 698	(46 085 232)	1 572 152 466
Total comprehensive income	-	-	4 565 788 602	38 805 648 119	(4 880 437 766)	38 490 998 955	141 910 626	38 632 909 581
Profit for the year	-	-	-	-	(4 880 437 766)	(4 880 437 766)	141 910 626	(4 738 527 140)
Other comprehensive income	-	-	4 565 788 602	38 805 648 119	-	43 371 436 721	-	43 371 436 721
<b>Balance as at 31 December 2023</b>	<b>11 583</b>	<b>3 912 551</b>	<b>5 099 854 185</b>	<b>39 884 106 172</b>	<b>(4 878 647 838)</b>	<b>40 109 236 653</b>	<b>95 825 394</b>	<b>40 205 062 047</b>

# CELL INSURANCE COMPANY (PRIVATE) LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	Inflation adjusted		Historical cost	
		2023	2022 Restated	2023	2022 Restated
		ZWL	ZWL	ZWL	ZWL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax		5 584 545 413	(2 171 590 383)	(1 523 743 984)	(192 622 208)
<b>Adjusted for non cash items:</b>					
Net monetary (loss)/gain		(20 856 733 093)	(5 696 846 143)	-	
Impairment allowances	20	815 097 594	(3 073 691)	815 286 230	1 734 730
Unrealised foreign exchange gains	18	(92 999 855)	(849 934 778)	(92 999 855)	(242 483 002)
Profit on disposal of property and equipment	18	-	(50 864 344)	-	(5 159 568)
Leave pay provision		1 116 607 634	1 057 429 821	1 116 607 634	96 454 988
Share of profit of associate	9	(224 096 749)	(72 708 911)	(224 096 749)	(15 130 746)
Depreciation		945 244 862	378 957 144	466 998 258	34 996 263
Fair value (loss)/ gains on listed equities	17	(245 267 665)	194 278 185	(922 960 919)	(89 788 739)
Fair value gains on unlisted equities	17	(2 206 226 839)	(405 994 137)	(2 874 077 253)	(224 679 261)
Fair value gain on gold coins	5.2	(994 672 732)	(78 184 450)	(1 297 866 937)	(22 700 450)
Finance cost	8.3	1 558 928 856	253 272 460	952 253 445	31 304 514
		(14 599 572 573)	(7445 259 227)	(3 584 600 130)	(628 073 479)
<b>Working capital changes:</b>					
(Increase)/decrease in insurance and other receivables		(3 031 156 478)	1 025 975 667	(4 770 333 629)	(211 038 979)
Decrease/(increase) in insurance contract assets		869 300 941	(869 300 941)	180 901 781	(180 901 781)
Decrease/(increase) in reinsurance contract assets		6 264 444 492	(10 273 036 696)	(11 154 350 971)	(2 314 292 335)
Decrease/(increase) in insurance contract liabilities		21 951 775 922	23 138 489 263	54 267 983 576	4 815 126 457
(Increase)/decrease in reinsurance contract liabilities		(259 534 147)	259 534 147	(54 009 132)	54 009 132
Increase/(decrease) in amounts due to cell owners		5 803 839 101	(270 922 930)	9 216 180 572	619 460 033
Increase in insurance and other payables		4 585 290 140	207 593 157	7 388 003 278	302 842 852
Cash generated from operations		21 584 387 397	5 773 072 440	51 489 775 345	2 457 131 900
Income tax paid	10.2	(808 900 096)	(86 139 528)	(479 046 295)	(10 447 004)
<b>Net cash generated from operating activities</b>		<b>20 775 487 301</b>	<b>5 686 932 912</b>	<b>51 010 729 050</b>	<b>2 446 684 896</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from disposal of equipment		-	24 793 660	-	5 159 568
Purchase of gold coins	5.2	-	304 684 999	-	(56 974 794)
Purchase of equipment		(7 644 618 451)	(1 131 769 403)	(5 110 632 903)	(77 826 000)
Net cash utilised in investing activities		(7 644 618 451)	( 802 290 744)	(5 110 632 903)	(129 641 226)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Finance cost arising from lease		(1 558 928 856)	(253 272 460)	(952 253 445)	(31 304 514)
Decrease in lease liability		(1 420 625 548)	(534 706 374)	(434 771 737)	(51 854 332)
Net cash utilised in financing activities	8.3	(2 979 554 404)	(787 978 834)	(1 387 025 182)	(83 158 846)

<b>Net increase in cash and cash equivalents</b>		<b>10 151 314 446</b>	<b>4 096 663 334</b>	<b>44 513 070 965</b>	<b>2 233 884 824</b>
Cash and cash equivalents at beginning of year		3 930 608 609	3 801 661 625	817 960 802	230 139 393
Effect of exchange rate changes on cash and cash equivalents		(30 663 019 613)	(1 487 522 702)	(30 663 019 613)	(1 646 063 415)
Effects of inflation		31 249 108 712	(2 480 193 648)	-	-
<b>Cash and cash equivalents at end of year</b>	<b>11</b>	<b>14 668 012 154</b>	<b>3 930 608 609</b>	<b>14 668 012 154</b>	<b>817 960 802</b>



CELL INSURANCE



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# CONSOLIDATED STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2023

## 1.0 GENERAL INFORMATION

### 1.1 Nature of business

Cell Insurance Company (Private) Limited (the Company) is a holding company whose primary business interests are in the short-term insurance and health services sectors. The Company is incorporated and domiciled in Zimbabwe and is a limited liability Company. The Company is located at 26 Rhodesville Avenue, Greendale, Harare.

The Group financial statements of the Company for the year ended 31 December 2023 comprise the Company and its subsidiary, Nectacare (Private) Limited—a company involved in medical services and an associate namely Lidwala Insurance Company Limited which is involved in short term insurance.

The financial statements of the Company are presented separately from the consolidated financial statements and the separate financial statements have been approved by the directors at the same date as these financial statements.

## 2.0 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance with International Financial Reporting Standards (IFRS)

International Financial Reporting Standards (IFRS) comprise the interpretations adopted by the International Accounting Standards Board (IASB) and the interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC). Complying with IFRSs ensures comparability of the financial information of the Company with other organisations locally and globally. The Company achieved full compliance with International Accounting Standards.

### 2.2 New or revised Standards or Interpretations

New standards, amendments and interpretations issued effective for the year ended 31 December 2023:

#### 2.2.1 IFRS 17 - Insurance contracts

##### Measurement

IFRS 17 requires an entity that issues insurance contracts to report them on the statement of financial position as the total of:

- The fulfilment cash flows - the current estimates of amounts that the insurer expects to collect from premiums and pay out for claims, benefits and expenses, including an adjustment for the timing and risk of those cash flows, and
- The contractual service margin - the expected profit for providing future insurance coverage (ie unearned profit).

The measurement of the fulfilment cash flows reflects the current value of any interest rate guarantees and financial options included in the insurance contracts.

##### Insurance performance

IFRS 17 requires an entity to provide information that distinguishes two ways insurers earn profits from insurance contracts:

- The insurance service result, which depicts the profit or loss earned from providing insurance coverage
- The financial result, which captures:

1. investment income from managing financial assets;
  2. insurance finance expenses arising from insurance obligations
- this includes the effects of discount rates and other financial variables on the value of insurance obligations.

To make differences in profitability among insurance contracts visible, IFRS 17 requires an entity to distinguish groups of contracts expected to be loss-making from other contracts.

##### Presentation

##### Statement of financial position

The statement of financial position should present in separate captions the assets and liabilities arising under insurance contracts issued and reinsurance contracts held.

##### Statement of financial performance - measurement of revenue and expenses

IFRS 17 does not mandate a layout for the statement of financial performance. Reporting entities should follow the principles and requirements of IAS 1 and the measurement rules of IFRS 17, which require that revenue and incurred expenses presented in profit or loss exclude any investment components

#### 2.2.2 Deferred tax related to assets and liabilities arising from a single transaction' (Amendments to IAS 12).

The amendments require an entity to recognise deferred tax on certain transactions (eg leases and decommissioning liabilities) that give rise to equal amounts of taxable and deductible temporary differences on initial recognition.

#### 2.2.3 Definition of accounting estimates (Amendments to IAS 8).

The amendments include a definition of 'accounting estimates' as well as other amendments to IAS 8 that will help entities distinguish changes in accounting policies from changes in accounting estimates.

**2.2.4 Disclosure of accounting policies (Amendments to IAS 1 and Prtactise Statement 2)**

The amendments to IAS 1 require reporting entities to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

New standards, amendments and interpretations issued but not yet effective for the year ended 31 December 2023:

**2.2.5 Classification of liabilities as current or non- current (Amendments to IAS 1)**

The amendments elaborate on guidance set out in IAS 1 by:

- Clarifying that the classification of a liability as either current or non- current is based on the entity's rights at the current or non-current is based on the entity's rights at the end of the reporting period.
- Stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability
- Adding guidance about lending conditions and how these can impact classification
- Including requirements for liabilities that can be settled using an entity's own instruments.

**2.2.6 Non-current liabilities with covenants (Amendments to IAS 1).**

The amendments set out in 'Non-current Liabilities with Covenants LAmendments to IAS

1)' state that at the reporting date, the entity does not consider covenants that will need to be complied with in the future, when considering the classification of the debt as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements

**2.2.7 Lack of exchangeability (Amendments to IAS 21)**

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.

The amendments:

- introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A
- provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable
- require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.

**2.3 Basis of preparation**

These financial statements for the year 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies and other Business Entities Act [Chapter 24:31] and the Insurance Act (Chapter 24:07) except for non-compliance with IFRS 13 Fair Value Measurement on the valuation of property and equipment.

In instances where there is no guidance from a speci-fic IFRS relating to a particular accounting matter, the Company resorted to guidance from the Conceptual Framework for Financial Reporting in formulating its accounting policies. The Company achieved full compliance with International Accounting Standards.

**2.4 Functional currency**

The consolidated financial statements are presented in Zimbabwe Dollars (ZWL\$) which is the Group's functional and presentation currency.

**2.4.1 Hyperinflation**

These financials have been prepared in line with the provisions of International Accounting Standard (IAS) 29- Financial Reporting in Hyperinflationary Economies. The Public Accountants and Auditors Board (PAAB) pronounced that the economy is trading under conditions of hyperinflation in line with IAS 29 (Pronouncement 1/2019). The PAAB in October 2019 confirmed the consensus that the Zimbabwean economy had met the characteristics of a hyperinflationary economy and prescribed the application of hyperinflation accounting for periods ended on or after 1 July 2019. The Directors have adopted the guidelines as issued by the PAAB.

The Group adopted the Zimbabwean consumer price index (CPI) as a general price index to restate transactions and balances as appropriate. Non-monetary assets and liabilities carried at cost have been restated to reflect the change in general price index from 1 January 2023 to the end of the reporting period.

The Ministry of Finance and Economic Development introduced a blended inflation rate based on a combination of the Zimbabwe dollar and American dollar inflation rates and stopped reporting ZWL inflation and Consumer Price Index (CPI) figures in February 2023.

The indices and conversion factors used to restate the accompanying Financial Statements as at 31 December 2023 are given below:

	Conversion	
	Index	Factor
31 Dec 22	13 673	4.8054
31 Jan 23	13 820	4.7543
31 Dec 23	65 703	1.00000

## 2.5 Investments in subsidiaries and associates

### 2.5.1 Investments in subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are carried at cost less any accumulated impairment. The cost of any investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

### 2.5.2 Investments in associate

An associate is an entity over which the group has significant influence, but not control or joint control, over the financial and operating policies. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is classified to profit or loss where appropriate.

Subsequent to initial recognition, the Group's financial statements include the associate's share of profit or loss and other comprehensive income (OCI) until the date on which the significant influence or joint control ceases. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise any further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each financial reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the income statement

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of impairment of the asset transferred. Dilution gains and losses arising from investments in associates are recognised in the income statement.

## 2.6 Foreign currency translation

### 2.6.1 Functional and presentation currency

The financial statements are presented in Zimbabwe Dollars (ZWL\$), which is the Group's functional and presentation currency. All amounts have been rounded to the nearest ZWL\$, unless otherwise stated. Refer to 3.6

### 2.6.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to cash and cash equivalents are recognised in other income. All other foreign exchange gains and losses are recognised in profit or loss within "other income" or "operating expenses".

### 2.6.3 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value net assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Zimbabwe dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Zimbabwe dollars at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income (OCI) and accumulated in the translation reserve, except to the extent that the translation difference is allocated to Non-controlling interest (NCI) where applicable.

## 2.7 Financial instruments

### 2.7.1 Recognition, measurement and de-recognition

#### Financial assets

Regular purchases and sales of financial assets are recognised on the trade-date, which is the date on which the Group commits to purchase or sell the asset.

Financial instruments initially recognised at fair value plus transaction costs for all financial assets and financial liabilities not carried at fair value through profit or loss. Financial assets and financial liabilities measured at fair value through profit or losses are initially recognised at fair value, and costs are expensed in profit or loss. Financial assets at fair value through profit or loss are subsequently measured at fair value. Loans and receivables are subsequently measured at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within "other income" in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of other income when the Group's right to receive payments is established.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

#### Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gains or loss on derecognition is also recognised in the profit or loss.

A financial liability is derecognised when its contractual obligations are discharged or cancelled or expire. Financial liabilities are also derecognised when terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### 2.7.2 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a legally enforceable right to set off the amounts and there is intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.7.2 Classification

The Group classifies financial assets into the following categories: financial assets at fair value through profit or loss and loans and receivables. Management determines the classification of its financial instruments at initial recognition.

#### Financial assets at fair value through profit or loss

This category comprises financial assets classified as held for trading. A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Financial assets in this category are classified as current assets if expected to be settled within twelve months after the reporting date, otherwise they are classified as non-current. This class of financial assets comprises Zimbabwe Stock Exchange listed equities and other non listed equities held in a commercial property.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets. Loans and receivables are initially recognised at fair value and measured subsequently at amortised cost using the effective interest method. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in profit or loss.

The Group's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position.

#### 2.7.2 Impairment of financial assets

##### Assets carried at amortised cost

The Group assesses at each reporting date whether there is objective evidence that financial asset or Group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events have) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obliger;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio.

This includes adverse changes in the payment status of borrowers in the portfolio and national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a Group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

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 recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the asset or liabilities market participants would take into account when pricing the asset or liability at the measurement date.

Such characteristics include for example:

- The condition and location of the asset; and
- Restrictions, if any, on the sale or use of the asset.

When available, the Group measures fair values of the instrument using price in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Group establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other observable market data.

The best evidence of the fair value of the financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The fair value measurement is determined through assessment of potential risks that may impact negatively on the fair value determination of assets and liabilities in the financial statements.

Such risks include but not limited to the economic, legal, political and social environment. These risks will be included as key assumptions if their impact is material in determining the recoverable amount. In the reporting period the impact of the above risks has been assessed as immaterial.

**2.8 Amortised cost measurement**

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, minus the cumulative amortisation using the effective interest method, of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment

**2.9 Insurance and other payables**

Insurance and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Insurance and other payables are classified as current liabilities if payment is due within one year and if not, they are presented as non-current liabilities. Insurance and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.10 Amounts due to cell owners**

The amount due to cell owners represents the cell owner's funds in respect of the insurance business conducted in cell structures. The amount is accounted for as a financial liability in the financial statements. The premiums and claims payments relating to contracts in first party cells have been excluded from the statement of comprehensive income. The amount due to cell owners is the cash premiums received plus investment income earned from investing those funds, less administration fees and claims incurred as disclosed in note 17. Fees earned from these contracts are recognised in profit or loss.

**2.11 Insurance and other receivables**

Insurance and other receivables are amounts due from customers for services rendered in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Insurance and other receivables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, they are measured at amortised cost using the effective interest method, less allowance for impairment.

**2.12 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**2.13 Income taxes**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive or directly in equity. In this case, the tax is also recognised in other comprehensive

income or directly equity, respectively.

**Current tax**

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Deferred tax**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

**2.14 Property, plant and equipment**

Property and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Property and equipment is measured at fair value less accumulated depreciation and impairment losses recognised after the date of revaluation. Valuations are performed annually to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. A revaluation deficit is offset against an existing surplus on the same asset recognised in the asset revaluation surplus. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. On disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

**Subsequent costs**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. Expenditure incurred to enhance a component of an item of property and equipment that is accounted for separately is capitalised with the carrying amount of the component being written off. Other subsequent expenditure is only capitalised when it increases the future economic benefits embodied in the item of property and equipment.

All other repairs and maintenance costs are recognised in profit or loss during the period in which they are incurred.

**Residual value**

The depreciable amount of an asset is determined after deducting its residual value. The residual values of all assets are reviewed at each reporting date and any changes are accounted for as a change in an accounting estimate.

If the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation is recognised until the residual value subsequently decreases to an amount below the asset's carrying amount.

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. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

**Depreciation**

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of items of property and equipment for the current and prior period as follows:

Buildings	50 years
Motor vehicles	5 years
Furniture and fittings	6 years
Office equipment	6 years
Leasehold improvements	10 years
Computer equipment	4 years

Depreciation methods, useful lives and residual values are reassessed at each financial year end and adjusted if appropriate.

### Gains or losses on disposal

Gains or losses on disposal are determined by deducting the carrying amount from the net proceeds. Gains or losses are recognised in profit or loss.

### 2.15 Investment property

Investment property is represented by land and buildings held to earn rental income and for capital appreciation. Investment property is initially recognised at cost and subsequently measured at fair value, with fair value gains and losses recognised in profit or loss for the period. The fair value of the investment property is determined at the reporting date by an independent sworn appraiser based on market evidence of the most recent prices obtained in arms' length transactions of similar properties in the same area.

### 2.16 Leasehold improvements

Expenditure on lease property is recognised as a separate asset only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. The recognised asset is depreciated over the remaining operating lease term and charged to profit or loss.

### 2.17 Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units). The impairment test can also be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

### 2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures 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. The increase in the provision due to passage of time is recognised as an interest expense in profit or loss.

### 2.20 Accounting for cell captive arrangements

The cell captive arrangement is deemed to meet the definition of a liability as no significant insurance risk is transferred to the Group but is rather retained by the cell owner. The impact of this on the Group's financial statements is that the underwriting and investment results of the insurance contracts underwritten in cell arrangements are not included in the Group's profit for the year. Amounts received from cell shareholders for the cell captive are accounted for as a financial liability. However, the Group's income statement includes management fees earned from administration activities undertaken by the Group on the cells. A cell captive is a contractual arrangement entered into between the insurer and the cell owner whereby the risk and rewards associated with certain insurance activities accrue to the latter.

Cell captives allow the owner to set up stand-alone captive funds in the registered insurance Group which undertakes the professional insurance and financial management of the cell including underwriting, reinsurance, claims management, actuarial and statistical analysis, and investment and accounting services.

The terms and conditions of the cell are governed by the insurance policy and investment mandate agreement. Currently, the Group offers first party cells where the risks that are being insured relate to the cell owner's own direct business operations.

### 2.21 Classification of insurance contracts

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include property, marine, and personal accident. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Group does not issue any contracts with direct participating features.

### 2.22 Reinsurance contracts held

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts, are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer ("inwards reinsurance") are included with insurance contracts.

The Group ceded reinsurance in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risks. Reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers.

Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

The Group assesses its reinsurance assets for impairment on an on-going basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in profit or loss.

The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated following the same method used for these financial assets. Premiums ceded and benefits reimbursed are presented in profit or loss. Only contracts that give rise to a significant transfer of insurance risk are accounted for as insurance contracts. Amounts recoverable under such contracts are recognised in the same year as the related claim.

Reinsurance assets include balances due from reinsurance companies for ceded insurance liabilities. Amounts recoverable from the reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsured policy.

The Group assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Group applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Group's products do not include any distinct components that require separation.

### 2.23 Level of aggregation

IFRS 17 requires a Group to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories:

- A group of contracts that are onerous at initial recognition (if any);
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any) and;
- A group of the remaining contracts in the portfolio (if any).

This means that, for determining the level of aggregation, the Group identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Group makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Group has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Group assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Group assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances.

The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information;
- Results of similar contracts it has recognised and;
- Environmental factors, e.g., a change in market experience or regulations.

The Group divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

### 2.24 Recognition of insurance and reinsurance contracts

The Group recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts;
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date and;
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. (However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held and;
- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

**Contract boundary**

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks

Or both of the following conditions are satisfied:

- The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio and;
- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date. A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

**2.25 Measurement - Premium allocation approach (PAA)**

	IFRS 17 Options	Adopted Approach
Premium allocation	Subject to specific criteria, the PAA can be adopted as a simplified and to the IFRS 17 general model	Coverage period for property and liability reinsurance assumed is one year or less and so qualifies automatically for PAA
Approach eligibility		Both marine insurance and personal accident insurance include contracts with coverage period greater than  However there is no material difference in the measurement of the liability for remaining coverage between the PAA and the general model, therefore, these qualify for PAA
Insurance acquisition cash flows for insurance contracts issued	When the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expenses as incurred, or allocated, using a systematic and rational method to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group  For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	For one-year property business, insurance acquisition cashflows are expensed as incurred.  For all other business, insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group
Liability for Remaining Coverage (LRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest of the LRC	For marine and personal accident insurance, an allowance is made for accretion of interest in the LRC. For all other business, there is no allowance as the premiums are received within one year of the coverage period
Liability for Incurred Claims adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money	For some claims within property product line the incurred claims are expected to be paid out in less than one year. Hence, no adjustment is made for the time value of money. For all other business, the LIV is adjusted for the time value of money
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFC resulting from changes in discount rates and present this in OCI.	For personal accident product line, the impact on LFC of changes in discount rates will be captured within OCI, in line with the accounting for assets backing this product line.  For all other business, the change in LFC as a result of changes in discount rates will be captured within profit or loss.

### 2.26 Insurance contracts - initial measurement

The Group applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary or;
- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Group has also considered qualitative factors such as the nature of the risk and types of its lines of business.

For a group of contracts that is not onerous at initial recognition, the Group measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition;
- Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed;
- Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and;
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Group pays or receives before the group of insurance contracts is recognised

For all other business measured under the PAA, there is no allowance for time value of money as the premiums are received within one year of the coverage period.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

### 2.27 Reinsurance contracts held - initial measurement

The Group measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. The Group uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

### 2.28 Insurance contracts - subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period;
- Minus insurance acquisition cash flows, with the exception of property insurance product line for which the Group chooses to expense insurance acquisition cash flows as they occur;
- Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group;
- Plus any adjustment to the financing component, where applicable;
- Minus the amount recognised as insurance revenue for the services provided in the period and;
- Minus any investment component paid or transferred to the liability for incurred claims

The Group estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

### 2.29 Reinsurance contracts - subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held. Where the Group has established a loss-recovery component,

the Group subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

### 2.30 Insurance acquisition cashflows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

With the exception of the property insurance product line, for which the Group chooses to expense insurance acquisition cash flows as they occur, the Group uses a systematic and rational method to allocate (refer to notes 21 and 22):

(a) Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:

(i) to that group and;  
(ii) to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.

(b) Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Group revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Group assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

- An impairment test at the level of an existing or future group of insurance contracts and;
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Group recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

### 2.31 Insurance contracts - modification and de-recognition The Group derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired) or;
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

### 2.32 Presentation

The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities. Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Group disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

### 2.33 Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

### 2.34 Loss components

The Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Group establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

### 2.35 Loss recovery components

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

### 2.36 Net income or expense from reinsurance contracts held

The Group presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

### 2.37 Other income

#### 2.37.1 Interest income

Interest income is recognised in profit or loss on the accrual basis using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

#### 2.37.2 Dividend income

Dividend income is recognised when the right to receive income is established. Usually, this is the ex-dividend date for securities. Dividends are reflected as a component of other income.

### 2.38 Employee benefits

#### Defined contribution plans

The Group operates a defined contribution plan for all permanent employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity, in this case, a trustee administered fund.

The Group 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. Contributions are paid to a separately administered fund on a mandatory basis. Contributions to this fund are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

#### National Social Security Authority (NSSA)

The Group and all employees also contribute to the NSSA statutory pension and benefits scheme, which is a defined contribution scheme. This scheme was promulgated under the National Social Security Authority Act (Chapter 17:01+). The Group's obligation under the scheme is limited to specific contributions as legislated from time to time.

#### Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

#### Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### 2.39 Leases

The Group applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

At inception of the contract, the Group assesses whether a contract is, or contains, a lease. 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. To assess whether the contract conveys the right to control the use of an identified asset, the Group used the definition of a lease under IFRS 16.

#### Leases as lessee

The Group recognises a right-of-use-asset and a lease liability at the lease commencement date. The right-of use asset was initially measured at cost and the lease liability was initially measure at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of 12% for US\$ leases and 234% for ZWL\$ leases from January 2023 to 31 December 2023.

The right-of-use asset was subsequently depreciated using the straight line method from the commencement date to the end of the lease term.

During 2023, the Group subsequently remeasured the rights-of- use-a asset and the lease liability due to the change in market interest rates and the lease payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has reduced to zero. The Group presents the right-of-use assets that do not meet the definition of investment property in property and equipment and lease liabilities in non current liabilities in the statement of financial position.

The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Any investment properties acquired under finance leases are measured subsequently at their fair value.

#### Extention options

All Group leases contain extension options exercisable by the Group before the lease expiry period to provide operational flexibility. These options are only exercisable by the Group and not the lessor. The Group assess at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassess whether it is reasonably certain to exercise the options if there is a significant event or change in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension options would result in an estimated lease liability of ZWL88 million.

#### Low value leases

The Group has two leases that have been considered to be of low value and has elected not to recognise right of use asset and lease liabilities for these leases.

The Group manages the various risks associated with various properties it has leased out as follows:

Periodic inspections of premises to ensure that the buildings are in good operating order,

Use of property should be restricted to agreed purposes as per lease conditions

Ensures that tenant keeps the premises insured against loss or damage by fire or other consequential risks.

Includes legally enforceable rights and obligations in the lease contracts and these are communicated to lessors

#### Leases as lessor

During 2023, the Group has subleased the Finsure and Bulawayo office premises that has been part of a rights-of-use-asset on a ratio of 50-50 and 70-30 respectively to Cellmed Health, based on the lease payments to the Head Lessor.

#### 2.40 Contigents and commitments

Transactions are classified as contingencies where the Group's obligations depend on uncertain future events or if a present obligation arises from past events but the amount of the obligation cannot be measured with sufficient reliability or it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation. Items are classified as commitments where the Group commits itself to future transactions with external parties.

#### 2.41 Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the financial statements in the period in which the dividends are declared by the Group's directors.

#### 2.42 Accounting for gold coins

The Zimbabwean Government introduced gold coins known the "Mosi-oa-Tunya Gold Coins" on 25 July 2022 as part of several policy measures to ease demand for the US dollar, stabilise the Zimbabwe dollar exchange rate and contain resurgent inflation.

The main features of the coins include:

- A buy back option by the Reserve Bank or Agent of the gold coins after a vesting period of 180 days in line with the need to promote a savings culture in the country.
- For the buy-back, the Reserve Bank or its Agents will require the bearer to surrenderthe original bearer certificate for the specific coin.
- The price of the coins is benchmarked against the prevailing international spot price of gold.
- The coins can be redeemed in ZW\$ or US\$.

The Group's motive for the acquisition of the coins is value preservation in line with its capital preservation policy. To come up with a policy management has considered available standards to prescribe the treatment of Gold Coins and currently there are no standards are available to prescribe treatment of the Gold Coins. In instances where there is no guidance from a specific IFRS relating to a particular accounting matter, the Group resorted to guidance from the Conceptual Framework for Financial Reporting in formulating its accounting policies.

#### Classification

Gold coins are classified as current assets in the statement of financial position.

#### Presentation

The gold coins are presented separately in the statement of financial position as current assets.

#### Initial measurement

The gold coins are initially measured at cost. (see 11.2)

#### Subsequent measurement

Subsequently, at the end of each reporting period the gold coins are remeasured at fair value to account for movements arising from changes in the fair values and are presented in profit or loss within "other income" in the period in which they arise. (see 11.2)

#### Gains or losses on disposals

Gains or losses on disposal are determined by deducting the carrying amount from the net proceeds. Gains or losses are recognised in profit or loss under "other income".

### 3.0 CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.

Management believes that the underlying assumptions are appropriate and that the Group's financial statements, therefore, present the financial position and results fairly.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstance

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.

Management believes that the underlying assumptions are appropriate and that the Group's financial statements, therefore, present the financial position and results fairly.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstance

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

#### 3.1 Incurred but not yet reported claim reserve (IBNR)

The estimation of the ultimate liability arising from claims incurred but not yet reported at the reporting date under insurance contracts is the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

The reserve estimates for IBNR are actuarially determined based on the past claims experience using the Chain Ladder method. The Chain Ladder method makes use of run-off triangles of paid losses and incurred losses, representing the sum of paid losses and case reserves. The future periods for which the reserves are held may turn out to be significantly different from the experience to date

The establishment of the appropriate level of this reserve is an inherently uncertain process involving estimates and judgements made by management and therefore there can be no assurance that ultimate claims expenses will not exceed the IBNR established. The estimate is

#### 3.1 Income taxes

Significant Judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such

### 3.2 Provision for credit losses

The Group reviews its insurance debtors in respect of outstanding premiums to establish whether an impairment loss should be recognised in the statement of comprehensive income in accordance with IAS 36. Judgement is required by management of the timing and amount of uncertain cash flows in the determination of the impairment loss. In estimating these cash flows management makes judgements about the debtor's financial position and the likelihood of settlement. These estimates are based on a number of factors where actual results may differ, resulting in future changes to the provision. The provision for credit losses at year end was ZWL\$ Nil (2022: ZWL\$ Nil) as expressed in note 7.

### 3.3 Impairment of assets

Assets are subject to annual impairment reviews as required. Impairments are measured as the difference between the carrying amount of a particular asset or recoverable amount. Impairment losses are recorded in the income statement in the period in which they occur. The Group's policy in relation to financial assets, excluding investments in subsidiaries and associates is described in note 3.3.3. The accounting policy for impairment of non-financial assets is disclosed in note 3.8.

### 3.4 Functional currency

The Zimbabwe government gazetted Statutory Instrument 185 (S.I. 185) of 2020 on 24 July 2020. The regulation requires sellers of goods and services to display, quote, and offer prices in both the Zimbabwean dollar ("ZWL") and foreign currency at the ruling auction exchange rate. The continued use of multiple currencies in the economy requires management to assess the functional currency of the Group as required by International Accounting Standard ("IAS") 21, "The Effects of Changes in Foreign Exchange Rates". Management's assessment was based on reviewing the contributions to the net retained premium of the ZWL denominated business against the foreign currency transactions recorded for the Group. The foreign net income to the Group contributes 5% while the local currency contributes 19% of total gross revenue recorded for the financial year ended 31 December 2023.

It is management's view that the USD net contribution does not constitute a significant proportion of the net revenue generated in the financial year ended 31 December 2023. Management has therefore concluded that the functional currency remains the ZWL dollar.

### 3.5 Going concern

In assessing the going concern of the entity the directors exercised judgement as a result of the challenging economic environment that the Group operates in. (refer to note 28).

### 3.6 Valuation of land and buildings

The Group engaged professional valuers Homelux Real Estate, Ebenezer Properties and Capital Valuation Consultancy to value land and buildings at the end of the reporting period. The valuers employed methodologies and professional judgement to determine the fair market values which are used by the Group for reporting purposes.

Executive management at each financial year end reviews the valuation basis and criteria carried out by external valuation experts. The experts once engaged conduct site inspections of the properties due for valuations. A draft report including unobservable inputs and valuation adjustments is then inspected by the internal risk department together with Executive management assess the evidence obtained for reasonableness and consistency with the market. The valuations summary are then presented to the Finance, Risk and Investment Committee for consideration and approval.

The fair value of the land and buildings was determined using the market comparative and investment methods. Through the comparative method, rental rates and capitalisation rates for similar properties sold are assessed and adjusted for appropriately to reflect the type of property, quality, location and risk, the rental value and capitalisation rates of the subject property are then determined.

The valuers have stated in their reports that valuations rely on inputs such as market rentals per square metre, rental yields and recent price per square metre for comparable properties.

## 4.0 PROPERTY AND EQUIPMENT

	Inflation adjusted								
	Buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Hospital Equipment	Assets under construction	Computer equipment	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>YEAR ENDED 31 DECEMBER 2022</b>									
<b>Opening net book amount</b>	<b>2 854 801 335</b>	<b>394 669 377</b>	<b>691 691 545</b>	<b>202 334 163</b>	<b>66 555 939</b>	<b>655 881 733</b>	<b>2 247 148 132</b>	<b>398 101 679</b>	<b>7 511 183 903</b>
Cost	3 066 633 206	525 602 613	1 426 490 893	452 062 994	162 466 406	792 119 573	2 247 148 132	683 106 277	9 355 630 094
Accumulated depreciation	(211 831 871)	(130 933 236)	(734 799 348)	(249 728 831)	(95 910 467)	(136 237 840)	-	(285 004 598)	(1 844 446 191)
Additions	-	1 950 935	83 880 289	12 025 673	12 886 337	3 902 497	973 869 611	43 254 061	1 131 769 403
Revaluation surplus	3 590 201 547	-	-	-	-	-	-	-	3 590 201 547
Disposals	-	-	(2 261 208)	-	-	-	-	-	(2 261 208)
Depreciation charge	-	(5 379 487)	(26 719 388)	(7 339 374)	(6 932 741)	(23 056 830)	-	(22 515 493)	(91 943 313)
Depreciation on disposal	-	-	2 249 218	-	-	-	-	-	2 249 218
<b>Net book amount</b>	<b>6 445 002 882</b>	<b>391 240 825</b>	<b>748 840 456</b>	<b>207 020 462</b>	<b>72 509 535</b>	<b>636 727 400</b>	<b>3 221 017 743</b>	<b>418 840 247</b>	<b>12 141 199 550</b>
<b>As at 31 December 2022</b>									
Revaluation/cost	6 445 002 882	527 553 548	1 508 109 974	464 088 667	175 352 743	796 022 070	3 221 017 743	726 360 338	14 075 339 836
Accumulated depreciation	-	(136 312 723)	(759 269 518)	(257 068 205)	(102 843 208)	(159 294 670)	-	(307 520 091)	(1 934 140 286)
<b>Net book amount</b>	<b>6 445 002 882</b>	<b>391 240 825</b>	<b>748 840 456</b>	<b>207 020 462</b>	<b>72 509 535</b>	<b>636 727 400</b>	<b>3 221 017 743</b>	<b>418 840 247</b>	<b>12 141 199 550</b>

	Inflation adjusted								
	Buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Hospital Equipment	Assets under construction	Computer equipment	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>YEAR ENDED 31 DECEMBER 2023</b>									
<b>Opening net book amount</b>	<b>6 445 002 882</b>	<b>391 240 825</b>	<b>748 840 456</b>	<b>207 020 462</b>	<b>72 509 535</b>	<b>636 727 400</b>	<b>3 221 017 743</b>	<b>418 840 247</b>	<b>12 141 199 550</b>
Revaluation/cost	6 445 002 882	527 553 548	1 508 109 974	464 088 667	175 352 743	796 022 070	3 221 017 743	726 360 338	13 863 507 965
Accumulated depreciation	-	(136 312 723)	(759 269 518)	(257 068 205)	(102 843 208)	(159 294 670)	-	(307 520 091)	(1 722 308 415)
Additions	3 437 889 069	-	1 397 320 222	970 829 057	481 442 021	793 120 943	202 662 551	361 354 589	7 644 618 452
Reclassification of under construction property	3 423 680 294	-	-	-	-	-	(3 423 680 294)	-	-
Revaluation surplus	28 993 580 446	-	1 991 831 297	856 993 588	(62 470 302)	1 321 706 229	-	1 019 787 139	34 121 428 397
Depreciation charge	(30 264 214)	(1 106 398)	(162 444 963)	(54 609 810)	(23 231 242)	(8 401 537)	-	(33 606 009)	(313 664 173)
<b>Net book amount</b>	<b>42 269 888 477</b>	<b>390 134 427</b>	<b>3 975 547 012</b>	<b>1 980 233 297</b>	<b>468 250 012</b>	<b>2 743 153 035</b>	<b>-</b>	<b>1 766 375 966</b>	<b>53 593 582 226</b>
<b>As at 31 December 2023</b>									
Revaluation/ cost	42 269 888 477	527 553 548	3 975 547 012	1 980 233 297	468 250 012	2 743 153 035	-	1 766 375 966	53 731 001 347
Accumulated depreciation	-	(137 419 121)	-	-	-	-	-	-	(137 419 121)
<b>Net book amount</b>	<b>42 269 888 477</b>	<b>390 134 427</b>	<b>3 975 547 012</b>	<b>1 980 233 297</b>	<b>468 250 012</b>	<b>2 743 153 035</b>	<b>-</b>	<b>1 766 375 966</b>	<b>53 593 582 226</b>

	Historical cost								
	Buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Hospital Equipment	Assets under construction	Computer equipment	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>YEAR ENDED 31 DECEMBER 2023</b>									
Opening net book amount	37 839 699	3 375 063	13 518 545	4 512 128	1 236 050	11 028 838	99 405 472		7 100 408
Cost	38 339 734	3 921 911	16 868 662	5 807 104	1 612 795	15 930 314	99 405 472		9 485 228
Accumulated depreciation	( 500 035)	( 546 848)	(3 350 117)	(1 294 976)	( 376 745)	(4 901 476)	-		(2 384 820)
Additions	-	369 512	15 685 256	1 436 983	1 991 411	1 735 369	48 772 230		7 835 239
Revaluation surplus	1 303 367 288	-	-	-	-	-	-		-
Disposals			( 227 637)	-	-	-	-		-
Depreciation charge	-	( 641 595)	(3 415 126)	(1 617 018)	( 344 942)	(4 076 610)	-		(3 028 187)
Depreciation on disposal	-	-	225 317	-	-	-	-		-
Net book amount	1 341 206 987	3 102 980	25 786 355	4 332 093	2 882 519	8 687 597	148 177 702		11 907 460
<b>As at 31 December 2022</b>									
Revaluation/ cost	1 341 206 987	4 291 423	32 326 281	7 244 087	3 604 206	17 665 684	148 177 702		17 320 467
Accumulated depreciation	-	(1 188 443)	(6 539 926)	(2 911 994)	( 721 687)	(8 978 087)	-		(5 413 007)
Net book amount	1 341 206 987	3 102 980	25 786 355	4 332 093	2 882 519	8 687 597	148 177 702		11 907 460

	Historical cost								
	Buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Hospital Equipment	Assets under construction	Computer equipment	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>YEAR ENDED 31 DECEMBER 2023</b>									
Opening net book amount	1 341 206 987	3 102 980	25 786 355	4 332 093	2 882 519	8 687 597	148 177 702	11 907 460	1 546 083 693
Revaluation/ cost	1 341 206 987	4 291 423	32 326 281	7 244 087	3 604 206	17 665 684	148 177 702	17 320 467	1 571 836 837
Accumulated depreciation	-	(1 188 443)	(6 539 926)	(2 911 994)	( 721 687)	(8 978 087)	-	(5 413 007)	(25 753 144)
Additions	2 098 974 216	-	913 037 885	709 871 031	277 218 359	793 120 943	48 772 230	269 638 239	5 110 632 903
Reclassification of under construction property	196 949 932	-	-	-	-	-	(196 949 932)	-	-
Revaluation surplus	38 654 603 326	-	3 146 835 303	1 304 978 698	205 009 031	1 945 329 908	-	1 505 267 683	46 762 023 949
Depreciation charge	(21 845 984)	( 641 595)	(110 112 530)	(38 948 525)	(16 859 897)	(3 985 413)	-	(20 437 417)	( 212 831 360)
Net book amount	42 269 888 477	2 461 385	3 975 547 012	1 980 233 297	468 250 012	2 743 153 035	-	1 766 375 966	53 205 909 185
<b>As at 31 December 2023</b>									
Revaluation/ cost	42 269 888 477	4 291 423	3 975 547 012	1 980 233 297	468 250 012	2 743 153 035	-	1 766 375 966	53 207 739 222
Accumulated depreciation	-	(1 830 038)	-	-	-	-	-	-	(1 830 038)
Net book amount	42 269 888 477	2 461 385	3 975 547 012	1 980 233 297	468 250 012	2 743 153 035	-	1 766 375 966	53 205 909 185

## 5.0 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Balance at the beginning of the year	3 523 399 522	3 213 877 670	1 656 928 966	733 220 472	194 556 994	62 402 939
Acquisitions	19 555 040	67 083 216	54 323 317	19 555 040	13 960 037	2 548 452
Disposals	(59 657 490)	(84 919 516)	(44 091 214)	(59 657 490)	(9 963 400)	(2 068 438)
Fair value gains	3 320 536 211	327 358 152	1 546 716 601	6 110 715 262	534 666 841	131 674 041
Promoter	2 106 877 097	184 698 188	922 440 290	3 877 243 073	301 466 523	75 559 020
Cell Captive arrangements	1 213 659 114	142 659 964	624 276 311	2 233 472 189	233 200 318	56 115 021
<b>Balance at the end of the year</b>	<b>6 803 833 283</b>	<b>3 523 399 522</b>	<b>3 213 877 670</b>	<b>6 803 833 283</b>	<b>733 220 472</b>	<b>194 556 994</b>

Financial assets at fair value through profit or loss are categorized as follows:

Those designated as such on initial recognition

Current						
Promoter (Zimbabwe Stock Exchange Listed Equities)	1 100 636 536	661 090 683	855 368 872	1 100 636 536	137 573 165	51 781 061
Cell Captive arrangements (Zimbabwe Stock Exchange Listed Equities)	557 682 407	369 181 157	611 817 935	557 682 407	76 826 707	37 037 333
	<b>1 658 318 943</b>	<b>1 030 271 840</b>	<b>1 467 186 807</b>	<b>1 658 318 943</b>	<b>214 399 872</b>	<b>88 818 394</b>
Non Current						
Promoter (Non traded equities)	3 156 268 751	1 356 036 049	950 041 912	3 156 268 751	282 191 499	57 512 238
Cell Captive arrangements(Non traded equities)	1 989 245 589	1 137 091 633	796 648 951	1 989 245 589	236 629 101	48 226 362
	<b>5 145 514 340</b>	<b>2 493 127 682</b>	<b>1 746 690 863</b>	<b>5 145 514 340</b>	<b>518 820 600</b>	<b>105 738 600</b>
	<b>6 803 833 283</b>	<b>3 523 399 522</b>	<b>3 213 877 670</b>	<b>6 803 833 283</b>	<b>733 220 472</b>	<b>194 556 994</b>

### 5.1 Non-traded equity reconciliation

Cost as at 1 January 2023	2 493 127 682	1 746 690 863	328 296 391	518 820 600	105 738 600	42 503 280
Acquisitions during the year	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-
Carrying amount as at 31 December 2023*	2 493 127 682	1 746 690 863	328 296 391	518 820 600	105 738 600	42 503 280
Level 3 revaluation surplus as at 31 December 2023	2 652 386 658	746 436 819	1 418 394 472	4 626 693 740	413 082 000	63 235 320
<b>Carrying amount and fair value as at 31 December 2023</b>	<b>5 145 514 340</b>	<b>2 493 127 682</b>	<b>1 746 690 863</b>	<b>5 145 514 340</b>	<b>518 820 600</b>	<b>105 738 600</b>

### 5.2 Gold Coins

Opening balance at 31 January	382 869 449	-	-	79 675 244	-	-
Acquisitions during the year	-	304 684 999	-	-	56 974 794	-
Fair value adjustment	994 672 732	78 184 450	-	1 297 866 937	22 700 450	-
<b>Market value at 31 December</b>	<b>1 377 542 181</b>	<b>382 869 449</b>	<b>-</b>	<b>1 377 542 181</b>	<b>79 675 244</b>	<b>-</b>

## 6.0 REINSURANCE CONTRACT ASSETS

	Inflation Adjusted			Historical Cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Opening insurance contract assets	33 557 594 140	14 086 389 845	2 723 076 341	5 771 319 667	1 614 112 547	312 028 258
Allocation of reinsurance premiums	(94 671 405 743)	(56 375 843 220)	(10 277 947 436)	(59 485 189 546)	(6 600 307 931)	(1 177 715 801)
Amounts recoverable for incurred claims and other expenses	46 746 181 164	41 943 093 559	13 062 321 848	20 065 139 980	4 806 119 542	1 496 768 001
Changes to amounts recoverable for incurred claims	(9 415 948 265)	(1 701 828 870)	(703 527 818)	(3 589 809 220)	(354 151 086)	(80 614 912)
Premiums paid	178 055 349 190	46 064 106 800	14 733 653 358	112 095 544 045	9 585 954 108	1 688 280 318
Amounts received	(49 830 602 175)	(19 783 852 265)	(6 007 742 782)	(31 713 158 425)	(4 117 025 447)	(688 407 257)
Loss recovery on onerous contracts	(3 318)	2 376 444 082	556 556 334	(1 265)	494 538 708	63 773 940
Reinsurance contract liabilities	-	1 643 819 057	-	-	342 079 227	-
Effects of inflation	(61 297 319 757)	5 305 265 152	-	-	-	-
<b>At the end of the year</b>	<b>43 143 845 236</b>	<b>33 557 594 140</b>	<b>14 086 389 845</b>	<b>43 143 845 236</b>	<b>5 771 319 667</b>	<b>1 614 112 547</b>
Current	14 692 925 513	20 957 370 005	10 684 333 309	14 692 925 513	3 538 574 542	1 224 282 207
Non-current	28 450 919 723	12 600 224 135	3 402 056 541	28 450 919 723	2 127 501 320	389 830 340
	<b>43 143 845 236</b>	<b>33 557 594 140</b>	<b>14 086 389 850</b>	<b>43 143 845 236</b>	<b>5 666 075 862</b>	<b>1 614 112 547</b>
<b>6.1 Insurance contract assets</b>						
Contracts measured under the PAA	-	869 300 942	-	-	180 901 781	-
	-	869 300 942	-	-	180 901 781	-
Current		246 201 855			51 234 678	
Non-current		623 099 087			129 667 103	
	-	<b>869 300 942</b>	-	-	<b>180 901 781</b>	-
<b>6.2 Reinsurance contract liabilities</b>						
Contracts measured under the PAA	-	1 643 819 057	-	-	342 079 227	-
	-	<b>1 643 819 057</b>	-	-	<b>342 079 227</b>	-
Current		259 534 147			54 009 132	
Non-current		1 384 284 910			288 070 095	
	-	<b>1 643 819 057</b>	-	-	<b>342 079 227</b>	-

## 7.0 INSURANCE CONTRACT LIABILITIES

	Inflation Adjusted			Historical Cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	38 942 232 465	15 803 743 202	3 536 283 729	6 626 024 810	1 810 898 353	405 210 987
Insurance revenue for contracts under PPA	(154 316 074 374)	(82 020 569 938)	(17 260 268 973)	(95 717 802 329)	(8 690 029 488)	(1 977 796 795)
Incurred claims and other directly attributable expenses	127 545 000 215	75 690 053 306	15 633 535 765	61 307 545 774	8 673 071 380	1 791 394 849
Changes to liabilities for incurred claims	(13 198 692 849)	(6 095 751 359)	(827 034 127)	(6 344 266 452)	(1 268 527 642)	(94 767 089)
Losses on onerous contracts	1 720 431	2 973 871 305	695 695 424	826 966	618 863 489	79 717 424
Insurance acquisition cash flows	(10 516 924 254)			(6 620 976 855)		
Premiums received	225 126 961 278	48 854 282 299	17 924 568 102	138 779 888 165	10 166 590 515	2 053 916 622
Claims and other expenses paid	(77 103 370 843)	(22 875 987 513)	(3 899 036 718)	(37 061 573 792)	(4 760 499 697)	(446 777 645)
Insurance contract assets	(176 261 810)	363 564 602	-	(75 657 900)	75 657 900	-
Effects of inflation	(75 410 581 872)	6 249 026 561				
At the end of the year	60 894 008 387	38 942 232 465	15 803 743 202	60 894 008 387	6 626 024 810	1 810 898 353
Current	20 553 101 210	22 848 373 123	11 070 464 041	20 553 101 210	3 730 195 018	1 268 527 642
Non-current	40 340 907 177	16 093 859 342	4 733 279 161	40 340 907 177	2 895 829 792	542 370 711
	<b>60 894 008 387</b>	<b>38 942 232 465</b>	<b>15 803 743 202</b>	<b>60 894 008 387</b>	<b>6 626 024 810</b>	<b>1 810 898 353</b>

### 7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2023			
	Inflation adjusted			Total
	Excluding loss component	Loss component	Liability for incurred claims	
	ZWL	ZWL	ZWL	ZWL
Opening insurance contract (asset)/ liabilities	(26 553 809 009)	6 095 751 339	59 400 290 136	38 942 232 466
Net insurance contract (asset)/liabilities opening balance	(26 553 809 009)	6 095 751 339	59 400 290 136	38 942 232 466
Insurance revenue	(154 316 074 374)	-	-	(154 316 074 374)
Insurance service expenses	-	1 720 431	127 543 279 784	127 545 000 215
Incurred claims and other directly attributable expenses	-	-	140 741 972 633	140 741 972 633
Changes to liabilities for incurred claims	-	-	(13 198 692 849)	(13 198 692 849)
Losses on onerous contracts and reversal of those losses	-	1 720 431	-	1 720 431
Amortisation of insurance acquisition cash flows	-	-	-	-
Investment components	-	-	-	-
Net income or expense from insurance contracts held	(154 316 074 374)	1 720 431	127 543 279 784	(26 771 074 159)
Insurance finance expenses	-	-	-	-
Total changes in the statement of comprehensive income	(154 316 074 374)	1 720 431	127 543 279 784	(26 771 074 159)
Cash flows				
Premiums received	225 126 961 278	-	-	225 126 961 278
Claims and other expenses paid	-	-	(77 103 370 843)	(77 103 370 843)
Insurance acquisition cash flows	(10 516 924 253)	-	-	(10 516 924 253)
Total cash flows	214 610 037 025	-	(77 103 370 843)	137 506 666 182
Other movements	(82 710 129 563)	6 097 471 769	-	(76 612 657 794)

Net insurance contract (asset)/liabilities closing balance	131 899 907 462	6 097 471 769	(77 103 370 843)	60 894 008 388
Closing insurance contract liabilities	131 899 907 462	6 097 471 769	(77 103 370 843)	60 894 008 388
Net insurance contract liabilities/(assets) closing balance	131 899 907 462	6 097 471 769	(77 103 370 843)	60 894 008 388

	2022			
	Inflation adjusted			
	Excluding loss component	Loss component	Liability for incurred claims	Total
	ZWL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	3 121 886 806	695 695 404	11 986 160 993	15 803 743 202
Opening insurance contract assets	-	-	-	-
Net insurance contract (asset)/liabilities opening balance	3 121 886 806	695 695 404	11 986 160 993	15 803 743 202
Insurance revenue	(82 020 569 938)	-	-	(82 020 569 938)
Insurance service expenses	-	5 400 055 935	70 289 997 371	75 690 053 306
Incurred claims and other directly attributable expenses	-	2 426 184 630	76 385 748 730	78 811 933 360
Changes to liabilities for incurred claims	-	-	(6 095 751 359)	(6 095 751 359)
Losses on onerous contracts and reversal of those losses	-	2 973 871 305	-	2 973 871 305
Amortisation of insurance acquisition cash flows	-	-	-	-
Investment components	-	-	-	-
Net income or expense from insurance contracts held	(82 020 569 938)	5 400 055 935	70 289 997 371	(6 330 516 632)
Insurance finance expenses	-	-	-	-
Total changes in the statement of comprehensive income	(82 020 569 938)	5 400 055 935	70 289 997 371	(6 330 516 632)
Cash flows				
Premiums received	48 854 282 299	-	-	48 854 282 299
Claims and other expenses paid	-	-	(22 875 987 513)	(22 875 987 513)
Insurance acquisition cash flows	-	-	-	-
Total cash flows	48 854 282 299	-	(22 875 987 513)	25 978 294 786
Other movements	3 490 591 824	-	119 285	3 490 711 109
Net insurance contract (asset)/liabilities closing balance	(26 553 809 009)	6 095 751 339	59 400 290 136	38 942 232 465
Closing insurance contract liabilities	(26 553 809 009)	6 095 751 339	59 400 290 136	38 942 232 465
Net insurance contract (asset)/liabilities closing balance	(26 553 809 009)	6 095 751 339	59 400 290 136	38 942 232 465

	2023			
	Historical cost			
	Excluding loss component	Loss component	Liability for incurred claims	Total
	ZWL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	2 417 902 411	1 237 726 978	2 970 395 422	6 626 024 811
Opening insurance contract assets	-	-	-	-
Net insurance contract (asset)/liabilities opening balance	2 417 902 411	1 237 726 978	2 970 395 422	6 626 024 811
Insurance revenue	(95 717 802 329)	-	-	(95 717 802 329)
Insurance service expenses	15 030 329 309	(618 036 523)	46 895 252 988	61 307 545 774
Incurred claims and other directly attributable expenses	-	(618 863 489)	53 239 519 440	52 620 655 951
Changes to liabilities for incurred claims	-	-	(6 344 266 452)	(6 344 266 452)
Losses on onerous contracts and reversal of those losses	-	826 966	-	826 966
Amortisation of insurance acquisition cash flows	15 030 329 309	-	-	15 030 329 309
Investment components	-	-	-	-
Net income or expense from insurance contracts held	(80 687 473 020)	(618 036 523)	46 895 252 988	(34 410 256 555)
Insurance finance expenses	-	-	-	-
Total changes in the statement of comprehensive income	(80 687 473 020)	(618 036 523)	46 895 252 988	(34 410 256 555)

Cash flows	-	-	-	-
Premiums received	138 779 888 165	-	-	138 779 888 165
Claims and other expenses paid	-	-	(37 061 573 792)	(37 061 573 792)
Insurance acquisition cash flows	(6 620 976 855)	-	-	-
Total cash flows	132 158 911 310	-	(37 061 573 792)	95 097 337 518
Other movements	(6 419 097 386)	-	-	(6 419 097 386)
Net insurance contract (asset)/liabilities closing balance	47 470 243 315	619 690 455	12 804 074 618	60 894 008 388
Closing insurance contract liabilities	47 470 243 315	619 690 455	12 804 074 618	60 894 008 388
Closing insurance contract assets	-	-	-	-
<b>Net insurance contract liabilities/(assets) closing balance</b>	<b>47 470 243 315</b>	<b>619 690 455</b>	<b>12 804 074 618</b>	<b>60 894 008 388</b>

	2022			
	Historical cost			
	Excluding loss component	Loss component	Liability for incurred claims	Total
	ZWL	ZWL	ZWL	ZWL
Opening insurance contract liabilities	357 726 633	79 717 424	1 373 454 297	1 810 898 353
Opening insurance contract assets	-	-	-	-
Net insurance contract (asset)/liabilities opening balance	357 726 633	79 717 424	1 373 454 297	1 810 898 353
Insurance revenue	(8 690 029 488)	-	-	(8 690 029 488)
Insurance service expenses	1 852 142 393	539 146 065	6 281 782 922	8 673 071 380
Incurred claims and other directly attributable expenses	-	(79 717 424)	7 550 310 564	7 470 593 140
Changes to liabilities for incurred claims	-	-	(1 268 527 642)	(1 268 527 642)
Losses on onerous contracts and reversal of those losses	-	618 863 489	-	618 863 489
Amortisation of insurance acquisition cash flows	1 852 142 393	-	-	1 852 142 393
Investment components				
Net income or expense from insurance contracts held	(6 837 887 095)	539 146 065	6 281 782 922	(16 958 108)
Insurance finance expenses	-	-	-	-
Total changes in the statement of comprehensive income	(6 837 887 095)	539 146 065	6 281 782 922	(16 958 108)
Cash flows	-	-	-	-
Premiums received	10 166 590 515	-	-	10 166 590 515
Claims and other expenses paid	-	-	(4 760 499 697)	(4 760 499 697)
Insurance acquisition cash flows	-	-	-	-
Total cash flows	10 166 590 515	-	(4 760 499 697)	5 406 090 818
Other movements	(1 268 527 642)	618 863 489	75 657 901	(574 006 252)
Net insurance contract (asset)/liabilities closing balance	2 417 902 411	1 237 726 978	2 970 395 422	6 626 024 811
Closing insurance contract liabilities	2 417 902 411	1 237 726 978	2 970 395 422	6 626 024 811
Closing insurance contract assets	-	-	-	-
<b>Net insurance contract (asset)/liabilities closing balance</b>	<b>2 417 902 411</b>	<b>1 237 726 978</b>	<b>2 970 395 422</b>	<b>6 626 024 811</b>

## 8.0 LEASE LIABILITIES

	Inflation Adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Lease liabilities included in statement of financial position						
Less than one year	4 753 021 247	546 365 637	254 391 862	4 753 021 247	113 698 849	15 400 000
One to five years	111 487 401	1 469 360 500	354 986 864	111 487 401	305 774 350	21 489 672
	<b>4 864 508 648</b>	<b>2 015 726 137</b>	<b>609 378 726</b>	<b>4 864 508 648</b>	<b>419 473 199</b>	<b>36 889 672</b>
Current	4 753 021 247	546 365 637	254 391 862	4 753 021 247	113 698 849	15 400 000
Non current	111 487 401	1 469 360 500	354 986 864	111 487 401	305 774 350	21 489 672
	<b>4 864 508 648</b>	<b>2 015 726 137</b>	<b>609 378 726</b>	<b>4 864 508 648</b>	<b>419 473 199</b>	<b>36 889 672</b>

	Inflation Adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>8.1 Lease liabilities</b>						
Opening balance	2 015 726 137	609 378 726	405 487 858	419 473 199	36 889 672	15 271 406
Lease modifications	8 980 731 333	2 534 463 514	699 856 426	4 879 807 186	434 437 859	25 101 623
Lease interest	1 558 928 856	253 272 460	305 597 840	952 253 445	31 304 514	14 601 475
Lease repayments	(2 979 554 404)	(787 978 834)	(459 183 463)	(1 387 025 182)	(83 158 846)	(18 084 832)
Effects of monetary movements	(4 711 323 274)	(593 409 729)	(342 379 935)	-	-	-
	<b>4 864 508 648</b>	<b>2 015 726 137</b>	<b>609 378 726</b>	<b>4 864 508 648</b>	<b>419 473 199</b>	<b>36 889 672</b>

	Inflation Adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>8.2 Amounts recognised in profit or loss</b>						
Interest on lease liabilities	1 558 928 856	253 272 460	305 597 840	952 253 445	31 304 514	14 601 475
Depreciation expense right of use asset	987 812 856	222 111 030	177 971 470	564 595 354	51 513 325	8 266 745
Lease income from sublease	(425 624 032)	(48 835 309)	(85 313 384)	(352 461 947)	(3 259 038)	(3 185 232)
	<b>2 121 117 680</b>	<b>426 548 181</b>	<b>398 255 926</b>	<b>1 164 386 852</b>	<b>79 558 801</b>	<b>19 682 988</b>

	Inflation Adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>8.3 Amounts recognised in statement of cash flows</b>						
Finance cost arising from lease	1 558 928 856	253 272 460	305 597 840	952 253 445	31 304 514	14 601 475
Lease principal payments	1 420 625 548	534 706 374	153 585 623	434 771 737	51 854 332	3 483 357
	<b>2 979 554 404</b>	<b>787 978 834</b>	<b>459 183 463</b>	<b>1 387 025 182</b>	<b>83 158 846</b>	<b>18 084 832</b>

**8.4 Right of use assets**

Right of use assets relates to properties that are leased by the company as office premises. The Company applied an Incremental Borrowing Rate of 12% for the period January 2023 to 31 December 2023.

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Balance at 1 January	3 691 634 861	2 035 759 404	1 883 236 847	312 748 932	23 808 045	16 069 560
Depreciation	(987 812 856)	(222 111 030)	(177 971 470)	(564 595 354)	(51 513 325)	(8 266 745)
Lease modifications	5 928 110 349	2 756 758 672	632 294 180	4 918 103 812	452 499 953	29 662 610
Derecognition of right of use*	-	(878 772 185)	(301 800 153)	-	(112 045 741)	(13 657 380)
<b>Balance at 31 December</b>	<b>8 631 932 354</b>	<b>3 691 634 861</b>	<b>2 035 759 404</b>	<b>4 666 257 390</b>	<b>312 748 932</b>	<b>23 808 045</b>

\* Derecognition of the right of use is as a result of entering into a finance sub-lease.

**9.0 INVESTMENT IN ASSOCIATE**

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Percentage ownership	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%
Balance at the beginning of the year	2 814 458 935	1 514 759 535	1 846 163 689	585 689 729	91 698 284	69 529 860
Share of profit of associate	224 096 749	72 708 911	94 568 193	224 096 749	15 130 746	5 724 830
Other comprehensive income	10 383 834	6 359 621	2 713 499	10 383 834	1 888 119	164 265
Effects of exchange rate movements	2 566 924 823	1 220 630 868	(428 685 846)	4 795 694 029	476 972 580	16 279 329
<b>Balance at the end of the year</b>	<b>5 615 864 341</b>	<b>2 814 458 935</b>	<b>1 514 759 535</b>	<b>5 615 864 341</b>	<b>585 689 729</b>	<b>91 698 284</b>

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Ownership interest	18.70%	18.70%	18.70%	18.70%	18.70%	18.70%
Revenue	2 046 203 731	5 414 241 203	17 790 425 258	1 126 705 179	1 126 705 179	834 596 429
Profit after tax	1 198 378 338	482 470 009	491 201 558	1 198 378 338	100 402 150	29 735 636
Other comprehensive income	55 528 526	534 759 459	1 467 082 413	55 528 526	111 283 600	88 812 075
<b>Total comprehensive income</b>	<b>1 253 906 864</b>	<b>1 017 229 468</b>	<b>1 958 283 971</b>	<b>1 253 906 864</b>	<b>211 685 750</b>	<b>118 547 711</b>

<b>Attributable to investee's shareholders</b>						
-						
	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Current assets	77 218 844 333	39 354 248 392	609 285 732	77 218 844 333	8 189 630 609	368 840 425
Non-current assets	2 542 288 667	606 480 853	3 155 268 173	2 542 288 667	1 262 088 431	191 008 979
Current liabilities	(50 766 280 667)	(29 737 347 636)	(2 088 772 603)	(50 766 280 667)	(6 188 350 747)	(126 447 041)
Non-current liabilities	(402 373 667)	(606 942 660)	(96 013 354)	(402 373 667)	(126 304 945)	(5 812 315)
<b>Net assets</b>	<b>28 592 478 666</b>	<b>9 616 438 949</b>	<b>1 579 767 948</b>	<b>28 592 478 666</b>	<b>3 137 063 348</b>	<b>427 590 048</b>
Company's interest in net assets of investee at beginning of the year	2 814 458 935	1 514 759 535	1 846 163 689	585 689 729	91 698 284	69 529 860
Share of profit of associate	224 096 749	72 708 911	94 568 193	224 096 749	15 130 746	5 724 830

<b>Other comprehensive income</b>			-		-	
Equity accounted investee- share of other comprehensive income	10 383 834	6 359 621	2 713 499	10 383 834	1 888 119	164 265
Effects of exchange rate movements	2 566 924 823	1 220 630 868	(428 685 846)	4 795 694 029	476 972 580	16 279 329
<b>Carrying amount of interest in investee at end of the year</b>	<b>5 615 864 341</b>	<b>2 814 458 935</b>	<b>1 514 759 535</b>	<b>5 615 864 341</b>	<b>585 689 729</b>	<b>91 698 284</b>

Lidwala Insurance Company Limited is a general insurance company incorporated and domiciled in the Kingdom of Eswatini. The entity's reporting and functional currency is the Swazi lilangeni (E). The investment in associate is accounted for using the equity method of accounting. The associate has an annual financial reporting period that begins on 1 July and ends 30 June of each year. For purposes of equity accounting the results of the associate. Management incorporates the January to June figures and the 1 July to 31 December each year to achieve a complete year and make up for the difference of six months between the Company's year end and the associate.

The company holds 18.7% in Lidwala and currently it has Board representation and also participates in the Strategy Committee. During the current year there has been significant exchange of information with regards to IT systems and digitisation. The IT manager was seconded to assist in the formulation of a digitalisation policy for the associate.

## 10.0 INCOME TAX

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>10.1 Income tax expense</b>						
Current tax expense	675 578 101	225 165 700	306 057 613	675 578 101	-	15 515 075
<b>Deferred tax expense</b>						
Originating from profit or loss items	1 757 758 772	1 035 449 471	(461 672 455)	2 689 117 744	(125 395 750)	18 273 904
	2 433 336 873	1 260 615 171	(155 614 842)	3 364 695 845	(125 395 750)	33 788 979
<b>Income tax relating to the components of other comprehensive income</b>						
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	128 331 639	105 644 743	15 205 409	239 250 938	23 834 399	917 056
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods						
Equity accounted investee	66 171	317 976	96 245	519 162	94 034	9 253
Revaluation reserve	6 824 285 679	686 390 899	-	7 956 375 830	224 940 808	-
	<b>6 952 683 489</b>	<b>792 353 618</b>	<b>15 301 654</b>	<b>8 196 145 930</b>	<b>248 869 241</b>	<b>926 309</b>

Reconciliation of income tax expense						
Income tax charged based on profit for the year at 24.72% (2022:24.72%).						
(Loss)/profit before income tax	5 584 545 413	(2 171 590 383)	3 468 818 908	(1 523 743 984)	(192 622 208)	143 638 708
Income tax expense based on profit for the year	1 380 499 626	(536 817 143)	857 492 034	(376 669 513)	(47 616 210)	35 507 489
Non deductible/ taxable items	1 052 837 247	2 309 358 532	(1 013 106 876)	3 741 365 359	(77 779 540)	(1 718 510)
Disallowed expenses	5 561 839 918	685 121 933	7 076 665	3 818 133 311	76 003 534	1 472 656
Schedule 8 adjustments (ITA)	-	80 713 327	-	-	13 545 538	-
Assessed loss	3 131 912 190	1 859 581 638	-	3 131 912 190	67 751 364	-
Tax exempt income	(7 640 914 861)	(316 058 366)	(1 020 183 541)	(3 208 680 142)	(235 079 976)	(3 191 166)
	<b>2 433 336 873</b>	<b>1 772 541 389</b>	<b>(155 614 842)</b>	<b>3 364 695 845</b>	<b>(125 395 750)</b>	<b>33 788 979</b>

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>10.2 Current income tax asset</b>						
Opening balance	(458 007 940)	(56 634 724)	(50 361 898)	(95 311 096)	(3 428 452)	-
Current tax	-	-	306 056 039	-	(91 882 644)	-
Amount paid in current year	-	-	(326 822 795)	-	-	-
Reversal of asset on disposal of subsidiary	219 193 164	-	-	45 613 926	-	-
Effects of monetary movements	189 117 606	(401 373 216)	14 493 930	-	-	-
<b>Current income tax asset</b>	<b>(49 697 170)</b>	<b>(458 007 940)</b>	<b>(56 634 724)</b>	<b>(49 697 170)</b>	<b>(95 311 096)</b>	<b>-</b>
Current income tax liability						
Opening balance	72 943 617	-	-	15 179 588	(3 428 452)	(2 678 834)
Current year charge	675 578 101	225 165 700	-	675 578 101	29 055 044	15 515 075
Amount paid in current year	(808 900 096)	(86 139 528)	-	(479 046 295)	(10 447 004)	(16 264 693)
Effects of monetary movements	272 089 772	(66 082 555)	-	-	-	-
<b>Current income tax liability/(asset)</b>	<b>211 711 394</b>	<b>72 943 617</b>	<b>-</b>	<b>211 711 394</b>	<b>15 179 588</b>	<b>(3 428 452)</b>

**10.3 Deferred taxes**

Taxes payable in the future in respect of taxable temporary differences. Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 25.75% (2022: 24.72%).

The net movement on the deferred tax account is as follows:

Opening deferred tax (liability)/asset	(2 039 013 891)	1 294 594	-	(191 133 917)	-	-
Income statement charge						
Arising from temporary differences	(1 757 758 772)	(1 035 449 471)	-	(2 689 117 744)	125 395 750	-
Revaluation reserve	(6 824 285 679)	(686 390 899)	-	(7 956 375 830)	(224 940 808)	-
Arising from capital gains	(128 331 639)	(318 468 115)	-	(239 770 100)	(91 588 859)	-
Closing deferred tax liability	(10 749 389 981)	(2 039 013 891)	-	(11 076 397 591)	(191 133 917)	-
Opening deferred tax asset/(liability)	-	1 294 594	(460 377 861)	13 665 090	208 282	19 408 494

Income statement charge						
Reversal of deferred tax asset	-	(1 294 594)	-	(13 665 090)	-	-
Income statement charge	-	-	-	-	-	-
Arising from temporary differences	-	-	461 672 455	-	13 456 808	(18 273 904)
Arising from capital gains	-	-	-	-	-	(926 308)
<b>Closing deferred tax liability</b>	<b>-</b>	<b>-</b>	<b>1 294 594</b>	<b>-</b>	<b>13 665 090</b>	<b>208 282</b>
The deferred tax liability balances included in the statement of financial position are comprised of:						
Provisions	917 002 126	213 598 478	-	917 002 126	44 449 906	-
Property and equipment	(4 821 021 384)	(2 170 506 174)	-	(3 829 333 664)	(167 446 310)	-
Inventory	(7 651 677)	(36 769 181)	-	-	-	-
Investment in associate	(128 331 639)	(114 985 101)	-	(239 770 100)	(23 928 433)	-
Investment in gold coins	(198 934 546)	(15 636 893)	-	(259 573 387)	(4 540 090)	-
Fair value - land and buildings	(6 824 285 679)	(686 390 899)	-	(7 956 375 830)	(200 252 781)	-
Arising from financial assets at fair value through profit or loss	(284 426 703)	(112 288 152)	-	(306 606 258)	(23 367 197)	-
Other (schedule 8 Income Tax Act (Chapter 23.06))	598 259 521	883 964 030	-	598 259 521	183 950 989	-
<b>Net deferred tax (liability)/asset</b>	<b>(10 749 389 981)</b>	<b>(2 039 013 891)</b>	<b>-</b>	<b>(11 076 397 591)</b>	<b>(191 133 917)</b>	<b>-</b>
The deferred tax asset balances included in the statement of financial position are comprised of:						
Provisions	-	-	212 989 467	-	44 449 906	12 893 643
Property and equipment	-	-	(243 157 958)	-	(176 327 458)	(19 023 779)
Inventory	-	-	(73 240 970)	-	-	-
Investment in associate	-	-	(44 195 052)	-	(23 928 433)	(2 675 415)
Investment in gold coins	-	-	-	-	(4 540 090)	-
Fair value - land and buildings	-	-	-	-	(200 252 781)	-
Arising from financial assets at fair value through profit or loss	-	-	(33 021 832)	-	30 417 716	840 527
Other (schedule 8 Income Tax Act (Chapter 23.06))	-	-	181 920 939	-	343 846 230	8 173 306
<b>Net deferred liability</b>	<b>-</b>	<b>-</b>	<b>1 294 594</b>	<b>-</b>	<b>13 665 090</b>	<b>208 282</b>

## 11.0 CASH AND CASH EQUIVALENTS

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Cash on hand	1 045 317 575	180 380 958	218 265 147	1 045 317 575	37 537 330	13 213 014
* Bank balances	5 526 471 029	1 052 855 195	2 932 013 757	5 526 471 029	219 099 474	177 493 931
* Fixed placements	8 096 223 550	2 697 372 456	651 382 721	8 096 223 550	561 323 998	39 432 448
	<b>14 668 012 154</b>	<b>3 930 608 609</b>	<b>3 801 661 625</b>	<b>14 668 012 154</b>	<b>817 960 802</b>	<b>230 139 393</b>

\* The above balances include amounts due to Cell owners', refer to note 17.

Fixed placements comprise Treasury Bills, and other fixed term deposits purchased on the secondary market and have varying tenures of between 30 days and 45 days.

## 12.0 INSURANCE AND OTHER RECEIVABLES

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Due from related parties	1 257 266 611	615 598 067	-	1 257 266 611	128 106 138	-
Impairment provisions	(819 750 591)	( 906 467)	(8 248 273)	(819 750 591)	( 188 636)	( 499 322)
Prepayments	22 635 447	691 805 005	59 360 722	22 635 447	100 920 660	3 461 279
* Other receivables	4 712 858 293	835 356 677	3 116 716 500	4 712 858 293	173 837 969	188 675 195
	<b>5 173 009 760</b>	<b>2 141 853 282</b>	<b>3 167 828 949</b>	<b>5 173 009 760</b>	<b>402 676 131</b>	<b>191 637 152</b>

\* Other receivables mainly comprise amounts due from reinsurers for their portion of claims paid by the company.

## 13.0 INVENTORIES

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Hospital and other consumables	627 913 394	465 524 784	296 282 221	545 077 739	53 320 883	16 424 267
Provision for obsolete inventory	(6 880 515)	( 198 578)	-	(6 880 515)	( 19 681)	-
	<b>621 032 879</b>	<b>465 326 206</b>	<b>296 282 221</b>	<b>538 197 224</b>	<b>53 301 202</b>	<b>16 424 267</b>

## 14.0 AMOUNTS DUE TO CELL OWNERS

Amounts due to Cell owners in terms of captive cell arrangements. The movements in funds due to cell owners is as follows:

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>Balance as at 1 January</b>	<b>4 309 057 633</b>	<b>4 579 980 553</b>	<b>3 309 969 776</b>	<b>896 716 153</b>	<b>277 256 120</b>	<b>124 659 444</b>
Gross written premiums	1 849 910 989	2 032 149 945	3 958 334 545	1 836 286 935	420 080 646	181 691 215
Solvency capital	-	-	-	-	-	-
Investment income	248 666 398	10 670 431	25 039 596	94 803 508	6 968 650	1 211 819
Net gains on financial assets at fair value through profit or loss	1 879 888 410	1 555 012 135	926 985 526	1 879 888 410	237 058 669	56 116 485
Claims incurred	(4 263 733 081)	(2 285 229 893)	(1 797 399 115)	(2 937 436 900)	(386 800 970)	(83 410 423)
Cell liquidations	(1 095 128)	-	(48 892 619)	( 417 515)	-	(2 417 515)
Administration fees	( 436 100)	-	(424 507 674)	( 166 262)	-	(19 559 949)
Other income	333 207 390	9 609 406	17 091 404	127 034 572	1 598 972	856 052
Foreign currency (loss) /gains	6 450 247 259	(1 593 134 944)	(926 220 553)	8 645 553 127	340 554 066	39 564 479
Other expenses	(692 817 046)	-	(460 420 333)	(429 365 304)	-	(21 455 487)
<b>Balance as at 31 December</b>	<b>10 112 896 724</b>	<b>4 309 057 633</b>	<b>4 579 980 553</b>	<b>10 112 896 724</b>	<b>896 716 153</b>	<b>277 256 120</b>
Current	8 123 651 135	3 171 965 990	3 783 331 593	8 123 651 135	660 087 051	229 029 758
Non current	1 989 245 589	1 137 091 633	796 648 960	1 989 245 589	236 629 102	48 226 362
	<b>10 112 896 724</b>	<b>4 309 057 623</b>	<b>4 579 980 553</b>	<b>10 112 896 724</b>	<b>896 716 153</b>	<b>277 256 120</b>
Represented by:						
** Cash at bank	8 033 481 723	1 928 099 620	2 753 622 210	8 033 481 723	401 238 095	166 694 727
** Fixed placements	-	264 308 226	417 891 566	-	55 002 619	25 297 704
***Listed equities	607 651 202	369 181 152	611 817 844	607 651 202	76 826 707	37 037 328
***Unlisted equities	1 471 763 799	1 747 468 625	796 648 933	1 471 763 799	363 648 732	48 226 361
	<b>10 112 896 724</b>	<b>4 309 057 623</b>	<b>4 579 980 553</b>	<b>10 112 896 724</b>	<b>896 716 153</b>	<b>277 256 120</b>

## 15.0 INSURANCE AND OTHER PAYABLES

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
*Accruals	57 281 395	1 073 899 576	490 174 265	57 281 395	223 478 818	29 673 448
Due to related parties	-	-	1 557 311 580	-	-	94 274 235
Statutory payments	595 064 827	233 707 192	136 912 945	595 064 827	48 634 535	8 288 234
Sundry payables	7 225 236 910	1 984 686 225	900 301 046	7 225 236 910	217 466 501	54 501 085
	<b>7 877 583 132</b>	<b>3 292 292 993</b>	<b>3 084 699 836</b>	<b>7 877 583 132</b>	<b>489 579 854</b>	<b>186 737 002</b>
Current	7 877 583 132	3 292 292 993	3 084 699 836	7 877 583 132	489 579 854	186 737 002
Non current	-	-	-	-	-	-
	<b>7 877 583 132</b>	<b>3 292 292 993</b>	<b>3 084 699 836</b>	<b>7 877 583 132</b>	<b>489 579 854</b>	<b>186 737 002</b>

## 16.0 INSURANCE SERVICE REVENUE

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Contracts measured under the PAA	154 316 074 374	82 020 569 938	95 717 802 329	8 690 029 488
<b>16.1 Insurance service expense</b>				
The breakdown of insurance service expenses by major product lines is presented below:				
Changes that relate to past service - adjustments to the LIC	110 219 904 614	52 275 432 842	52 979 825 441	5 990 067 924
Risk adjustment	(13 198 692 850)	1 815 961 243	(6 344 266 452)	208 084 957
Insurance acquisition cash flows	31 809 559 517	16 893 521 604	15 290 023 308	1 935 772 434
Losses on onerous contracts	(1 285 771 066)	4 705 137 617	(618 036 523)	539 146 065
<b>As at 31 December</b>	<b>127 545 000 215</b>	<b>75 690 053 306</b>	<b>61 307 545 774</b>	<b>8 673 071 380</b>
<b>16.2 Allocation of reinsurance premiums</b>				
Contracts measured under the PAA	94 671 405 743	56 375 843 220	59 485 189 546	6 600 307 931
<b>16.3 Amounts recoverable from reinsurers for incurred claims</b>				
Reinsurance claims recovery	47 898 834 016	38 178 983 466	20 559 899 985	4 374 802 690
Reinsurance loss	(1 152 652 852)	3 764 110 093	(494 760 005)	431 316 852
<b>As at 31 December</b>	<b>46 746 181 164</b>	<b>41 943 093 559</b>	<b>20 065 139 980</b>	<b>4 806 119 542</b>

### 16.4 Assumptions and sensitivities for general insurance

The process used to determine the assumptions is intended to result in neutral estimates of the most likely of expected outcome. The sources of data used as inputs for the assumptions are internal, using detailed studies that are carried out annually. The assumptions are checked to ensure that they are consistent with observable market variables or other published information. There is more emphasis on current trends, and where in earlier years there is insufficient information to make a reliable best estimate of claims development, prudent assumptions are used.

The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims.

Each notified claim is assessed on a separate, case by case basis with due regard to the claim circumstances, information available from loss adjusters and historical evidence of the size of similar claims. Case estimates are reviewed regularly and are updated as and when new information arises. The provisions are based on information currently available. However, the ultimate liabilities may vary as a result of subsequent developments. The impact of many of the items affecting the ultimate costs of the loss is difficult to estimate. The provision estimation difficulties also differ by class of business due to differences in the underlying insurance contract, claim complexity, the volume of claims and the individual severity of claims, determining the occurrence date of a claim and reporting lags.

To the extent that these methods use historical claims development information they assume that the historical claims development pattern will occur again in the future. There are reasons why this may not be the case, which if identified, can be allowed for by modifying the methods. Such reasons include:

Incurred but not yet reported ("IBNR") provisions are initially estimated at a gross level and a separate calculation is carried out to estimate the size of reinsurance recoveries. The Company is covered by a variety of excess of loss reinsurance programmes with sufficiently high retentions for only relatively few, large claims to be recoverable. The method used by the Company takes historical data, gross IBNR estimates and details of the reinsurance programme, to assess the expected size of reinsurance recoveries.

The Company believes that the liability for claims reported in the statement of financial position is adequate. However, it recognises that the process of estimation is based upon certain variables and assumptions which could differ when claims arise.

## 17.0 INVESTMENT INCOME

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Interest income on money market instruments	200 441 378	244 690 986	71 432 141	167 662 707	38 940 098	3 477 544
Fair value gains on listed equities - Promoter	245 267 665	(194 278 185)	586 228 244	922 960 919	89 788 739	41 164 723
Fair value gains on unlisted equities - Promoter	2 206 226 839	405 994 137	336 212 049	2 874 077 253	224 679 261	34 394 297
	<b>2 651 935 882</b>	<b>456 406 938</b>	<b>993 872 434</b>	<b>3 964 700 879</b>	<b>353 408 098</b>	<b>79 036 564</b>

## 18.0 OTHER INCOME

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Administration fees	1 406 656 292	295 334 272	1 419 192 005	456 248 166	457 804 403	66 034 226
Dividends received	26 036 936	-	-	26 036 936	-	-
Profit on sale of property plant and equipment	-	50 864 344	68 624 419	-	5 159 568	4 200 908
Unrealised foreign currency exchange gains	92 999 855	1 198 995 539	849 934 778	92 999 855	242 483 002	49 184 659
Net income from clinic operations (continuing operations)	9 251 961 809	2 726 594 776	-	6 577 626 675	455 630 577	117 581 128
Finance income	(504 891 912)	(63 705 263)	-	(287 298 601)	-	-
Lease rental income	425 624 032	48 835 309	85 313 384	352 461 947	3 259 038	3 185 232
*Other	10 197 325 776	636 711 189	496 524 912	5 567 918 749	544 273 252	21 249 662
	<b>20 895 712 788</b>	<b>4 893 630 166</b>	<b>2 919 589 498</b>	<b>12 785 993 727</b>	<b>1 708 609 840</b>	<b>261 435 815</b>

Other income mainly comprises Ice cash commissions and insurance pool fund income

## 19.0 OPERATING EXPENSES (ATTRIBUTABLE EXPENSES)

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Staff costs	10 078 518 882	5 798 921 177	2 765 932 116	8 000 415 100	841 873 500	134 311 954
Wages and salaries	6 295 499 708	3 872 065 773	2 365 496 070	5 730 524 123	567 555 990	114 504 167
Social security costs	161 626 286	92 770 216	24 136 485	86 747 328	14 626 450	1 190 084
Leave pay accrual	1 782 726 016	830 010 946	194 291 620	816 744 872	107 806 618	7 955 330
Pension costs (defined contribution scheme)	822 675 947	337 783 822	134 786 799	441 542 910	52 670 736	6 579 091
Other staff costs	1 015 990 926	666 290 420	47 221 142	924 855 867	99 213 706	4 083 282
Directors emoluments	104 712 260	87 233 197	59 864 697	72 335 806	13 941 467	2 771 440
- directors' fees	104 712 260	87 233 197	59 864 697	72 335 806	13 941 467	2 771 440
Audit fees:	1 859 927 049	589 323 352	184 579 802	1 178 706 024	101 458 043	8 711 176
- current year	1 859 927 049	440 136 886	184 579 802	1 178 706 024	71 681 459	8 711 176
Prior year under provision	-	149 186 466	-	-	29 776 584	-
Depreciation on property and equipment	133 979 276	174 441 196	106 702 215	81 418 422	5 355 722	5 060 241
Marketing expenses	922 770 632	825 490 056	435 088 216	899 577 270	25 419 387	21 723 539
Rates and electricity	492 635 982	113 439 455	36 686 540	269 793 446	19 466 769	1 762 189
Motor vehicle costs	71 992 336	152 673 057	110 943 979	39 426 800	20 100 027	5 288 183
Other administrative expenses	3 402 228 194	1 527 590 654	930 901 199	2 854 773 816	56 176 089	44 819 083
	<b>17 066 764 611</b>	<b>9 269 112 144</b>	<b>4 630 698 764</b>	<b>13 396 446 684</b>	<b>1 083 791 004</b>	<b>224 447 805</b>

## 20.0 OPERATING EXPENSES (NON ATTRIBUTABLE EXPENSES)

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Staff costs	7 852 876 213	3 496 231 458	428 325 982	6 428 715 942	290 566 965	20 793 722
Wages and salaries	6 516 755 427	2 524 973 364	385 080 756	5 653 639 452	179 369 450	18 640 213
Social security costs	318 630 911	155 286 319	3 929 195	219 024 693	23 774 799	193 735
Leave pay accrual	654 516 687	227 418 875	31 628 868	299 862 762	16 118 208	1 295 054
Pension costs (defined contribution scheme)	362 973 188	171 984 140	-	256 189 035	24 896 440	-
Other staff costs	-	416 568 760	7 687 163	-	46 408 068	664 720
Impairment loss on receivables	815 097 594	(3 073 691)	-	815 286 230	1 734 730	-
Directors fees	20 375 980	12 644 277	-	9 193 774	2 446 994	-
Audit fees	472 403 304	170 969 401	-	298 292 330	34 247 708	-
Depreciation on property and equipment	811 265 586	204 515 948	17 370 128	385 579 836	29 640 541	823 760
Provision for obsolete stock	6 880 515	198 578	-	6 880 515	19 681	-
Rates and electricity	2 667 607 027	414 089 271	5 972 227	1 684 753 183	72 915 315	286 868
Motor vehicle costs	202 682 322	24 853 753	18 060 648	110 999 530	3 272 097	860 867
Insurance costs	316 574 413	113 666 587	73 090 487	202 024 261	18 174 655	3 459 364
Other administrative expenses	4 724 019 723	754 853 930	151 542 056	3 547 016 725	39 521 925	7 296 130
	<b>17 889 782 678</b>	<b>5 188 949 512</b>	<b>694 361 528</b>	<b>13 488 742 327</b>	<b>492 540 611</b>	<b>33 520 711</b>

## 21.0 DISCONTINUED OPERATIONS

During the year, the Board of Directors of Nectacare (Private) Limited resolved to cease operations and deregister two of its subsidiaries, Perissos Hiring Services and Karoo Management Services (Private) Limited (see note 9.2) with effect from 30 November 2023, the date on which the operations, assets and liabilities of the subsidiaries were transferred to Nectacare. All benefits and liabilities that may arise after 30 November 2023 will accrue to Nectacare in line with the shareholder resolution at the annual General Meeting (AGM) and Extraordinary General Meeting (EGM) held on. The Registrar of Company's is yet to approve the deregistration.

The financial statements for the subsidiaries have therefore been prepared for the year ended 31 December 2023 as the deregistration will be final once the remaining statutory procedures, including actual strike off and publication of deregistration in the government gazette have been completed.

The subsidiaries were not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of profit or loss and OCI has been represented to show the discontinued operations separately from continuing operations

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
<b>21.1 Perissos Hiring Services ( Private) Limited</b>				
Revenue	1 048 089 655	843 335 777	440 509 888	118 530 167
Cost of sales	(92 726 005)	(531 536 101)	(41 474 826)	(76 426 924)
Gross profit	955 363 650	311 799 676	399 035 062	42 103 243
Operating expenses	(1 786 834 689)	(752 229 807)	(931 111 558)	(122 646 379)
Impairment provision	-	(9 342 649)	-	(1 944 208)
Operating profit/(loss)	(831 471 039)	(449 772 780)	(532 076 496)	(82 487 344)
Other income	646 206 620	(48 692 008)	640 869 777	(9 393 918)
Finance expense	(60 759 218)	(13 191 317)	(32 198 284)	(5 578 987)
Net monetary gain	39 081 939	189 671 544	-	-
Profit/(loss) before tax	(206 941 697)	(321 984 561)	76 594 997	(97 460 249)
Income tax (expense)/credit	-	1 590 792	-	25 378 514
Profit/(Loss) for the year	(206 941 697)	(320 393 769)	76 594 997	(72 081 735)
<b>Total comprehensive income</b>	<b>(206 941 697)</b>	<b>(320 393 769)</b>	<b>76 594 997</b>	<b>(72 081 735)</b>
Profit/(loss) attributable to :				
Owners of the parent	(199 181 385)	(308 379 003)	73 722 684	(69 378 670)
Non controlling interest	(7 760 313)	(12 014 766)	2 872 313	(2 703 065)
	<b>(206 941 698)</b>	<b>(320 393 769)</b>	<b>76 594 997</b>	<b>(72 081 735)</b>

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
<b>21.2 Karoo Management Services ( Private) Limited</b>				
Revenue	1 267 542 223	344 987 522	694 401 101	55 586 421
Cost of sales	(179 735 887)	(314 706 488)	(95 697 278)	(50 861 431)
Gross profit	1 095 057 850	30 281 034	598 703 823	4 724 990
Operating expenses	(1 882 242 373)	(424 209 490)	(895 375 647)	(72 267 585)
Operating profit/(loss)	(794 436 037)	(393 928 456)	(296 671 824)	(67 542 595)
Other income	393 600 745	(19 004 262)	393 944 010	(3 954 793)
Finance expense	(45 914 886)	(69 235 975)	(23 954 494)	(11 306 916)
Net monetary gain	641 942 716	234 451 379	-	-
Profit/(loss) before tax	195 192 538	(247 717 314)	73 317 692	(82 804 304)
Income tax (expense)/credit	-	199 826 989	-	20 019 977
Profit/(Loss) for the year	195 192 538	(47 890 325)	73 317 692	(62 784 327)
<b>Total comprehensive income</b>	<b>195 192 538</b>	<b>(47 890 325)</b>	<b>73 317 692</b>	<b>(62 784 327)</b>
Profit/(loss) attributable to :				
Owners of the parent	165 913 658	(40 706 776)	62 320 038	(53 366 678)
Non controlling interest	29 278 880	(7 183 549)	10 997 654	(9 417 649)
	<b>195 192 538</b>	<b>(47 890 325)</b>	<b>73 317 692</b>	<b>(62 784 327)</b>

## 22.0 DISCONTINUED OPERATIONS

### 22.1 Risk management objectives and policies for mitigating risks

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim

By the very nature of an insurance contract, this risk is random and therefore unpredictable. For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities.

This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques. The following summarises the strategies and processes that are embedded in the Company's insurance risks management framework:

#### Underwriting strategy

The underwriting strategy is set out in the Company strategy document that sets out the general underwriting guidelines including profitability, rating, loss ratios etc. Adherence to the underwriting authorities is measured through monitoring of work by the departmental head.

#### Cell captive arrangements

The investment mandates agreements protect the Company from losses arising from business conducted in cells.

#### Risk participation of cell shareholders

The Company participates with several of the cell shareholders in the underwriting risks of their business. The Company carefully evaluates all retention of risks in terms of statistical and underwriting disciplines, as well as specific and limited board mandates for each insurance program.

#### Reinsurance strategy

The Company reinsures all business in excess of its underwriting capacity as determined by the statement of financial position size. The Company utilises facultative and treaty reinsurance programmes with reputable reinsurers.

#### Terms and conditions of insurance contracts

- The terms and conditions of insurance contracts that are underwritten by the Company that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out below:
- The premium must be paid to the insurer before cover commences;
- The Company shall not be liable under the contract for any claims which are notified after the expiry of three months from the date of loss; and
- Both parties to the contract shall give 30 days' notice of cancellation of the policy.

The Underwriting division underwrites small to large business from companies. Personal division provides insurance to the general public in their personal capacities. The following perils are covered under the different types of business:

- Fire - fire, storm, explosions, riot, malicious and earthquake;
- Accident - all risks of accidental loss or damage to property;
- Personal Accident - death, permanent disablement, total disablement and medical expenses; Motor - private and commercial (comprehensive full third-party fire and theft, full third party); Engineering - accidental physical loss or damage to machinery on an all risks basis;
- Marine - loss or damage to cargo in transit or vessel;
- Liability - Legal liability following death or injury to third parties or damage to third party property; and Bonds and Guarantees - Guarantees that contractual obligations will be met in case of default.

### 22.2 Insurance risk concentration

As at the reporting date, the Company's insurance risk concentration, measured on the basis of the gross premium income contribution of each risk class to the total gross premium, was as follows:

	2023	2022
Fire	37.28%	41%
Motor	15.50%	13%
Engineering	33.73%	35%
Marine	0.55%	0%
Personal accident	1.13%	1%
Personal liability	1.53%	2%
Miscellaneous ace	6.35%	6%
Bonds and guarar	0.09%	0%
Travel	0.21%	0%
Farming	3.64%	1%
<b>Total</b>	<b>100.0%</b>	<b>100%</b>

The risk on any policy will vary according to many factors such as type of occupation, safety measures in place, age of policyholder etc. Calculating a premium commensurate with the risk for these policies will be subjective and hence risky. The risk is managed primarily through sensible pricing, product design, risk selection, appropriate investment strategy, rating and reinsurance.

**Sensitivities**

The Incurred but not Reported provision [IBNR] is sensitive to the assumptions and parameters used in the reserving exercise. It has not possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process. The calculated IBNR has been determined using a combination of methodologies such as factor based and chain ladder methods as shown in the Actuarial Valuation report. The major assumption is that the calculated IBNR will be borne out of experience with all things held constant. The analysis below shows the impact of a 10% deviation of the IBNR on the claims liability, profit before tax and equity.

	Inflation adjusted			Historical cost		
	2023	2022 Restated	As at 1 January 2022 Restated	2023	2022 Restated	As at 1 January 2022 Restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Gross IBNR	13 859 347 461	5 330 754 568	2 595 627 474	13 859 347 461	1 109 331 586	157 130 274
Reinsurer's share of IBNR	(10 794 250 194)	(4 798 676 177)	(2 236 905 643)	(10 794 250 194)	998 605 917	(135 414 500)
Net IBNR	3 065 097 267	532 078 391	358 721 831	3 065 097 267	2 107 937 503	21 715 774

At 31 December 2023, if the emerging IBNR had (increased) / decreased by 10% with all other variables held constant, claims liabilities, profit before income tax and equity for the year would have been affected as shown in the table below:

	Inflation adjusted			
	Change in assumption	Net change in liabilities	Change in profit before income tax	Change in equity
As at 31 December 2023				
Increase in IBNR	10%	3 607 555	(3 607 555)	(3 607 555)
Decrease in IBNR	10%	(3 607 555)	3 607 555	3 607 555
As at 31 December 2022				
Increase in IBNR	10%	2 938 050	(2 938 050)	(2 938 050)
Decrease in IBNR	10%	(2 938 050)	2 938 050	2 938 050

	Historical Cost			
	Change in assumption	Net change in liabilities	Change in profit before income tax	Change in equity
As at 31 December 2023	10%	8 900 989	(8 900 989)	(8 900 989)
Increase in IBNR	10%	(8 900 989)	8 900 989	8 900 989
Decrease in IBNR				
As at 31 December 2022				
Increase in IBNR	10%	611 409	(611 409)	(611 409)
Decrease in IBNR	10%	(611 409)	611 409	611 409

**Claims Development**

The company is liable for all insured events that occur during the term of the contract, even if the loss is discovered after the end of the contract term, subject to predetermined time scales dependent on the nature of the insurance contract. The company is therefore exposed to the risk that claims reserves will not be adequate to fund the historical claims ("run off risk"). To manage run off risk the company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures and adopts sound reserving practices. The reserves created over time proved to be sufficient to fund the actual claims paid.

Further the company does not participate on any policies with unlimited liability. The company is liable for all insured events in terms of the contract. All underlying policies have reporting conditions. The company's insurance contracts are classified as short term, meaning that any claim is settled within a year after the loss date.

## 23.0 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks and these activities involve the analysis, valuation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the insurance business, and the operational risks are an inevitable consequence of being in business. The Company's aim is, therefore, to achieve an appropriate balance between risk and return and minimise potential adverse effect on the Company's financial performance. The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and control, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems.

The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice. Risk management is carried out by management under the policies approved by the Board of Directors (the Board). The most important types of risk are credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk and price risk.

### 23.1 Market risk

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, currency and equity securities, all of which are exposed to general and specific market movement and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. Regular reports are submitted to the Board.

#### a) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to an individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as at fair value through profit or loss.

The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board of Directors (the Board).

The portfolio of listed equities which are carried at reporting date at fair value has exposure to price risk being the potential loss in market value resulting from an adverse change in prices. The Company's objective is to earn competitive relative returns by investing in a diverse portfolio of high-quality securities. The equity investment portfolio is diversified across industries, and concentrations in any one Company or industry are limited by parameters established by the Board.

#### Sensitivity analysis

At 31 December 2023, the Company's equity investments were recorded at their fair value of ZWL\$ 6 803 833 279 (2022: ZWL\$733 220 471). A reasonably possible increase or decrease of 10% in equity prices would result in a pre-tax change in shareholder's equity of ZWL\$ 680 383 327 (2022: ZWL\$73 322 047).

#### b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Other than ensuring optimum money market rates for deposits, the Company does not use financial instruments to manage this risk.

The Company did not have variable interest investments or borrowings at the reporting date (2022: ZWL\$ Nil).

#### c) Foreign currency risk

The Company takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Foreign exchange risk arises from mainly future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZAR - ZWL Equivalent	ZAR - ZWL Equivalent	ZAR - ZWL Equivalent	ZAR - ZWL Equivalent
Cash and cash equivalents	117 285 120	62 831 421	117 285 120	13 075 237
	USD - ZWL Equivalent	USD - ZWL Equivalent	USD - ZWL Equivalent	USD - ZWL Equivalent
Cash and cash equivalents	3 889 199 597	683 637 453	3 889 199 597	142 265 154

**Sensitivity analysis**

At 31 December 2023, if the South African Rand (“ZAR”) had weakened/(strengthened) by 10% against the ZWL\$ with all other variables held constant, profit for the year would have been ZWL\$11 728 512 (2022: ZWL\$1 307 523) higher/lower, mainly as a result of foreign exchange gains/losses due to financial instruments denominated in ZAR. The spot rate used in making the above analysis as at 31 December 2023 was ZAR 1: ZWL\$333.33 (2022: ZAR 1: ZWL\$40.32).

On 31 December 2023, if the United States Dollar (“US\$”) had weakened/(strengthened) by 10% against the ZWL\$ with all other variables held constant, profit for the year would have been ZWL\$381 626 137 (2022: ZWL\$14 144 185) higher/lower, mainly because of foreign exchange gains/losses due to financial instruments denominated in USD. The spot rate used in making the above analysis as at 31 December 2023 was 1US\$: ZWL\$ 6104.723 (2022:1USD: ZWL\$684.334).

**23.2 Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge the contract. Credit risk arises from cash and cash equivalents, credit exposures in trade and other receivables and reinsurers’ share of insurance liabilities. Only approved financial institutions with sound capital bases are utilised to invest surplus funds. The Company’s maximum exposure to credit risk is as follows:

	Inflation adjusted		Historical cost	
	2023	2022 Restated	2023	2022 Restated
	ZWL	ZWL	ZWL	ZWL
Cash and cash equivalents	14 668 012 154	3 930 608 609	14 668 012 154	817 960 802
Insurance and other receivables (excluding prepayments)	5 150 374 313	1 450 048 277	5 150 374 313	301 755 471
Reinsurance contract liabilities	-	1 643 819 057	-	342 079 227
Insurance contract liabilities	40 340 907 177	16 093 859 342	40 340 907 177	2 895 829 792
	<b>60 159 293 644</b>	<b>23 118 335 285</b>	<b>60 159 293 644</b>	<b>4 357 625 292</b>

The Company limits the levels of credit risk that it accepts by placing limits on its exposure to a single counterparty or Company’s of counterparties. The levels are subject to annual or more frequent reviews by the Board.

**a) Insurance and other receivables**

Exposures to both individual and corporate policyholders are monitored as part of the credit control process. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors.

Cumulative impairment allowance of ZWL\$ 819 750 591 [2022: ZWL \$Nil] was recognised at the reporting date.

This entirely relates to amounts due from third party recoveries, where the Company and the industry generally experience significant difficulties in recovering amounts due to these types of debtors. The full impairment allowance relates to amounts which arose in the current financial reporting period.

The age analysis in respect of insurance and other receivables at the reporting date was as follows:

	Inflation adjusted					
	2023			2022		
	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Not past due	3 840 346 349	-	3 840 346 349	289 093 418	-	289 093 418
Past due (31-90 days)	334 525 639	-	334 525 639	777 229 426	-	777 229 426
Over 90 days	1 817 888 363	(819 750 591)	998 137 772	1 076 436 905	(906 467)	1 075 530 438
	<b>5 992 760 351</b>	<b>(819 750 591)</b>	<b>5 173 009 760</b>	<b>2 142 759 749</b>	<b>(906 467)</b>	<b>2 141 853 282</b>

	Historical cost					
	2023			2022		
	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Not past due	3 840 346 349	-	3 840 346 349	60 160 425	-	60 160 425
Past due (31-90 days)	334 525 639	-	334 525 639	161 741 671	-	161 741 671
Over 90 days	1 817 888 363	(819 750 591)	998 137 772	180 962 671	(188 636)	180 774 035
	<b>5 992 760 351</b>	<b>(819 750 591)</b>	<b>5 173 009 760</b>	<b>402 864 767</b>	<b>(188 636)</b>	<b>402 676 131</b>

The Company believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customer credit ratings if they are available.

**b) Cash and cash equivalents**

Only approved financial institutions considered to have sound capital bases are utilised to invest surplus funds.

**c) Reinsurance**

Under the terms of reinsurance agreements, reinsurers agree to reimburse the ceded amount in the event that the claim is paid. However, the Company remains liable to policyholders regardless of whether the reinsurer meets the obligations it has assumed. Consequently, the Company is exposed to credit risk.

The Company monitors the financial condition of reinsurers on an on-going basis and reviews its reinsurance arrangements periodically. When selecting a reinsurer, the Company evaluates the profile of the potential reinsurer based on public information about the reinsurers and other internal investigations.

**23.3 Liquidity risk**

This is the risk that cash flows may not be available to pay obligations when due. The Company sets limits on the minimum proportions of maturing funds available to meet such calls on unexpected levels of demand.

The Company identifies this risk through periodic liquidity gap analysis on the maturity profile of assets and liabilities. Where major gaps appear, action is taken in advance to close or minimise the gaps.

Cash flow forecasting is performed by the Finance Executive. The Audit Committee monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

Surplus cash held by the Company over and above the balance required for working capital management is invested.

The table below analyses the maturity profile of the Company's liabilities based on the remaining period at 31 December 2022 to the contractual maturity date:

Contractual obligations

	Inflation adjusted					
	31 December 2023			31 December 2022		
	Loans and receivables	Financial assets at fair value through profit or loss	Total	Loans and receivables	Financial assets at fair value through profit or loss	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
As at 31 December						
Assets						
Cash and cash equivalents	14 668 012 154	-	14 668 012 154	3 930 608 609	-	3 930 608 609
Insurance receivables (excluding prepayments)	5 150 374 313	-	5 150 374 313	1 450 048 277	-	1 450 048 277
Financial assets at fair value through profit or loss	-	5 145 514 340	5 145 514 340	-	2 493 127 682	2 493 127 682
	<b>19 818 386 467</b>	<b>5 145 514 340</b>	<b>24 963 900 807</b>	<b>5 380 656 886</b>	<b>2 493 127 682</b>	<b>7 873 784 568</b>

	Inflation adjusted	
	Other financial liabilities at amortised cost	Other financial liabilities at amortised cost
	2023	2022
	ZWL	ZWL
Insurance and other payables (excluding statutory payments)	7 282 518 305	3 058 585 801
Lease liabilities	4 864 508 648	2 015 726 137
Amounts due to cell owners	10 112 896 724	4 309 057 633
	<b>22 259 923 677</b>	<b>9 383 369 571</b>

	Historical cost					
	31 December 2023			31 December 2022		
	Loans and receivables	Financial assets at fair value through profit or loss	Total	Loans and receivables	Financial assets at fair value through profit or loss	Total
ZWL	ZWL	ZWL	ZWL	ZWL	ZWL	
As at 31 December						
Assets						
Cash and cash equivalents	14 668 012 154	-	14 668 012 154	817 960 802	-	817 960 802
Insurance receivables (excluding prepayments)	5 150 374 313	-	5 150 374 313	301 755 471	-	301 755 471
Financial assets at fair value through profit or loss	-	5 145 514 340	5 145 514 340	-	518 820 600	518 820 600
	19 818 386 467	5 145 514 340	24 963 900 807	1 119 716 273	518 820 600	1 638 536 873

	Historical cost	
	Other financial liabilities at amortised cost	Other financial liabilities at amortised cost
	2023	2022
ZWL	ZWL	
Insurance and other payables (excluding statutory payments)	7 282 518 305	440 945 319
Lease liabilities	4 864 508 648	419 473 199
Amounts due to cell owners	10 112 896 724	896 716 153
	22 259 923 677	1 757 134 672

### 23.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Capital is actively managed by the Company, to ensure that the Company is properly capitalised and funded at all times, having regard to the regulatory needs, prudent management and the needs of all stakeholders. The Company has a business planning process that runs on an annual cycle with regular updates to the forecasts made. It is through this process, which includes risk and sensitivity analysis of forecasts, that the Company's capital is managed. Specifically, the Company has adopted the maintenance of an appropriate level of liquidity at all times as the key capital management policy.

The Company further ensures that it can meet its expected capital and financing needs at all times, having regard to the business plans, forecast and any strategic initiatives.

#### Sensitivity

The Company has both qualitative and quantitative risk management procedures to monitor the key risks and sensitivities of the business. This is achieved through stress tests, scenario analysis and risk assessments from an understanding of principal risks, appropriate risk limits and controls are defined.

#### Capital adequacy

The Insurance and Pensions Commissions (IPEC) sets and monitors the regulatory capital requirement of the Company. Refer to note 28 for further disclosure on the impact of the regulatory capital deficit on going concern.

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Minimum capital requirement	5 036 392 500	180 201 573	5 036 392 500	37 500 000
Equity as at 31 December	-	-	-	-

a) Solvency margin	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Total assets	(81 214 446 365)	(49 121 153 627)	(8 693 602 023)	(2 190 692 773)
Total liabilities	47 711 695 209	11 756 795 324	1 601 199 184	8 104 108 434
Excess of assets over liabilities	(33 502 751 156)	(37 364 358 302)	(7 092 402 839)	5 913 415 662
Gross written premium	(199 896 592 640)	(87 210 898 153)	(113 438 915 009)	(10 757 915 376)
Premium ceded	48 778 532 803	7 406 916 809	27 983 712 463	962 284 041
Net premium income	(151 118 059 837)	(79 803 981 344)	(85 455 202 546)	(9 795 631 335)
25% of net premium written	47 711 695 209	(19 950 995 336)	1 601 199 184	240 571 010
Shareholders funds	121 693 876 367	11 023 402 727	33 040 828 153	1 986 869 641
Safety margin	73 982 181 158	30 974 398 063	31 439 628 969	1 746 298 631
Solvency margin	-81%	-14%	-39%	-20%

The Company's solvency margin on a global basis and as monitored by its regulator Insurance Pensions Commission (IPEC) represents shareholders' funds as a percentage of net premium income. The minimum regulated solvency ratio is 25%.

### 23.5 Financial instruments

#### Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuations techniques are observable or unobservable.

Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

<b>Level 1</b>	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
<b>Level 2</b>	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
<b>Level 3</b>	Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. The hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

	Inflation adjusted				
	Fair value measurement using:				
	Date of valuation	Total	Quoted prices in active market	Significant unobservable inputs	
			Level 1	Level 2	Level 3
	ZWL	ZWL	ZWL	ZWL	
Fair value measurement hierarchy for assets as at 31 December 2023:					
Listed equity investments (Note 5)	31-Dec-23	1 658 318 942	1 658 318 942	-	-
Non- listed equity investments (Note 5)	31-Dec-23	5 145 514 340	-	-	5 145 514 340
		<b>6 803 833 282</b>	<b>1 658 318 942</b>	<b>-</b>	<b>5 145 514 340</b>
Fair value measurement hierarchy for assets as at 31 December 2022:					
Listed equity investments (Note 5)	31-Dec-22	1 030 271 840	1 030 271 840	-	-
Non- listed equity investments (Note 5)	31-Dec-22	2 493 127 675	-	-	2 493 127 675
		<b>3 523 399 515</b>	<b>1 030 271 840</b>	<b>-</b>	<b>2 493 127 675</b>

	Historical cost				
	Fair value measurement using:				
	Date of valuation	Total	Quoted prices in active market	Significant unobservable inputs	
			Level 1	Level 2	Level 3
	ZWL	ZWL	ZWL	ZWL	
Fair value measurement hierarchy for assets as at 31 December 2023:					
Listed equity investments (Note 5)	31-Dec-23	1 658 318 942	1 658 318 942	-	-
Non- listed equity investments (Note 5)	31-Dec-23	5 145 514 340	-	-	5 145 514 340
		<b>6 803 833 282</b>	<b>1 658 318 942</b>	<b>-</b>	<b>5 145 514 340</b>
Fair value measurement hierarchy for assets as at 31 December 2022:					
Listed equity investments (Note 5)	31-Dec-22	214 399 872	214 399 872	-	-
Non- listed equity investments (Note 5)	31-Dec-22	518 820 600	-	-	518 820 600
		<b>733 220 472</b>	<b>214 399 872</b>	<b>-</b>	<b>518 820 600</b>

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
Level 3 fair value reconciliation of carrying amount				
Balance at 1 January	2 493 127 675	1 746 690 862	518 820 600	105 738 600
Change in fair value	2 652 386 665	746 436 813	4 626 693 740	413 082 000
<b>Balance as at 31 December 2023</b>	<b>5 145 514 340</b>	<b>2 493 127 675</b>	<b>5 145 514 340</b>	<b>518 820 600</b>

Financial assets, measured at fair value comprise Zimbabwe Stock Exchange listed equities and unlisted equities in property. The unlisted equities held by the company are shares in a property holding company with no other operating activities. The value of these shares was achieved through determination of the company's share in the fair value of the underlying property. The valuation techniques and inputs used in determining the fair value of the property are as follows:

Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
The implicit investment method was applied in valuing the property. Market capitalisation rates were derived from sales achieved or on the market, of similar properties in the commercial area	<ul style="list-style-type: none"> <li>● Average rentals per square metre - ZWL 2 894 (2022: ZWL 395)</li> <li>● Average investment yield - 11%</li> </ul>	The estimated fair value would increase/(decrease) if: Expected market rental growth rate were higher(lower); <ul style="list-style-type: none"> <li>● Occupancy rate was higher(lower);</li> <li>● Void period were shorter;</li> <li>● Occupancy rate was higher(lower); and</li> <li>● Yield rates were higher(lower).</li> </ul>

## 24.0 ASSUMPTIONS FOR GENERAL INSURANCE

### Process used to determine assumptions

The process used to determine the assumptions is intended to result in neutral estimates of the most likely of expected outcome. The sources of data used as inputs for the assumptions are internal, using detailed studies that are carried out annually. The assumptions are checked to ensure that they are consistent with observable market variables or other published information. There is more emphasis on current trends, and where in earlier years there is insufficient information to make a reliable best estimate of claims development, prudent assumptions are used.

The nature of the business makes it very difficult to predict with certainty the likely outcome of any claim and the ultimate cost of notified claims.

Each notified claim is assessed on a separate, case by case basis with due regard to the claim circumstances, information available from loss adjusters and historical evidence of the size of similar claims. Case estimates are reviewed regularly and are updated as and when new information arises. The provisions are based on information currently available. However, the ultimate liabilities may vary as a result of subsequent developments. The impact of many of the items affecting the ultimate costs of the loss is difficult to estimate. The provision estimation difficulties also differ by class of business due to differences in the underlying insurance contract, claim complexity, the volume of claims and the individual severity of claims, determining the occurrence date of a claim and reporting lags.

To the extent that these methods use historical claims development information they assume that the historical claims development pattern will occur again in the future. There are reasons why this may not be the case, which if identified, can be allowed for by modifying the methods. Such reasons include:

- changes in processes that affect the development/recording of claims paid and incurred;
- economic, legal, political and social trends;
- changes in mix of business; and
- random fluctuations, including the impact of large losses.

Incurred but not yet reported ("IBNR") provisions are initially estimated at a gross level and a separate calculation is carried out to estimate the size of reinsurance recoveries. The Company is covered by a variety of excess of loss reinsurance programmes with sufficiently high retentions for only relatively few, large claims to be recoverable. The method used by the Company takes historical data, gross IBNR estimates and details of the reinsurance programme, to assess the expected size of reinsurance recoveries.

The Company believes that the liability for claims reported in the statement of financial position is adequate. However, it recognises that the process of estimation is based upon certain variables and assumptions which could differ when claims arise.

## 25.0 RETIREMENT BENEFIT INFORMATION

The Cell Insurance staff pension fund, which is governed by the Pension and Provident Funds Act 1976 as amended by the Statutory Instrument 323 of 1991, is a defined contribution plan, administered by ZS Life Assurance Limited. All permanent employees under the normal retirement age are members of the Fund. In addition, contributions to the National Social Security Authority (NSSA) are made in terms of statutory regulations and are charged to income as incurred.

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Total contributions were as follows:				
Social security costs	415 312 424	2 002 509 417	305 772 021	318 689 659
Pension costs (defined contribution scheme)	1 185 649 135	477 968 015	697 731 945	74 064 485
	<b>1 600 961 559</b>	<b>2 480 477 432</b>	<b>1 003 503 966</b>	<b>392 754 144</b>

## 26.0 RELATED PARTY DISCLOSURES

The company holds a controlling stake in Nectacare (Private) Limited and Lidwala Insurance Company (Limited) as an associate.

	2023	2022
	% Holding	% Holding
Related party relationships also exist between the company and its shareholders who are the following:		
ZB Financial Holdings Limited	34.49%	34.49%
ZESA Holdings Limited	16.50%	16.50%
Zimbabwe Power Company	27.78%	27.78%
Baobab Reinsurance Company (Private) Limited	11.23%	11.23%
NRZ Corporate Pension Fund	4.35%	4.35%
Mr. J.L. Sibanda	3.85%	3.85%
Matebeleland Zambezi Water Trust	0.98%	0.98%
Management	0.82%	0.82%
	<b>100.00%</b>	<b>100.00%</b>

A number of transactions were entered into with related parties in the normal course of business. The related party transactions and outstanding balances for the year are as follows:

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
<b>Income</b>				
ZESA Holdings	4 538 379 584	787 459 221	963 577 431	57 121 928
ZB Financial Holdings Limited	3 036 768 311	6 400 437 509	644 759 072	464 284 779
ZESA Enterprises (Private) Limited	1 292 764 814	352 114 057	274 472 778	25 542 191
Powertel (Private) Limited	973 040 111	306 445 611	206 593 449	22 229 423
Zimbabwe Electricity Transmission and Distribution Company	20 132 111 017	7 888 850 990	4 274 399 585	572 253 605
Zimbabwe Power Company	106 524 240 103	35 502 913 033	22 616 960 897	2 575 364 904
NZR Corporate Pension Fund	4 475 968 128	545 980 195	950 326 386	39 605 151
Subsidiary and group companies	1 787 424 476	21 929 968	379 501 505	1 590 790
	<b>142 760 696 544</b>	<b>51 806 130 584</b>	<b>30 310 591 103</b>	<b>3 757 992 771</b>

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Expenses				
Claims paid to shareholders and shareholder related entities:				
ZESA Holdings and its subsidiaries	218 294 698	94 261 317	133 009 722	15 343 542
ZB Financial Holdings Limited	1 704 889 283	10 948 932	1 184 609 185	1 694 133
NRZ Corporate Pension Fund	8 396 894	339 550	8 241 470	56 500
Cellmed Health Fund	100 455 142	-	74 048 959	-
	<b>2 032 036 017</b>	<b>105 549 799</b>	<b>1 399 909 336</b>	<b>17 094 175</b>
Reinsurance premiums paid to shareholders and shareholder related entities:				
ZB Reinsurance Company (Private) Limited	1 305 877 418	891 057 966	84 295 009	145 849 923
Baobab Reinsurance Company (Private) Limited	2 777 742 147	368 325 686	255 890 136	58 127 060
Medical aid contributions paid to Cellmed Health Fund	341 907 235	52 065 874	526 332 175	39 899 232
Staff pension fund contributions	822 675 947	39 209 579	441 542 910	52 670 736
	<b>5 248 202 747</b>	<b>1 350 659 105</b>	<b>1 308 060 230</b>	<b>296 546 951</b>

**26.1 Transactions with key management personnel**

For the purposes of IAS 24 - Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the company, directly or indirectly including any director (whether executive or otherwise) of the company. The key management include the Chief Executive Officer, Finance Executive, Health Services Executive and General Manager. No director had material interest in any contract of significance with the company during the current and prior year.

Key management remuneration:

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
Short term employee benefits	4 752 320 141	1 904 275 210	2 324 154 101	193 803 509
Post employment benefits (contributions to defined benefit plan)	356 424 011	285 641 281	174 311 558	29 070 526
	<b>5 108 744 152</b>	<b>2 189 916 491</b>	<b>2 498 465 659</b>	<b>222 874 035</b>

**26.2 Year end balances arising from transactions with related parties**

Amounts due from/(to) related parties:				
Cellmed Health Fund	1 257 266 611	615 598 063	1 257 266 611	128 106 137
	<b>2 658 109 858</b>	<b>635 078 453</b>	<b>2 658 109 858</b>	<b>132 160 012</b>
	<b>3 915 376 469</b>	<b>1 250 676 516</b>	<b>3 915 376 469</b>	<b>260 266 149</b>

**27.0 CONTINGENT LIABILITIES AND COMMITMENTS**

**27.1 Commitments for capital expenditure**

The Company completed the construction of its head office in Greendale and occupied the property on 1 August 2023

**27.2 Other contingent liabilities**

There were no contingent liabilities at the reporting date (2022: ZWL\$Nil)

## 28.0 SHARE CAPITAL AND RESERVES

	Inflation adjusted			Historical cost		
	2023	2022	As at 1 January 2022 restated	2023	2022	As at 1 January 2022 restated
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
<b>28.1 Authorised share capital</b>						
99 900 000 ordinary shares of ZWL 0.01 each	999 000	999 000	999 000	999 000	999 000	999 000
100 000 preference shares of ZWL 0.01 each	1 000	1 000	1 000	1 000	1 000	1 000
	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000
The holders of ordinary shares are entitled to dividends as and when declared and are entitled to one vote per share at general meetings of the Company.						
The holders of preference share are not entitled to dividends and do not have voting rights.						
<b>28.2 Issued share capital</b>						
Balance as at 1 January	11 880 396	11 880 396	11 880 396	11 583	11 583	11 583
Balance as at 31 December	11 880 396	11 880 396	11 880 396	11 583	11 583	11 583
<b>28.3 Share premium</b>						
Share premium of ZWL 1.13857	4 012 988 351	4 012 988 351	4 012 988 351	3 912 551	3 912 551	3 912 551

Share premium comprises additional paid-in capital in excess of the par value. This reserve is not available for distribution.

	Inflation adjusted		Historical cost	
	2023	2022	2023	2022
	ZWL	ZWL	ZWL	ZWL
<b>28.4 Foreign currency translation reserve</b>				
Balance as at 1 January	1 593 412 281	919 700 154	534 159 617	79 133 318
Equity accounted investee - foreign currency translation reserve	2 566 924 821	779 356 870	4 795 080 834	478 766 664
Income tax	(128 331 639)	(105 644 743)	(239 250 938)	(23 834 399)
<b>Balance as at 31 December</b>	<b>4 032 005 463</b>	<b>1 593 412 281</b>	<b>5 089 989 513</b>	<b>534 065 583</b>

Foreign currency translation reserve comprises amounts arising from an associate company, Lidwala Insurance Company Limited, due to the effects of changes in functional currency. The reserve is not available for distribution.

<b>28.5 Revaluation reserve</b>				
Balance at 1 January	2 916 145 447	12 334 798	1 078 458 053	31 573
Revaluation of property and equipment	34 121 428 397	3 590 201 547	46 762 023 949	1 303 367 288
Related tax	(6 824 285 679)	(686 390 898)	(7 956 375 830)	(224 940 808)
<b>Balance as at 31 December</b>	<b>30 213 288 164</b>	<b>2 916 145 447</b>	<b>39 884 106 172</b>	<b>1 078 458 053</b>

<b>28.6 Other comprehensive income</b>				
Equity accounted investee - foreign currency translation reserve	2 566 924 821	1 220 630 868	4 795 174 868	476 972 579
Related tax	(128 331 639)	(105 644 743)	(239 250 938)	(23 834 399)
Equity accounted investee -share of other comprehensive income *	10 383 834	6 359 621	10 383 834	1 888 119
Related tax	( 66 171)	( 317 976)	( 519 162)	( 94 034)
Revaluation of property and equipment	34 121 428 397	3 590 201 547	46 762 023 949	1 303 367 288
Related tax	(6 824 285 679)	( 686 390 899)	(7 956 375 830)	( 224 940 808)
<b>Balance as at 31 December</b>	<b>29 746 053 562</b>	<b>4 024 838 418</b>	<b>43 371 436 720</b>	<b>1 533 358 745</b>

\* Other comprehensive income comprises revaluation of land bought on 16 April 2019 for USD 919 706 held for development by associate company and property and equipment buildings of the parent company which adopted the revaluation model effective 1 January 2022. The revaluation reserve is not available for distribution.

## 29.0 GOING CONCERN

During the year ended 31 December 2023, the Group generated a profit before tax of ZWL\$5 584 545 413 (2022: loss of ZWL\$ 2 171 590 384), net cash flow generated from operations of ZWL\$21 584 387 397 (2022 ZWL\$5 773 072 439).

The Company had a current asset to current liability deficit of ZWL\$3 278 529 518 (2022: deficit of ZWL\$2 120 000 973). The shareholder equity position from an IFRS perspective increased by 279% from the prior year to close the year at ZWL\$449 690 679 722 (2022: ZWL\$ 11 828 128 562).

In order to calculate the company's statutory capital requirements from an Insurance and Pension Commission (IPEC) solvency capital perspective, the company is required to apply Statutory Instrument 59 of 2019 which became effective on 31 August 2019 and requires certain types of assets to be excluded in performing the statutory capital calculation.

Applying these requirements, the company's historical cost statutory capital is ZWL\$45 896 830 135 (2022: ZWL\$1 601 199 183) against a regulated minimum requirement of ZWL\$5 036 392 500 (2022: ZWL\$37 500 000).

The Company is on an ongoing basis applying measures that ensure inadmissible assets on its statement of financial position are actively reduced, in order to minimise the impact on its solvency capital.

Based on management's assessment, management is confident of the entity's ability to continue as a going concern and have accordingly prepared the financial statements on a going concern basis. This basis assumes that the entity will realise its assets and settle its liabilities in the ordinary course of business.

## 30.0 SUBSEQUENT EVENTS

On 5 April 2024, the President of Zimbabwe introduced Statutory Instrument (SI) 60 of 2024, titled "Presidential Powers (Temporary Measures) (Zimbabwe Gold Notes and Coins) Regulations, 2024". SI 60 of 2024 was formulated to address economic interests in the country.

Some key points from the regulations are as follows:

### Background and urgency

The need to introduce a domestic currency backed by foreign exchange reserves, precious metals, and valuable minerals led to the issuance of these regulations, in order to bring stability of the exchange rate and commodity prices.

### Currency Designation:

The new currency introduced is called "Zimbabwe Gold" (ZiG). ZiG notes and coins are deemed to be prescribed by section 44D of the Reserve Bank of Zimbabwe Act. The regulations also specify the design, form, and color of ZiG notes.

### Conversion and Legal Tender:

Existing Zimbabwe dollar balances were converted into ZiG balances at a spot rate of ZiG 1: ZW\$2 498.7242 obtained from a combination of the prevailing interbank exchange rate of US\$1: ZW\$33 903.9916 and gold price of US\$2 293.50 as at 5 April 2024. This gave an implied exchange rate of ZiG13.56 per US\$1. The effective date of the SI 60 of 2024 legalised ZiG as the official unit of account for transactions previously denominated in Zimbabwe dollars.

The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial positions and the results of operations as of and for the year ended 31 December 2022 have not been adjusted to reflect their impact.



# Leaders in Alternative Risk Transfer Solutions

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