



**CELL INSURANCE COMPANY
(PRIVATE) LIMITED**

**Annual Report for
the Year Ended
31 December, 2024**



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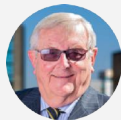
These abridged financial statements are expressed in Zimbabwe Gold (ZWG).

CORPORATE INFORMATION

Cell Insurance Company (Private) Limited, “the Company” is engaged in the short-term insurance business for both corporates and individuals through Alternative Risk Transfer, Conventional Insurance Solutions as well as Enterprise-Wide Risk Management Solutions.

The Company is incorporated and domiciled in Zimbabwe.

Directors



D. Birch
Non-Executive Chairman



F. Makoni
Vice Chairman



I. Makuzwa
Chief Executive Officer



E. T. Chikwenhere
Non-Executive Director
(Resigned 31 May, 2024)



V. S. Ramlochun
Non-Executive Director



N. S. Mutamuko
Non-Executive Director



B. W. Kahari
Non-Executive Director



M. Mutsau
Principal Officer (Ex Officio)

Company Secretary



Y Gumbo

Public Officer



B Mutaurwa

Registered office



— CELL INSURANCE —

25 Rhodesville Avenue
Harare

Auditors



Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Camelsa Business Park
135 ED Mhangagwa Road Highlands
Harare

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 Financial Statements for the year ended 31 December 2024

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

The Directors have assessed the ability of the Company to continue as a going concern and believe that the preparation of these 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 Company 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 financial statements.

The 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 Company's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the 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 Company'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 Company's financial statements which are set out on pages 6 to 54 were, in accordance with their responsibilities, approved by the Board of Directors on 16 June, 2025 and are signed on its behalf by:



.....
David Birch
 (Non-Executive Chairman)



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



.....
Y. Gumbo
 (Group Secretary)

These financial statements were prepared under the supervision of:



.....
B. Mutaarwa
 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 Financial Statements

Opinion

We have audited the financial statements of Cell Insurance Company (Private) Limited ('the Company') set out on pages 6 to 54, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Cell Insurance as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International

Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Company 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing (ISA)</p> <p>240 - "The Auditor's Responsibilities Relating to Fraud in an Audit financial statements" Revised. There is a risk that insurance revenue are presented at amounts higher than what has been actually generated by the Company. This is a significant risk and accordingly a key audit matter.</p>	<p>Our audit procedures incorporated a combination of tests of the Company's controls relating to insurance 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"> ● Reviewed that insurance service revenue recognition criteria is appropriate and in line with the requirements of IFRS 17 Insurance Contracts. ● Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. ● Tested the design and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of premiums transactions. ● 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). ● Performed cut-off tests on year end balances to ensure revenues are recognised in the correct period. ● Analytical procedures and assessed the reasonableness of explanations provided by management. <p>We satisfied ourselves that the recognition of insurance revenue is appropriate.</p>

Valuation of insurance contract liabilities

Our audit procedures included the following:

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:

- 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 contract liabilities.
- The valuation of the Company's insurance contract liabilities involves complex calculations, significant judgements, estimates and assumptions.
- The methodology involves judgements about future events, both internal and external to the Company; and the value of the Company's insurance contract liabilities is significant to the Company's financial statements.
- The main valuation assumptions include cash flow estimations of the incurred but not yet reported claims and a risk adjustment for non-financial risk.

- We assessed the competence and experience of the experts used by the Company in the determination of insurance contract liabilities.
- Using our actuarial expert, we assessed that assumptions, data and models used are reasonable based on our knowledge of the industry, the products offered and available market and macroeconomic data.
- We reviewed management's contract classification assessment and terms of the contract and assessed whether the contracts meet the definition of insurance contract liabilities.
- Performed completeness tests of policyholder data from policy administration systems to the actuarial systems to verify completeness of the data input.

We satisfied ourselves that the valuation of insurance contract liabilities is appropriate

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 financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 Company'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 Company'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 Company 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the
- Company 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.

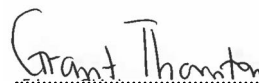
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, the financial statements have been properly prepared, in all material respects, 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

HARARE

16 June, 2025

CELL INSURANCE COMPANY (PRIVATE) LIMITED

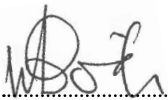
ABRIDGED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024	2023
		ZWG	ZWG
ASSETS			
Non-current assets			
Investment in subsidiary	4	9 854 204	5 056 882
Investment in associate	6	26 903 077	11 348 492
Financial assets at fair value through profit or loss	7	35 626 851	10 398 013
Investment properties	8	71 926 320	33 653 625
Property and equipment	9	127 790 858	61 727 536
Right of use asset	5.4	7 796 843	4 106 997
Reinsurance contract assets	10	-	57 493 382
		279 898 153	183 784 927
Current assets			
Cash and cash equivalents	11	105 727 300	29 465 876
Other receivables	12	63 282 303	11 455 887
Reinsurance contract assets	10	171 413 543	29 691 341
Insurance contract assets	10.1	75 931	-
Financial assets at fair value through profit or loss	7	13 127 744	3 351 117
Gold coins	7.2	3 626 649	2 783 726
		357 253 470	76 747 947
Total assets		637 151 623	260 532 874
EQUITY AND LIABILITIES			
Equity and reserves			
Share capital	28.2	24 008	24 008
Share premium	28.3	8 109 413	8 109 413
Revaluation reserve		44 011 106	34 384 078
Foreign currency translation reserve	28.4	79 131 692	9 039 566
Retained earnings		65 217 500	44 858 331
		196 493 719	96 415 396
LIABILITIES			
Non-current liabilities			
Deferred tax liability	13.3	30 142 050	8 179 063
Lease liabilities	5	4 606 934	225 293
Bank loan	16	2 709 004	1 353 586
Insurance contract liabilities	10.3	-	81 520 569
Amounts due to cell owners	14	13 811 572	4 019 851
		51 269 560	95 298 362

Current liabilities			
Other payables	15	15 227 074	8 609 858
Income tax liability	13.2	1 341 109	427 825
Reinsurance contract liabilities	10.2	88 166	-
Insurance contract liabilities	10.3	265 219 813	41 533 536
Amounts due to cell owners	14	105 448 560	16 416 208
Lease liabilities	5	2 063 622	1 831 689
		389 388 344	68 819 116
Total equity, reserves and liabilities		637 151 623	260 532 874

*The comparative statement of financial position as at 31 December 2023 which was previously presented in the Zimbabwe Dollar (ZWL) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) with the prevailing rate of 31 December 2023 and thereafter, the ZWG (presentation currency).



David Birch
(Non-Executive Chairman)



I. Makuzwa
(Chief Executive Officer)



Y. Gumbo
(Group Secretary)

CELL INSURANCE COMPANY (PRIVATE) LIMITED

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024	*Restated 2023
		ZWG	ZWG
Insurance revenue	17	538 433 172	311 840 637
Insurance service expenses	17.1	(264 660 711)	(257 741 874)
Insurance service result before reinsurance contracts held		273 772 461	54 098 763
Allocation of reinsurance premiums	17.2	(403 969 804)	(191 311 188)
Amounts recoverable from reinsurers for incurred claims	17.3	137 069 254	94 464 294
Net expense from reinsurance contracts held		(266 900 550)	(96 846 894)
Insurance service result		6 871 911	(42 748 131)
Interest revenue	18	1 113 177	405 050
Net fair value gains on financial assets at fair value through profit or loss		13 281 758	4 953 960
Other related income		693 931	912 712
Net foreign exchange income		-	187 933
Net gains from fair value adjustments to investment properties	19	6 346 440	21 574 646
Total Investment income		21 435 306	28 034 301
Net insurance financial result		28 307 217	(14 713 830)
Other income		31 879 244	21 462 552
Other non attributable expenses	21	(17 450 437)	(5 237 703)
Net monetary gain		-	36 871 157
Profit before income tax		42 736 024	38 382 176
Share of profit of equity-accounted investees, net of tax	6	2 186 335	452 853
Profit before income tax		44 922 359	38 835 029
Income tax expense	13.1	(24 563 190)	(5 047 439)
Profit for the year		20 359 169	33 787 590
Other comprehensive income:			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>			
Exchange gain on translating foreign operations		12 665 239	4 927 889
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		12 665 239	4 927 889
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax)</i>			
Revaluation of property and equipment	28.5	9 592 574	33 921 033
Effects of translation to presentation currency	9	57 426 887	-
Equity accounted investee- share of other comprehensive income	28.5	34 454	20 850
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods		67 053 915	33 941 883



Other comprehensive income for the year, net of tax	28.5	79 719 154	38 869 772
Total comprehensive income for the year		100 078 323	72 657 362

*The comparative statement of profit or loss for the year ended 31 December 2023 which was previously presented in the Zimbabwe Dollar(ZW\$) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter,the ZWG (presentation currency).

CELL INSURANCE COMPANY (PRIVATE) LIMITED

ABRIDGED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Share capital	Share premium	Foreign currency translation reserve	Revaluation reserve	Retained earnings	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Balance as at 1 January 2023	24 008	8 109 413	4 111 677	442 195	11 070 741	23 758 034
Total comprehensive income	-	-	4 927 889	33 941 883	33 787 590	72 657 362
Profit for the year	-	-	-	-	33 787 590	33 787 590
Other comprehensive income (note 28.5)	-	-	4 927 889	33 941 883	-	38 869 772
Balances as at 31 December 2023	24 008	8 109 413	9 039 566	34 384 078	44 858 331	96 415 396
Balance as at 1 January 2024	24 008	8 109 413	9 039 566	34 384 078	44 858 331	96 415 396
Total comprehensive income	-	-	70 092 126	9 627 028	20 359 169	100 078 323
Profit for the year	-	-	-	-	20 359 169	20 359 169
Effects of translation to presentation currency	-	-	57 426 887	-	-	57 426 887
Other comprehensive income (note 28.5)	-	-	12 665 239	9 627 028	-	22 292 267
Balance as at 31 December 2024	24 008	8 109 413	79 131 692	44 011 106	65 217 500	196 493 719

*The comparative statement of changes in equity as at 31 December 2023 which was previously presented in the Zimbabwean Dollar (ZWL) after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency).

CELL INSURANCE COMPANY (PRIVATE) LIMITED

ABRIDGED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	*Restated	
	2024	2023
	Notes	ZWG
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	44 922 359	38 835 029
Adjusted for non cash items:		
Unrealised foreign exchange gains	19 -	(187 933)
Leave pay provision	(990 722)	4 925 160
Share of profit of associate	6 (2 186 335)	(452 853)
Lease rental income	19 (676 630)	(860 097)
Depreciation	7 348 824	779 112
Fair value gain on investment property	8 (6 346 440)	(21 574 646)
Fair value gains on listed equities	18 (1 365 601)	(495 635)
Fair value gains on unlisted equities	18 (11 916 157)	(4 458 325)
Fair value gains on gold coins	7.2 (842 923)	(2 010 027)
Finance cost	5.3 938 309	1 913 507
	28 884 684	16 413 293
Working capital changes:		
Increase in other receivables	(53 181 834)	(7 228 014)
(Increase)/decrease in insurance contract assets	(75 931)	1 756 676
(Increase)/decrease in reinsurance contract assets	(84 228 820)	12 659 137
Increase in insurance contract liabilities	142 165 708	44 359 966
Increase/(decrease) in reinsurance contract liabilities	88 166	(3 321 816)
Increase in amounts due to cell owners	98 824 073	11 728 350
Increase in other payables	6 617 216	4 787 783
Cash generated from operations	139 093 262	81 155 375
Income tax paid	13.2 (3 189 083)	(1 634 619)
Net cash generated from operating activities	135 904 179	79 520 756
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	9 (3 266 420)	(13 360 918)
Dividends received	19 17 301	52 615
Net cash utilised in investing activities	(3 249 119)	(13 308 303)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	16 1 998 884	-
Loan repayments	16 (643 466)	(2 864 001)
Finance cost arising from lease	5.3 (938 309)	(1 913 507)
Lease payments	5.3 (2 725 796)	(381 234)
Net cash utilised in financing activities	(2 308 687)	(5 158 742)



Net increase in cash and cash equivalents		130 346 373	61 053 711
Cash and cash equivalents at beginning of year		29 465 876	7 768 140
Effect of exchange rate changes on cash and cash equivalents		(54 084 949)	(39 355 975)
Cash and cash equivalents at end of year	11	105 727 300	29 465 876

*The comparative statement of cash flows as at 31 December 2023 which was previously presented in the Zimbabwe Dollar (ZWL after adjustments for inflation in accordance with IAS 29- Financial Reporting in Hyperinflationary Economies, was translated to the USD (functional currency) and thereafter, the ZWG (presentation currency).

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1.0 GENERAL INFORMATION

1.1 Nature of business

Cell Insurance Company (Private) Limited (the Company) is engaged in the short-term insurance services business. The Company is incorporated and domiciled in Zimbabwe and is a limited liability Company. The Company is located at 25 Rhodesville Avenue in Greendale, Harare.

2.0 MATERIAL 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 2024:

2.2.1 Classification of liabilities as current or non-current (Amendment 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 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.

New standards, amendments and interpretations issued but not yet effective for the year ended 31 December 2024:

2.2.2 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.
- 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 2024 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).

In instances where there is no guidance from a specific 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.

These separate financial statements of the Company are not its only financial statements. The Company also prepared consolidated financial statements incorporating the operations of its subsidiary, Nectacare (Private) Limited and its associate, Lidwala Insurance Company Limited.

2.4 Functional currency

The separate financial statements are presented in Zimbabwe Gold (ZWG\$) while the Company's functional currency is USD. All values are rounded to the nearest ZWG except when otherwise indicated.

2.4.1 Procedures to convert functional currency

Prior to 1 January 2024, financial statements were presented in ZWL, after restatement of historical financial statements in accordance with IAS 29 - Financial Reporting in Hyperinflationary Economies. IAS 21 requires entities that operated in hyperinflationary economies to translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the last reporting date, on the effective date of change in functional currency.

2.4.2 Procedures to convert comparative financial statements to the USD functional currency

Translation of the ZWL restated financial statements to USD as at 1 January 2024:

The prior period numbers (comparative numbers) were translated to the USD at 31 December 2023 using the closing rate plus a margin of 10% giving a rate of USD 1: ZWL 6,715.19. The resulting translated amounts of assets and liabilities are treated as their historical cost from 1 January 2024.

2.4.3 Presentation currency

The Company is required by Insurance and Pensions Commission to present these financial statements in the Zimbabwe Gold (ZWG), procedures to translate to the presentation currency are described below.

2.4.4 Translation procedures

In prior periods, financial statements were presented in the Company's functional currency, which was, the Zimbabwe Dollar (ZWL). The ZWL was a currency of a hyperinflationary environment, as a result, in prior periods, financial statements were prepared based on the requirements of International Accounting Standard (IAS) 29 - Financial Reporting in Hyperinflationary Economies. IAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the statement of financial position, and that corresponding figures for previous periods be restated in the same terms.

A new structured local currency, the Zimbabwe Gold (ZWG), was introduced on 5 April 2024 to replace the Zimbabwe Dollar (ZWL), and this was done through a monetary policy statement and promulgation of Statutory Instrument (SI) 60 of 2024, which gave legal effect to the new currency. The ZWL ceased on 5 April 2024 with the introduction of the ZWG. The financial statements for the period ended 31 December 2024 presented in ZWG, were not adjusted for changes in prices.

With effect from 1 January 2024, the functional currency of the Company changed to USD as described in note 2.2, however, the Company is required to present the financial statements in the local currency, ZWG. Presenting financial statements in the local currency provides useful information to users of the financial statements including permitting comparability within the Zimbabwean market.

2.4.5 Translation procedures from the functional currency (USD) to the reporting currency (ZWG)

- The statement of financial position as at 31 December 2024 was translated into the reporting currency at the closing rate of the ZWG to the USD of 25.79
- Income and expenses were translated using monthly average exchange rates, which approximate the exchange rates at the dates of the transactions.
- The comparative financial statements and transactions recorded before 5 April 2024 were translated to the ZWG using the opening observable rate of the ZWG to the USD of 13.57.
- All resulting exchange differences were recognised in the statement of profit or loss and other comprehensive income.

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 Company 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 Company'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 Company'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 Company's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise any further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company 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 Company 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 Company and its associate are recognised in the Company'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 Gold (ZWG\$), which is the Company's presentation currency. The Company's functional currency is the USD. All amounts have been rounded to the nearest ZWL\$, unless otherwise stated. Refer to note 3.4.

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 adjustments arising on acquisition, are translated into Zimbabwe Gold at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Zimbabwe Gold 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 Company commits to purchase or sell the asset.

Financial instruments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets 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 Company'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 Company has transferred substantially all risks and rewards of ownership.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or 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.

2.7.3 Classification

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

2.7.4 Impairment of financial assets

Assets carried at amortised cost

The Company assesses at each reporting date whether there is objective evidence that a financial asset or Company of financial assets is impaired. A financial asset or a Company 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 Company of financial assets that can be reliably estimated.

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

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Company, 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 Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a Company 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.

2.8 Fair value measurement

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 Company 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 Company 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 Company 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 Company, 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.

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.

The Company 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 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 Company 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.

2.16 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.

2.17 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 Company 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.

2.18 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.

2.19 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.

2.20 Provisions

Provisions are recognised when the Company 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.

2.21 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 company but is rather retained by the cell owner. The impact of this on the Company's financial statements is that the underwriting and investment results of the insurance contracts underwritten in cell arrangements are not included in the Company's profit for the year. Amounts received from cell shareholders for the cell captive are accounted for as a financial liability. However, the Company's income statement includes management fees earned from administration activities undertaken by the Company 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 company 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 Company offers first party cells where the risks that are being insured relate to the cell owner's own direct business operations.

2.22 Classification of insurance contracts

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company 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 Company 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 Company does not issue any contracts with direct participating features.

2.23 Reinsurance contracts held

Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company 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 Company under which the contract holder is another insurer ("inwards reinsurance") are included with insurance contracts.

The Company 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 Company from its direct obligations to its policyholders.

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

The Company 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 Company 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 Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

2.24 Level of aggregation

IFRS 17 requires a company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company 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 Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Company 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 Company 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 policy holders with different characteristics.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Company 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 Company 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 Company 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 Company 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.

Recognition of insurance and reinsurance contracts

The Company 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 Company 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 Company 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 Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company 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 Company 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 Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

The Company 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 Company 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.

2.26 Measurement - Premium allocation approach (PAA)

	IFRS 17 Options	Adopted approach
Premium allocation	Subject to specific criteria, the PAA can be adopted as a simplified approach 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 one year. 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 expensed 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 cash flows 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 on 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 the 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 LIC 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.

2.27 Insurance contracts - initial measurement

The Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

2.28 Reinsurance contracts held - initial measurement

The Company 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 Company 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 Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company 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 Company expects to recover from the group of reinsurance contracts held. The Company 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.

2.29 Insurance contracts - subsequent measurement

The Company 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 Company 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 Company 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 Company, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company 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 Company 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 Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

2.30 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 Company has established a loss-recovery component, the Company 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.

2.31 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 Company chooses to expense insurance acquisition cash flows as they occur, the Company 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 Company 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 Company 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 Company 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 Company 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.

2.32 Insurance contracts - modification and de-recognition

The Company 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 Company derecognises the initial contract and recognises the modified contract as a new contract.

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

2.33 Presentation

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

2.34 Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company 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 Company 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.

2.35 Loss components

The Company 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 Company 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.

2.36 Loss recovery components

Where the Company 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 Company 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.

2.37 Net income or expense from reinsurance contracts held

The Company 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 Company 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.

2.38 Other income

2.38.1 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.

2.38.2 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.

2.39 Employee benefits

Defined contribution plans

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

The Company 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 Company 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 17:04). The Company'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 Company 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 Company 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 Company 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.

2.40 Leases

The Company 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 Company 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 Company used the definition of a lease under IFRS 16.

Leases as leasee

The Company 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 measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of 12% from January 2024 to 31 December 2024.

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 2024, the company subsequently remeasured the rights-of-use-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 Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company 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 Company 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.

Extension options

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

The Company has estimated that the potential future lease payments, should it exercise the extension options would result in an estimated lease liability of ZWG0.177 million.

Low value leases

The Company 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 Company 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 2024, the Company 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.

2.41 Contingents and commitments

Transactions are classified as contingencies where the Company'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 Company commits itself to future transactions with external parties.

2.42 Dividend distribution

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

2.43 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 Gold 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 surrender the 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 ZWG\$ or US\$.

The Company'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 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 Company 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.

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.

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 Company'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 Company 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 Company's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Company 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 annually reviewed for adequacy.

3.2 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 Company 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 determination is made.

3.3 Provision for credit losses

The Company 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 ZWG Nil (2023: ZWG793 776) as expressed in note 22.2.

3.4 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.

3.5 Functional currency

Since the promulgation of Statutory Instrument ("SI") 185 of 2020, issued on 24 July 2020 and subsequently, SI 218 of 2023, issued on 27 October 2023, which confirmed the continued settlement of transactions and ultimately, the continued use of the United States Dollar ("USD") until 31 December 2030, the economy has been observing a gradual increase in the use of the USD. As required by the guidance of IAS 21 - The Effects of Changes in Foreign Exchange Rates, management evaluated whether the change in the effects of underlying transactions, events and conditions were indicative of a change in the Company's functional currency for accounting purposes.

In assessing the functional currency of the Bank, management considered the guidance provided by IAS 21 which required consideration of factors including but not limited to:

- The increase in USD denominated premium receipts;
- The resultant increase in USD denominated net income and fees and commission;
- The denomination and settlement of the main costs of providing services including employment costs; and
- The currency in which receipts from operating activities are usually retained.

Based on the review, management concluded that the functional currency of the Company had changed from the Zimbabwe Dollar ("ZWL") in prior year to the United States Dollar ("USD"), effective from 1 January 2024

3.6 Going concern

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

3.7 Valuation of land and buildings

The Company 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 Company 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 INVESTMENT IN SUBSIDIARY

The Company holds a stake of 90.87% in Nectare (Private) Limited whose head office is situated at 25 Rhodesville Avenue Greendale Harare. The investment in subsidiary is accounted for using the cost method. At 31 December 2024, the amount of the investment in subsidiary was as follows:

	2024	2023
	ZWG	ZWG
Balance as at 1 January	5 056 882	5 056 882
Effects of exchange rates	4 797 322	-
Balance as at 31 December	9 854 204	5 056 882

5.0 LEASE LIABILITIES

Lease liabilities included in statement of financial position

	2024	2023
	ZWG	ZWG
Less than one year	2 063 622	1 831 689
One to five years	4 606 934	225 293
	6 670 556	2 056 982
Current	2 063 622	1 831 689
Non current	4 606 934	225 293
	6 670 556	2 056 982

5.1 Lease liabilities

	2024	2023
	ZWG	ZWG
Opening balance	2 056 982	866 796
Lease modifications	7 339 370	3 568 890
Lease interest	938 309	1 913 507
Lease payments	(3 664 105)	(2 294 741)
Effects of monetary movements	-	(1 997 470)
	6 670 556	2 056 982

5.2 Amounts recognised in profit or loss

	2024	2023
	ZWG	ZWG
Interest on lease liabilities	938 309	1 913 507
Depreciation expense right of use asset	1 404 510	777 563
Lease income from sublease	(676 630)	(860 097)
	1 666 189	1 830 973

5.3 Amounts recognised in statement of cash flows

	2024	2023
	ZWG	ZWG
Finance cost arising from lease	938 309	1 913 507
Lease payments	2 725 796	381 234
	3 664 105	2 294 741

5.4 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 2024 to 31 December 2024.

	2024	2023
	ZWG	ZWG
Balance at 1 January	4 106 997	776 182
Depreciation	(1 404 510)	(777 563)
Lease modifications	5 094 356	4 108 378
Balance at 31 December	7 796 843	4 106 997

6.0 INVESTMENT IN ASSOCIATE

	2024	2023
	ZWG	ZWG
Percentage ownership	18.7%	18.7%
Balance at the beginning of the year	11 348 492	5 687 435
Share of profit of associate	2 186 335	452 853
Other comprehensive income	34 675	20 984
Effects of exchange rate movements	13 333 575	5 187 220
Balance at the end of the year	26 903 077	11 348 492
Ownership interest	18.70%	18.70%
Revenue	314 918 379	100 046 150
Profit after tax	11 691 630	2 421 673
Other comprehensive income	185 428	112 212
Total comprehensive income	326 795 437	102 580 035
Attributable to investee's shareholders		
Current assets	338 816 840	143 104 912
Non-current assets	168 400 129	18 395 247
Current liabilities	(359 267 832)	(99 999 924)
Non-current liabilities	(4 082 417)	(813 113)
Net assets	143 866 720	60 687 122
Company's interest in net assets of investee at beginning of the year	11 348 492	5 687 435
Share of profit of associate	2 186 335	452 853
Other comprehensive income		
Equity accounted investee- share of other comprehensive income	34 675	20 984
Effects of exchange rate movements	13 333 575	5 187 220
Carrying amount of interest in investee at end of the year	26 903 077	11 348 492

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.

7.0 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	ZWG	ZWG
Balance at the beginning of the year	13 749 130	7 120 056
Acquisitions	5 123 027	39 517
Disposals	(180)	(120 555)
Fair value gains	29 882 618	6 710 112
Promoter	18 750 936	4 257 560
Cell Captive arrangements	11 131 682	2 452 552
Balance at the end of the year	48 754 595	13 749 130
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)	10 660 824	2 224 157
Cell Captive arrangements (Zimbabwe Stock Exchange Listed Equities)	2 466 920	1 126 960
	13 127 744	3 351 117
Non Current		
Promoter (Non traded equities)	18 294 319	6 378 162
Cell Captive arrangements(Non traded equities)	17 332 532	4 019 851
	35 626 851	10 398 013
	48 754 595	13 749 130

7.1 Non traded equity reconciliation

	2024	2023
	ZWG	ZWG
Cost as at 1 January 2024	10 398 013	5 038 092
Carrying amount as at 31 December 2024	10 398 013	5 038 092
Level 3 revaluation surplus as at 31 December 2024	25 228 838	5 359 921
Carrying amount and fair value as at 31 December 2024	35 626 851	10 398 013

7.2 Gold coin

	2024	2023
	ZWG	ZWG
Opening balance at 31 January	2 783 726	773 699
Fair value adjustment	842 923	2 010 027
Market value at 31 December	3 626 649	2 783 726

8.0 INVESTMENT PROPERTIES

	2024	2023
	ZWG	ZWG
Balance at the beginning of the year	33 653 625	10 693 052
Fair value adjustment	6 346 440	21 574 646
Effects of translation to presentation currency	31 926 255	
Additions	-	1 385 927
Balance at the end of the year	71 926 320	33 653 625
Property expenses		
Valuation fees	51 089	3 894
Total	51 089	3 894
Property expenses arising from investment properties that generated rental income	51 089	3 894
	51 089	3 894

The carrying amount of the investment property is the fair value of the property as determined by a registered and independent external valuer. The valuation was in accordance with the Valuers Council of Zimbabwe, Valuers Act (Chapter 27:18) and the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and the Real Estate Institute of Zimbabwe Standards. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Company's investment properties and in reference to the rental yields applicable to similar properties. The properties were valued as at 31 December 2024.

	Valuation technique	Significant observable inputs	Weighted average rental per square metre
Office and Rental properties	Implicit investment approach	Comparable rentals per month per square metre	ZWG 8.21
		Capitalisation rate	10%
Land and residential property	Market value of similar property	Comparable rentals per month per square metre	ZWG 5.07

In arriving at the market value of the property, the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rentals and capital values are inter-related. Hence given the income produced by a property, its capital value can therefore be estimated. Comparable rentals inferred from properties within the locality of the property based on use, location, size and quality of finishes were used. The rentals were then adjusted per square meter to the lettable areas, being rentals achieved for comparable properties as at 31 December 2024. The rentals are then annualised and a capitalisation factor was applied to arrive at a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.

In assessing the market value of the residential stands, values of various properties that had been recently sold or which are currently on sale and situated in comparable residential areas were used. Market evidence from other estate agents and local press was also taken into consideration.

9.0 PROPERTY EQUIPMENT

	Land and buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Assets under construction	Computer equipment	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
YEAR ENDED 31 DECEMBER 2023								
Opening net book amount	2 330 559	82 465	918 162	179 233	112 644	6 509 006	588 618	10 720 687
Cost	2 744 545	129 321	2 124 270	454 657	203 700	6 509 006	963 983	13 129 482
Accumulated depreciation	(413 986)	(46 856)	(1 206 108)	(275 424)	(91 056)	-	(375 365)	(2 408 795)
Additions	6 947 258	-	2 823 693	1 688 379	972 838	409 539	519 211	13 360 918
Reclassification of assets under construction	6 918 545	-	-	-	-	(6 918 545)	-	-
Revaluation surplus	34 443 443		1 672 575	396 427	(152 759)	-	1 287 794	37 647 480
Depreciation charge	-	(1 549)	-	-	-	-	-	(1 549)
Net book amount	50 639 805	80 916	5 414 430	2 264 039	932 723	-	2 395 623	61 727 536
As at 31 December 2023								
Revalued amount/cost	50 639 805	129 321	5 414 430	2 264 039	932 723	-	2 395 623	61 775 941
Accumulated depreciation	-	(48 405)	-	-	-	-	-	(48 405)
Net book amount	50 639 805	80 916	5 414 430	2 264 039	932 723	-	2 395 623	61 727 536

The property and equipment fair values are based on valuations performed by Ebenezer Properties and Capital Valuation Consultancy who are independent professional valuers as at 31 December 2023 using the depreciated replacement cost method.

	Land and buildings	Leasehold improvements	Vehicles	Furniture and fittings	Office equipment	Assets under construction	Computer equipment	Total
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
YEAR ENDED 31 DECEMBER 2024								
Opening net book amount	50 639 805	80 916	5 414 430	2 264 039	932 723	-	2 395 623	61 727 536
Cost	50 639 805	129 321	5 414 430	2 264 039	932 723	-	2 395 623	61 775 941
Accumulated depreciation	-	(48 405)	-	-	-	-	-	(48 405)
Additions	-	-	1 601 190	278 095	426 128	-	961 007	3 266 420
Revaluation surplus/ (deficit)	9 153 819	-	281 692	(50 606)	1 200 603	-	(159 327)	10 426 181
Effects of translation to presentation currency	47 678 373	122 682	4 304 956	1 845 862	1 239 333	-	2 235 681	57 426 887
Depreciation charge	(1 094 899)	(17 121)	(1 871 060)	(606 582)	(268 103)	-	(1 198 401)	(5 056 166)
Net book amount	106 377 098	186 477	9 731 208	3 730 808	3 530 684	-	4 234 583	127 790 858
As at 31 December 2024								
Revalued amount/cost	58 698 725	129 321	5 426 252	1 884 946	2 291 351	-	1 998 902	70 429 497
Accumulated depreciation	-	(65 526)	-	-	-	-	-	(65 526)
Effects of translation to presentation currency	47 678 373	122 682	4 304 956	1 845 862	1 239 333	-	2 235 681	57 426 887
Net book amount	106 377 098	186 477	9 731 208	3 730 808	3 530 684	-	4 234 583	127 790 858

The property and equipment fair values are based on valuations performed by Ebenezer Properties and Capital Valuation Consultancy who are independent professional valuers as at 31 December 2024 using the depreciated replacement cost method.

10.0 REINSURANCE CONTRACT ASSETS

	2024	2023
	ZWG	ZWG
Opening insurance contract assets	87 184 723	67 812 907
Allocation of reinsurance premiums	(403 969 804)	(191 311 188)
Amounts recoverable for incurred claims and other expenses	137 069 254	94 464 293
Changes to amounts recoverable for incurred claims	(135 969)	(19 027 670)
Premiums paid	549 091 685	359 812 766
Amounts received	(197 826 346)	(100 697 266)
Loss recovery on onerous contracts	-	(6)
Reinsurance contract liabilities	-	(760 212)
Effects of monetary movements	-	(123 108 901)
At the end of the year	171 413 543	87 184 723
Current	171 413 543	29 691 341
Non- current	-	57 493 382
	171 413 543	87 184 723

10.1 Insurance contract assets

	2024	2023
	ZWG	ZWG
Contracts measured under the PAA	75 931	-
	75 931	-
Current	75 931	-
	75 931	-

10.2 Reinsurance contract liabilities

	2024	2023
	ZWG	ZWG
Contracts measured under the PAA	88 166	-
	88 166	-
Current	88 166	-
	88 166	-

10.3 Insurance contract liabilities

	2024	2023
	ZWG	ZWG
Opening insurance contract liabilities	123 054 105	78 694 139
Insurance revenue for contracts under PPA	(538 433 172)	(311 840 637)
Incurred claims and other directly attributable expenses	267 078 566	257 741 874
Changes to liabilities for incurred claims	(2 417 855)	(26 671 809)
Losses on onerous contracts	-	2 598 275
Insurance acquisition cash flows	(78 051 048)	(64 280 493)
Premiums received	582 278 550	454 934 688
Claims and other expenses paid	(88 213 402)	(155 809 849)
Insurance contract assets	(75 931)	(356 188)
Effects of monetary movements	-	(111 955 895)
At the end of the year	265 219 813	123 054 105
Current	265 219 813	41 533 536
Non- current	-	81 520 569
	265 219 813	123 054 105

10.4 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2024			
	Excluding loss component	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG
Opening insurance contract liabilities	278 863 954	12 321 720	(168 131 569)	123 054 105
Opening insurance contract assets	-	-	-	-
Net insurance contract liabilities/(asset) opening balance	278 863 954	12 321 720	(168 131 569)	123 054 105
Insurance revenue	(538 433 172)	-	-	(538 433 172)
Insurance service expenses	-	-	264 660 711	264 660 711
Incurred claims and other directly attributable expenses	-	-	267 078 566	267 078 566
Changes to liabilities for incurred claims	-	-	(2 417 855)	(2 417 855)
Investment components	-	-	-	-
Net income from insurance contracts held	(538 433 172)	-	264 660 711	(273 772 461)
Insurance finance expenses	-	-	-	-
Total changes in the statement of comprehensive income	(538 433 172)	-	264 660 711	(273 772 461)
Cash flows				
Premiums received	582 278 550	-	-	582 278 550
Claims and other expenses paid	-	-	(88 213 402)	(88 213 402)
Total cash flows	43 845 378	-	176 447 309	220 292 687
Other movements	-	-	(78 126 978)	(78 126 978)
Net insurance contract liabilities/(asset)	322 709 332	12 321 720	(69 811 238)	265 219 813
Closing insurance contract liabilities	322 785 263	12 321 720	(69 811 238)	265 295 744
Closing insurance contract assets	(75 931)	-	-	(75 931)
Net insurance contract liabilities/(assets) closing balance	322 709 332	12 321 720	(69 811 238)	265 219 813

	2023			
	Excluding loss component	Loss component	Liability for incurred claims	Total
	ZWG	ZWG	ZWG	ZWG
Opening insurance contract liabilities	(53 659 716)	12 318 243	120 035 611	78 694 138
Opening insurance contract assets	-	-	-	-
Net insurance contract (asset)/liabilities opening balance	(53 659 716)	12 318 243	120 035 611	78 694 138
Insurance revenue	(311 840 637)	-	-	(311 840 637)
Insurance service expenses	-	3 477	257 738 397	257 741 874
Incurred claims and other directly attributable expenses	-	-	284 410 206	284 410 206
Changes to liabilities for incurred claims	-	-	(26 671 809)	(26 671 809)
Losses on onerous contracts and reversal of those losses	-	3 477	-	3 477
Investment components	-	-	-	-
Net income from insurance contracts held	(311 840 637)	3 477	257 738 396	(54 098 764)
Total changes in the statement of comprehensive income	(311 840 637)	3 477	257 738 396	(54 098 764)
Cash flows				
Premiums received	454 934 688	-	-	454 934 688
Claims and other expenses paid	-	-	(545 905 576)	(545 905 576)
Insurance acquisition cash flows	(21 252 513)	-	-	(21 252 513)
Total cash flows	121 841 538	3 477	(288 167 180)	(166 322 165)
Other movements	210 682 132	-	-	210 682 132
Net insurance contract liabilities/(asset)	278 863 954	12 321 720	(168 131 569)	123 054 105
Closing insurance contract liabilities	278 863 954	12 321 720	(168 131 569)	123 054 105
Net insurance contract liabilities/(assets) closing balance	278 863 954	12 321 720	(168 131 569)	123 054 105

11.0 CASH AND CASH EQUIVALENTS

	2024	2023
	ZWG	ZWG
Cash on hand	3 211 863	2 075 275
* Bank balances	37 841 035	11 029 819
* Fixed placements	64 674 402	16 360 782
	105 727 300	29 465 876

* The above balances include amounts due to Cell owners', refer to note 14.

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 OTHER RECEIVABLES

	2024	2023
	ZWG	ZWG
Due from related parties (note 26.2)	55 997 918	7 912 160
Prepayments	1 856 018	44 883
* Other receivables	5 428 367	3 498 844
	63 282 303	11 455 887

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

13.0 INCOME TAX

13.1 Income tax expense

	2024	2023
	ZWG	ZWG
Current tax expense	4 102 367	2 247 579
Deferred tax expense		
Originating from temporary differences	20 460 823	2 799 860
	24 563 190	5 047 439
Income tax relating to the components of other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	668 336	259 331
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Equity accounted investee	221	134
Revaluation reserve	833 607	2 769 644
	1 502 164	3 029 109
Reconciliation of income tax expense		
Income tax charged based on profit for the year at 25.75% (2023:24.72%).		
Profit before income tax	44 922 359	38 835 029
Income tax expense based on profit for the year	11 567 507	9 600 019
Non deductible/ taxable items	12 995 682	(4 552 580)
Disallowed expenses	3 271 407	2 256 486
Originating from temporary differences	20 460 823	2 799 860
Schedule 8 adjustments (ITA)	919 589	4 038 893
Tax exempt income	(11 656 137)	(13 647 819)
	24 563 189	5 047 439

13.2 Current income tax (asset)/ liability

	2024	2023
	ZWG	ZWG
Opening balance	427 825	147 404
Current year charge	4 102 367	2 247 579
Amount paid in current year	(3 189 083)	(1 634 619)
Effects of monetary movements	-	(332 539)
Current income tax liability	1 341 109	427 825

13.3 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% (2023: 25.75%).

	2024	2023
	ZWG	ZWG
The net movement on the deferred tax account is as follows:		
Opening deferred tax (liability)/asset	(8 179 063)	(2 350 094)
Movement through profit and loss	(20 460 823)	(2 799 860)
Revaluation gain	(833 607)	(2 769 644)
Arising from capital gains	(668 557)	(259 465)
Closing deferred tax liability	(30 142 050)	(8 179 063)

The deferred tax asset/(liability) balances included in the statement of financial position comprised of:

	2024	2023
	ZWG	ZWG
The deferred tax asset/(liability) balances included in the statement of financial position are comprised of:		
Provisions	1 087 825	1 826 057
Investment property	(1 540 072)	(4 314 929)
Property and equipment	(32 169 727)	(3 636 101)
Investment in associate	(652 077)	(259 332)
Investment in gold coins	(168 585)	(402 005)
Fair value - land and buildings	(2 786 865)	(2 026 923)
Financial assets at fair value through profit or loss	(2 620 650)	(574 788)
Other (schedule 8 Income Tax Act (Chapter 23.06))	8 708 101	1 208 958
Net deferred liability	(30 142 050)	(8 179 063)

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:

	2024	2023
	ZWG	ZWG
Balance as at 1 January	20 436 059	8 707 708
Gross written premiums	58 378 092	3 738 285
Investment income	3 182 096	502 503
Net gains on financial assets at fair value through profit or loss	24 056 269	3 798 863
Claims incurred	(54 561 489)	(8 616 116)
Cell liquidations	(14 014)	(2 213)
Administration fees	(5 581)	(881)
Other income	4 263 937	673 343
Foreign currency (loss) /gains	69 416 600	12 564 981
Other expenses	(5 891 837)	(930 414)
Balance as at 31 December	119 260 132	20 436 059
Current	105 448 560	16 416 208
Non current	13 811 572	4 019 851
	119 260 132	20 436 059
Represented by:		
** Cash at bank (note 11)	35 841 036	9 286 773
** Fixed placements (note 11)	63 619 644	6 002 475
***Listed equities (note 7)	2 466 920	1 126 960
***Unlisted equities (note 7)	17 332 532	4 019 851
	119 260 132	20 436 059

15.0 OTHER PAYABLES

	2024	2023
	ZWG	ZWG
Statutory payments	6 306 762	1 202 502
Sundry payables	8 920 312	7 407 356
	15 227 074	8 609 858

16.0 BANK LOAN

	2024	2023
	ZWG	ZWG
Balance at the beginning of the year	1 353 586	4 217 587
Additional loan	1 998 884	-
Repayments	(643 466)	(2 864 001)
Balance at the end of the year	2 709 004	1 353 586

The company has secured an additional bank loan of ZWG1 998 884 (2023: ZWG4 217 587), with a fixed interest rates of 13% (2023: 10%), maturing on 31 December 2027. The loan was used for acquisition of company vehicles and is secured by the acquired asset. The loan is repaid in 12 monthly instalments.

17.0 INSURANCE SERVICE REVENUE

	2024	2023
	ZWG	ZWG
Contracts measured under the PAA	538 433 172	311 840 637

17.1 Insurance service expense

	2024	2023
	ZWG	ZWG
The breakdown of insurance service expenses is presented below:		
*Changes that relate to past service - adjustments to the LIC	189 027 518	222 731 465
Risk adjustment	(2 417 855)	(26 671 809)
Insurance acquisition cash flows	78 051 048	64 280 493
Losses on onerous contracts	-	(2 598 275)
As at 31 December	264 660 711	257 741 874

*includes attributable operating expenses on note 19

17.2 Allocation of reinsurance premiums

	2024	2023
	ZWG	ZWG
Contracts measured under the PAA	403 969 804	191 311 188

17.3 Amounts recoverable from reinsurers for incurred claims

	2024	2023
	ZWG	ZWG
Reinsurance claims recovery	137 069 254	96 793 565
Reinsurance loss	-	(2 329 271)
As at 31 December	137 069 254	94 464 294

17.4 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:

- 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.

18.0 INVESTMENT INCOME

	2024	2023
	ZWG	ZWG
Interest income on money market instruments	1 113 177	405 050
Fair value gains on listed equities - Promoter	1 365 601	495 635
Fair value gains on unlisted equities - Promoter	11 916 157	4 458 325
	14 394 935	5 359 010

19.0 OTHER INCOME

	2024	2023
	ZWG	ZWG
Administration fees	25 631 788	2 842 559
Dividends received	17 301	52 615
Unrealised foreign currency exchange gains	-	187 933
Investment property fair value gains	6 346 440	21 574 646
Lease rental income	676 630	860 097
Icecash commission	5 091 885	6 283 386
Profit commission	1 100 779	12 123 545
Interest from staff costs	54 792	213 062
	38 919 615	44 137 843

20.0 OPERATING EXPENSES (ATTRIBUTABLE EXPENSES)

	2024	2023
	ZWG	ZWG
Staff costs	36 953 459	30 052 104
Wages and salaries	24 002 246	20 997 413
Social security costs	780 365	320 914
Leave pay accrual	(822 299)	3 602 518
Pension costs (defined contribution scheme)	3 872 701	1 662 457
Other staff costs	9 120 446	3 468 802
Directors emoluments	411 750	211 602
- directors' fees	411 750	211 602
Audit fees:	3 267 424	3 758 525
- current year	3 267 424	3 758 525
Depreciation on property and equipment	5 134 352	270 744
Marketing expenses	4 215 328	3 078 254
Rates and electricity	533 395	860 548
Motor vehicle costs	1 017 074	145 482
Other administrative expenses	17 817 798	6 073 268
	69 350 580	44 450 527

21.0 OPERATING EXPENSES (NON ATTRIBUTABLE EXPENSES)

	2024	2023
	ZWG	ZWG
Staff costs	6 763 307	1 067 128
Wages and salaries	4 916 123	8 935 069
Social security costs	159 834	203 191
Leave pay accrual	(168 423)	1 322 642
Other staff costs	1 855 773	(9 393 774)
Impairment provision	719 294	793 394
Depreciation on property and equipment	2 214 472	508 368
Rates and electricity	109 249	316 796
Motor vehicle costs	208 316	409 579
Insurance costs	132 948	437 652
Other administrative expenses	7 302 851	1 704 786
	17 450 437	5 237 703



22.0 INSURANCE RISK MANAGEMENT

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:

- a. The premium must be paid to the insurer before cover commences;
- b. 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
- c. 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:

	2024	2023
Fire	32%	37%
Motor	23%	15%
Engineering	30%	34%
Marine	1%	1%
Personal accident	1%	1%
Personal liability	2%	2%
Miscellaneous accident	7%	6%
Bonds and guarantees	0%	0%
Travel	0%	0%
Farming	4%	4%
Total	100%	100%

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.

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 2024, the Company's equity investments were recorded at their fair value of ZWG\$ 48 754 595 (2023: ZWG\$13 749 130). A reasonably possible increase or decrease of 10% in equity prices would result in a pre-tax change in shareholder's equity of ZWG\$4 875 460 (2023: ZWG\$1 374 913).

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.

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.

	2024	2023
	ZAR - ZWG Equivalent	ZAR - ZWG Equivalent
Cash and cash equivalents	441 218	13 075 237

	USD - ZWG Equivalent	USD - ZWG Equivalent
Cash and cash equivalents	8 140 737	141 441 847

At 31 December 2024, if the South African Rand (“ZAR”) had weakened/(strengthened) by 10% against the ZWG\$ with all other variables held constant, profit for the year would have been ZWG\$44 122 (2023: ZWG\$1 307 524) 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 2024 was ZAR 1: ZWG\$1.37 (2023: ZAR 1: ZWG\$.48).

On 31 December 2024, if the United States Dollar (“US\$”) had weakened/(strengthened) by 10% against the ZWG\$ with all other variables held constant, profit for the year would have been ZWG\$814 074 (2023: ZWG\$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 2024 was 1US\$: ZWG\$2 6.4435 (2023:1USD: ZWG\$13.57).

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:

	2024	2023
	ZWG	ZWG
Cash and cash equivalents	105 727 300	29 465 876
Other receivables (excluding prepayments)	61 426 285	11 411 005
Reinsurance contract assets	171 413 543	87 184 723
	338 567 128	128 061 604

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) 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 ZWG\$ 719 724 (2023: ZWG793 775) 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 company recognises loss allowances for expected credit losses (ECLs) on other receivables, the Company applies the simplified approach and measure the loss allowance at an amount equal to the life time ECLs as prescribed by International Financial Reporting Standard 9, Financial Instruments, (IFRS 9). The Company considers the historical loss experience and forward-looking information in determining the loss rates. The loss allowance provision as at 31 December 2024 is determined per the provision matrix below;

Outstanding but not overdue	4.98% of invoice amount
30 days but within 60 days overdue	3.82% of invoice amount
60 days but within 90 days overdue	5.70% of invoice amount
Items over 90 days overdue	8.70% of invoice amount

Items considered to be irrecoverable are provided at 100%

	2024			2023		
	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Not past due	2 442 212	(121 622)	2 320 590	3 575 997	(267 127)	3 308 870
Past due (31-90 days)	1 408 010	(54 730)	1 353 280	676 007	(47 247)	628 760
Over 90 days	6 240 710	(542 942)	5 697 768	3 673 574	(479 401)	3 194 173
	10 090 932	(719 294)	9 371 638	7 925 578	(793 775)	7 131 803

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) Impairment loss on receivables

	2024	2023
	ZWG	ZWG
Balance at 1 January	793 395	-
Charge to income statement	(74 101)	793 395
Balance at 31 December	719 294	793 395

c) Cash and cash equivalents

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

d) 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 and 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 2024 to the contractual maturity date:

Contractual obligations

	2024			2023		
	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
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
As at 31 December						
Assets						
Cash and cash equivalents	105 727 300	-	105 727 300	29 465 876	-	29 465 876
Other receivables (excluding prepayments)	61 426 285	-	61 426 285	11 411 005	-	11 411 005
Financial assets at fair value through profit or loss	-	48 754 595	48 754 595	-	13 749 130	13 749 130
	167 153 585	48 754 595	215 908 180	40 876 881	13 749 130	54 626 011

	Other financial liabilities at amortised cost	
	2024	2023
	ZWG	ZWG
Other payables (excluding statutory payments)	8 920 312	7 407 356
Lease liabilities	6 670 556	2 056 982
Amounts due to cell owners	119 260 132	20 436 059
	134 851 000	29 900 397

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.

	2024	2023
	ZWG	ZWG
Minimum capital requirement	19 832 625	10 177 500
Equity as at 31 December	196 493 719	96 415 396

a) Solvency margin

	2024	2023
	ZWG	ZWG
Total assets	637 151 623	260 532 874
Total liabilities	(440 657 904)	(164 117 478)
Excess of assets over liabilities	196 493 719	96 415 396
Gross written premium	492 250 072	502 520 621
Premium ceded	(356 187 575)	(403 949 369)
Net premium income	136 062 497	98 571 252
25% of net premium written	34 015 624	24 642 813
Shareholders funds	196 493 719	96 415 396
Safety margin	162 478 095	71 772 583
Solvency margin	144%	98%

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:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	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
Level 3	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.

Fair value measurement hierarchy for assets as at 31 December 2024

	Date of valuation	Fair value measurement using:			
		Total	Quoted prices in active market	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
		ZWG	ZWG	ZWG	ZWG
Listed equity investments (Note 7)	31-Dec-24	13 127 744	13 127 744	-	-
Non- listed equity investments (Note 7)	31-Dec-24	35 626 851	-	-	35 626 851
		48 754 595	13 127 744	-	35 626 851
Fair value measurement hierarchy for assets as at 31 December 2023:					
Listed equity investments (Note 7)	31-Dec-23	3 351 117	3 351 117	-	-
Non- listed equity investments (Note 7)	31-Dec-23	10 398 013	-	-	10 398 013
		13 749 130	3 351 117	-	10 398 013

Level 3 fair value reconciliation of carrying amount

	2024	2023
	ZWG	ZWG
Balance at 1 January	10 398 013	5 038 092
Change in fair value	25 228 838	5 359 921
Balance as at 31 December	35 626 851	10 398 013

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	Average rentals per square metre - ZWG 4.42 (2023: ZWLG5.84) Average investment yield - 10%	The estimated fair value would increase/(decrease) if: Expected market rental growth rate were higher(lower); ● Occupancy rate was higher(lower); ● Void period were shorter; ● Occupancy rate was higher(lower); and ● Yield rates were higher(lower).

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.

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 ZB 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.

	2024	2023
	ZWG	ZWG
Total contributions were as follows:		
Social security costs	141 672 668	17 007 501
Pension costs (defined contribution scheme)	441 542 910	52 670 736
	583 215 578	69 678 237

26.0 RELATED PARTY DISCLOSURES

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

	2024	2023
	% 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%
	100.00%	100.00%

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:

	2024	2023
	ZWG	ZWG
Income		
ZESA Holdings	4 664 677	9 171 120
ZB Financial Holdings Limited	14 842 541	6 136 676
ZESA Enterprises (Private) Limited	1 747 257	2 612 408
Powertel (Private) Limited	345 182	1 966 311
Zimbabwe Electricity Transmission and Distribution Company	21 439 216	40 682 802
Zimbabwe Power Company	116 806 507	215 263 297
NZR Corporate Pension Fund	2 975 087	9 044 999
Cellmed Health Fund	394 575	-
Nectacare (Private) Limited	446 217	3 612 012
	163 661 259	288 489 625
Expenses		
Claims paid to shareholders and shareholder related entities:		
ZESA Holdings and its subsidiaries	17 726 808	441 128
ZB Financial Holdings Limited	2 120 376	3 445 226
NRZ Corporate Pension Fund	76 627	16 968
Cellmed Health Fund	241 997	202 999
	20 165 808	4 106 321
Reinsurance premiums paid to shareholders and shareholder related entities:		
ZB Reinsurance Company (Private) Limited	35 135 177	2 638 906
Emeritus Reinsurance Company (Private) Limited	43 281 440	5 613 238
Medical aid contributions paid to CellMed Health Fund	2 969 228	690 923
Staff pension fund contributions	3 872 701	1 662 457
	85 258 546	10 605 524

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 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:

	2024	2023
	ZWG	ZWG
Short term employee benefits	7 890 786	7 858 131
Post employment benefits (contributions to defined benefit plan)	1 237 656	1 178 720
	9 128 442	9 036 851

26.2 Year end balances arising from transactions with related parties

Amounts due from/(to) related parties:

CellMed Health Fund	29 964 928	2 540 674
Nectacare (Private) Limited	26 032 990	5 371 486
	55 997 918	7 912 160

27.0 CONTINGENT LIABILITIES AND COMMITMENTS

27.1 Commitments for capital expenditure

There were no capital commitments at the reporting date.

27.2 Other contingent liabilities

There were no contingent liabilities at the reporting date (2023: ZWG\$Nil).

28.0 SHARE CAPITAL AND RESERVES

28.1 Authorised share capital

	2024	2023
	ZWG	ZWG
99 900 000 ordinary shares of ZWG 0.01 each	999 000	999 000
100 000 preference shares of ZWG 0.01 each	1 000	1 000
	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.

28.2 Issued share capital

	2024	2023
	ZWG	ZWG
Balance as at 1 January	24 008	24 008
Balance as at 31 December	24 008	24 008

28.3 Share premium

	2024	2023
	ZWG	ZWG
Share premium of ZWG 1.13857	8 109 413	8 109 413

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

28.4 Foreign currency translation reserve

	2024	2023
	ZWG	ZWG
Balance as at 1 January	9 039 566	4 111 677
Effects of translating to presentation currency	57 426 888	-
Equity accounted investee - foreign currency translation reserve	13 333 575	5 187 220
Income tax	(668 336)	(259 331)
Balance as at 31 December	79 131 693	9 039 566

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.

28.5 Other comprehensive income

	2024	2023
	ZWG	ZWG
Effects of translation to presentation currency	57 426 887	-
Equity accounted investee - foreign currency translation reserve	13 333 575	5 187 220
Related tax	(668 336)	(259 331)
Equity accounted investee -share of other comprehensive income *	34 675	20 984
Related tax	(221)	(134)
Revaluation of property and equipment	10 426 181	36 690 677
Related tax	(833 607)	(2 769 644)
Balance as at 31 December	79 719 154	38 869 772

*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 2024, the Company earned total comprehensive income after tax of ZWG\$100 078 323 (2023: ZWG\$72 657 362), net cash flow generated from operations of ZWG\$139 904 179(2023: ZWG\$79 520 756).

As at 31 December 2024, the Company had a net current liability position of ZWG\$32 134 874 (2023: net current asset of ZWG\$7 926 831).The net current liability was as a result of a huge claim which was under discussion with providers of reinsurance cover. A settlement agreement was reached post year end, wherein reinsurers agreed to settle the claim. The settlement agreement has seen the Company subsequently returning to a net current asset position. The shareholder equity position from an IFRS perspective increased by 104% from the prior year to close the year at ZWG\$196 493 719 (2023: ZWG\$96 415 396).

In order to calculate the Company's statutory capital requirements from a Zimbabwe Integrated Capital and Risk Program (ZICARP) capital perspective, the Company is required to apply ZICARP guidelines which requires certain types of assets to be excluded in performing the statutory capital calculation.

Applying these requirements, the Company's solvency capital requirement (SCR) is ZWG\$89 327 835 (2023: ZWG\$14 236 830) against a regulated minimum requirement of ZWG\$19 832 625 (2023: ZWG\$10 177 500).

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 Company'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 Company will realise its assets and settle its liabilities in the ordinary course of business.

30.0 SUBSEQUENT EVENTS

The 2024 Monetary Policy Statement (MPS) issued by the Reserve Bank of Zimbabwe (RBZ) Governor, on 6 February 2025 announced a requirement for all entities to adopt a common presentation currency, ZWG, for reporting purposes, with immediate effect, including for the 31 December 2024 and later period audited financial statements.

Compliance with the Monetary Policy Statement

The MPS requires that financial statements be presented in the ZWG. Entities would have to follow guidance from IAS 21 paragraphs 38 – 43. RBZ's official exchange rates will be used to translate the entity's functional currency to the ZWG paragraph 39 provides that all amounts shall be translated at the closing rate at the date of the most recent statement of financial position.

The Company had already adopted the ZWG\$ as its presentation currency from an Insurance and Pensions Commission compliance perspective and these events are non-adjusting subsequent events. The financial positions and the results of operations as of and for the year ended 31 December 2024 have been adjusted to reflect their impact.



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