

GROUP CHAIRMAN'S STATEMENT

I am pleased to present to you FBC Holdings Limited's Audited Financial Statements and business highlights for the year ended 31 December 2023.



<p>↑ Total Income ZWL</p> <p>Inflation Adjusted 1.27 trillion (2023) 533.0 billion (2022)</p> <p>Historical Cost 1.19 trillion (2023) 102.6 billion (2022)</p>	<p>↑ Profit Before Tax ZWL</p> <p>Inflation Adjusted 403.5 billion (2023) 113.7 billion (2022)</p> <p>Historical Cost 576.3 billion (2023) 47.9 billion (2022)</p>	<p>↑ Profit After Tax ZWL</p> <p>Inflation Adjusted 327.4 billion (2023) 60.2 billion (2022)</p> <p>Historical Cost 478.4 billion (2023) 38.7 billion (2022)</p>
<p>↑ Total Assets ZWL</p> <p>Inflation Adjusted 3.4 trillion (2023) 1.6 trillion (2022)</p> <p>Historical Cost 3.4 trillion (2023) 329.8 billion (2022)</p>	<p>↑ Total Equity ZWL</p> <p>Inflation Adjusted 705.9 billion (2023) 293.1 billion (2022)</p> <p>Historical Cost 707.4 billion (2023) 63.3 billion (2022)</p>	<p>↑ Net Asset Value Per Share ZWL</p> <p>Inflation Adjusted 1 156 (2023) 480 (2022)</p> <p>Historical Cost 1 159 (2023) 104 (2022)</p>
<p>↑ Basic Earnings Per Share ZWL (Cents)</p> <p>Inflation Adjusted 53 594 (2023) 9 568 (2022)</p> <p>Historical Cost 78 335 (2023) 6 155 (2022)</p>	<p>↑ Cost-to-Income Ratio</p> <p>Inflation Adjusted 75% (2023) 67% (2022)</p> <p>Historical Cost 52% (2023) 53% (2022)</p>	<p>↑ Dividend US\$ (Cents)</p> <p>Final 0.45</p> <p>Interim 0.45</p>

Financial Performance Review – Inflation Adjusted

Notwithstanding the challenges faced in 2023, FBC Holdings achieved a commendable set of financial results. The Group's profit before tax, adjusted for inflation, was ZWL403.5 billion, which represents a 255% increase from ZWL113.7 billion recorded in the previous year. This notable performance was mainly driven by the growth in total income and in part, by cost containment. The Group's profit after tax increased by 443% to ZWL327.4 billion.

Total income for the Group increased by 138% to ZWL1.3 trillion, up from ZWL533.0 billion, driven by the growth in all revenue streams, save for insurance and property sales. The Group's net interest income increased by 69% to ZWL239.8 billion, compared to ZWL142.2 billion in 2022, supported by a 121% growth in loans and advances, which closed the year at ZWL1.6 trillion. The Group's banking subsidiaries experienced a higher demand for foreign-currency-denominated loans in response to increased usage of multiple currencies for local transactions. The loan book is now predominantly USD-denominated.

The Group's net fee and commission income registered a 179% growth to ZWL231.5 billion, mainly due to increased transactional volumes across the various digital delivery channels. The Group's insurance subsidiaries reported an insurance service loss of ZWL12.4 billion due to a persistent mismatch between premium recording, collections and foreign currency-indexed claims.

Total other income, which includes foreign exchange and investment income, grew by 163%, significantly contributing to the Group's total revenue. This income was mainly derived from the Group's hedged positions.

Administration expenses increased by 169% to ZWL955.5 billion from ZWL354.8 billion reported in the previous year as a result of the re-pricing of overheads in line with exchange rate movements and inflation trends. Consequently, the Group's cost-to-income ratio was 75%, compared to 67% in 2022.

The Group's statement of financial position strengthened to ZWL3.4 trillion, anchored by a growth in loans and advances. Shareholders' funds grew by 141% to ZWL706 billion, mainly due to increased profitability for the year. The Group remains committed to preserving shareholder value and growth.

Operating Environment

The Zimbabwean economy experienced growth despite the currency instability and high levels of inflation. According to the International Monetary Fund (IMF), the country achieved a GDP growth of 5.3% in 2023, driven by the remarkable expansion of the agricultural and mining sectors. Foreign currency inflows and remittances continue to support the growth of domestic trade and services, which are heavily dollarized. Remittances are expected to remain strong and the current account is projected to be in a small surplus.

Despite the growing disparity between the Zimbabwean Dollar (ZWL) and the United States Dollar (USD) in both the official and alternative markets, we believe that increased dollarization will continue to stabilize the economy. While power outages have continued to have a significant impact on business productivity across all sectors, there was an improvement in power generation capacity in the second half of the year.

The government is making concerted efforts to re-engage with the international community, restore macroeconomic stability, and establish a track record of sound economic policies. We have faith in the structural reforms being implemented by the government to improve the business climate, strengthen economic governance, and reduce vulnerabilities. FBC Holdings will continually seek opportunities to promote sustained and inclusive growth that complements Zimbabwe's development objectives embodied in the country's National Development Strategy 1 (2021-2025).

Financial Services

The financial services industry remained stable and profitable in 2023. Market liquidity tightened as the election period approached but gradually eased towards the end of the year. As a result, the financial services sector invested in various hedging strategies to preserve shareholder capital and profitability, resulting in increased revaluation and foreign exchange gains.

The banking sector experienced significant growth in aggregate loans in real terms. Asset quality remained favourable at 3.5%, well below the regulatory threshold of 5%.

The Reserve Bank of Zimbabwe launched the National Financial Inclusion Strategy (NFIS) II (2022-2026) to promote sustainable livelihoods; create wealth and employment; and support gender equality. The strategy provides clear guidelines for the financial services sector to follow. In this regard, our microfinance subsidiary and fintech unit are developing products and services that promote inclusivity.

Foreign Exchange

During the reviewed period, the country experienced significant changes in foreign exchange rates. The official exchange rate, which was pegged at ZWL930.00:US\$1.00 at the beginning of the year, reached a rate of ZWL6 105.00:US\$1.00 by the end of the year. The Reserve Bank of Zimbabwe implemented various measures aimed at enhancing transparency, promoting fair pricing, and stabilizing the foreign exchange market. Some of these measures include increasing the frequency of auctions and introducing a willing-buyer, willing-seller interbank foreign exchange market. Despite these efforts, the foreign exchange market remained volatile throughout the year, negatively impacting economic activity.

Inflation

The government was able to control high annual headline inflation by implementing strict monetary and fiscal policies despite a difficult start to the year. The inflation rate, which began at 34.8%, peaked at 44.1% in February but ultimately decreased to 26.5% by the end of the year. Additionally, the month-on-month inflation rate peaked at 12.1% in June, before dropping to 4.7% in December.

Despite these fluctuations, the Group managed to hedge part of its balance sheet to preserve shareholder value. We commend the government for its continuous efforts to address structural challenges and guide the country towards sustained economic growth and low inflation.

Insurance Sector

The government introduced the Insurance (Amendment) Regulations, 2023 (No. 26), through Statutory Instrument 81 of 2023. This regulation discourages credit insurance and aims to manage high-premium debtors as well as improve the quality of insurance collections. Our insurance subsidiaries are expected to benefit through increased cash inflows and increased investments, subsequently improving the capacity to settle claims. On 28 November 2023, the government launched the third Money Laundering National Risk Assessment (ML-NRA). This initiative encourages all insurance companies to perform sectoral and institutional risk assessments to heighten awareness of money laundering risks on a national scale. I am pleased to report that our Group's insurance subsidiaries remained compliant with all regulatory requirements throughout the year.

Property Market

Although some sectors of the real estate market demonstrated resilience during the period under review, the overall market faced challenges due to the economic environment. Towards the end of the year, the multi-currency regime stabilized and there was increased circulation of the United States Dollar (USD), resulting in a slight growth in the construction of residential properties. Sales of residential properties, however, remained low due to the market's insistence on foreign currency payments. Demand for Central Business District (CBD) office space continued to decline as most occupants shifted their preference to the suburban market. This shift was primarily due to high rentals, increased parking fees, and traffic congestion in the CBD. Resultantly, many corporate entities are migrating to the suburban market. Nonetheless, the rental market remained highly active in 2023, with most rentals denominated in USD.

The Group firmly believes that the development of strong communities is dependent on the country's ability to meet the basic needs of its people. In the review period, we supported national housing initiatives by providing over 300 rental units at Fontaine Ridge (Harare) and at Eastlea (Zvishavane). Additionally, we constructed thirteen townhouses in Glen Lorne, further contributing to the development of the area.

Stock Market Performance

The Zimbabwe Stock Exchange All Share Index gained 981.54% in the year ending December 31, 2023, closing at 210 833.92 points. Liquidity constraints, however, resulted in low trading volumes on the local bourse, due to strict monetary and fiscal policies aimed at controlling inflation and exchange rate movements. The market capitalization of the Zimbabwe Stock Exchange increased by 722.20%, reaching ZWL16.8 trillion. In US dollar terms, the ZSE All Share Index and market capitalisation both declined by 7.78% and 32% respectively, having been adjusted for migrations to the Victoria Stock Exchange. The market capitalisation was recorded at US\$1.48 billion in US dollar terms.

Meanwhile, the Victoria Falls Stock Exchange All Share Index declined 25.69%, while the market capitalization rose 74% to US\$1.2 billion.

FBCH Share Price Performance

The FBCH share price closed the year at ZWL906.05 after gaining 1,361.37%. Subsequently, the Group's market capitalization improved from ZWL41.7 billion to ZWL608.8 billion. During the year, a total of 9.52 million shares were traded at a weighted average price of ZWL656.18. The Group remains committed to the preservation and growth of shareholder value.

Sustainability

FBC Holdings believes that the organization's long-term success hinges on its connectedness to and alignment of its operations with the environmental and social priorities of the communities it serves. The company has integrated sustainability best practices into its core strategy and is collaborating with partners and stakeholders to create more sustainable and inclusive communities. The primary goal is to redefine finance by making it affordable, accessible, and inclusive, while nurturing sustainable solutions in response to evolving stakeholder needs and the changing global economic and regulatory landscape.

The Group appreciates the regulatory authorities' commitment to facilitating sustainable growth and returns, by prioritizing sustainability and climate-related risks and opportunities. In 2023, the Reserve Bank of Zimbabwe Climate Risk Management Guideline and the International Financial Reporting Standards (IFRS) sustainability disclosures were introduced, capital allocation and compelling all players to consider environmental impact, as they pursue profitability. The Group has significantly progressed in adopting these sustainability best practices.

Our Community Impact

The Group has continued with its community-driven initiatives which are designed to create long-term benefits for vulnerable communities. The Group invested over US\$580,000.00 in community-driven initiatives during the review period. Entembani Old People's Home in Bulawayo, Shungu Dzevana Children's Home farm in Mhondoro and Gurungweni Secondary School in Chikombedzi received assistance in the form of groceries, farming implements, and building materials. The Group also sponsored the 2023 Zimbabwe Open Golf Championship as the title sponsor in association with the Zimbabwe Golf Association (ZGA), which has a vibrant grassroots training program, aimed at exposing disadvantaged youth to the world of golf.

Digital Transformation and Innovation

In today's fast-changing financial landscape, digital transformation and innovation are no longer optional but necessary. FBC Holdings understands this and is committed to the journey of digital transformation. Through our dedicated fintech unit, we continuously review the Group's technology architecture and develop comprehensive strategies that align with the customers' ever-changing needs. Our main goal is to provide a secure, user-friendly, and seamless digital experience, increase resource efficiency and foster a culture of innovation across FBC Holdings.

Our major milestones for the year ending 31 December 2023 include seamless customer onboarding, lending platforms and payment solutions. These digital advancements have enabled FBCH to improve service, operational efficiency and ensure regulatory compliance. We aim to be a leading force in the market, building a future-proof organization centred on customer needs and continuous stakeholder engagement. While we celebrate our achievements in 2023, we understand the importance of exploring and integrating emerging technologies into our business to respond to the evolving needs of our diverse customer base.

Compliance

The Group understands the importance of maintaining stakeholder trust and confidence in its pursuit of providing excellent service. Throughout the reporting period, we have continued to prioritize compliance and governance as fundamental pillars of our business strategy. Our Board of Directors provides robust oversight of our compliance efforts, ensuring that we adhere to the highest standards of corporate governance and ethical conduct. We have established clear lines of accountability and a robust framework for monitoring and evaluating compliance risks, which enable us to identify and mitigate potential issues in a timely and effective manner.

Standard Chartered Bank Zimbabwe (SCBZ) Acquisition Update

During the period under review, the shareholders of FBC Holdings Limited approved the acquisition of Standard Chartered Bank's operations in Zimbabwe. The Group has subsequently received most of the necessary regulatory approvals and is working towards fulfilling conditions precedent to the acquisition. The complete takeover of the business is expected in the second half of the year.

Directorate

The Board of Directors of FBC Holdings wishes to advise that Dr John Mushayavanhu stepped down as Group Chief Executive of FBC Holdings with effect from 31 December 2023, following his appointment as Governor of the Reserve Bank of Zimbabwe. The Group is grateful for his exceptional leadership over the years and wishes him success in his new role.

Subsequently, the Board of Directors of FBC Holdings Limited appointed Mr Tynos Kufazvinei as the Group Chief Executive of FBC Holdings Limited, effective 1 January 2024. Prior to his new role, he was the Deputy Chief Executive of FBC Holdings and has a proven track record of success as part of the core team that has been instrumental in the development and execution of corporate strategy over the years. He is well-positioned to lead the FBCH team and advance the growth of the FBC brand.

Furthermore, the Board wishes to advise that Mr Webster Ruseru, the Managing Director of FBC Bank Limited, was appointed Deputy Group Chief Executive of FBC Holdings Limited, effective 1 January 2024. Mr Abel Magwaza was appointed Group Finance Director with effect from 1 January 2024, he was previously an executive director with FBC Bank.

The Board looks forward to a productive stewardship of the new appointees.

Dividend

I am pleased to advise that the Company has declared a final dividend of US 0.45 cents per share. This is in addition to an interim dividend of US 0.45 cents, which was paid in September 2023. The dividend is payable to Shareholders registered in the books of the Company at the close of business on Friday 19 April 2024. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 15 April 2024 and ex-dividend as from 16 April 2024. The dividend payment will be made to Shareholders on or about 29 April 2024.

Outlook

GDP is projected to be around 3.5% in 2024, which is a decrease from 5.3% in 2023. This partly reflects the impact of the El Nino drought on agricultural production and lower commodity prices. The Group will continue to scout for opportunities to create value for all key stakeholders, while emphasizing the preservation of capital.

Appreciation

Despite operating in a challenging environment, our Group has managed to not only survive but thrive, thanks to the unwavering support of our esteemed customers. Their loyalty has been a beacon of hope and motivation, enabling us to overcome obstacles and emerge stronger than ever before. We are deeply grateful to all stakeholders for their trust and confidence in us and we remain committed to providing them with the highest standards of service and quality that they have come to expect from us. To the FBC Holdings Board, management, and staff, we extend our heartfelt appreciation for your unparalleled guidance, commitment, and exceptional performance.



Herbert Nkala
FBC Holdings Chairman

30 March 2024

GROUP CHIEF EXECUTIVE'S REPORT

I am pleased to present FBC Holdings Limited's audited financial results for the year ended 31 December 2023. These results showcase our journey as a diversified financial services Group committed to delivering an exceptional customer experience through value-added relationships.

Operating Environment

The country has witnessed a strong economic rebound since the COVID-19 pandemic, making it one of the fastest-growing economies in the Southern African Development Community. Growth is, however, expected to slow down to 3.5% in 2024, which is a decrease from 5.3% in 2023, due to depressed global growth and erratic below-average rainfall, caused by the El Niño weather pattern, affecting agricultural output. The mining sector is expected to grow by 7.6% and accommodation and food services by 6.9%, while the agriculture sector is projected to contract by 4.9%. Despite the challenging operating environment, FBC Holdings Limited will strive to facilitate economic growth, manage risk, and promote financial inclusion through various value chain financing initiatives.

Zimbabwe has faced increased global turmoil over the years, notwithstanding an expansionary monetary policy that has added initial pressure on inflation and the exchange rate. The Reserve Bank of Zimbabwe has, however, taken proactive measures to bring down inflation and quell informal market premiums by tightening the monetary policy. The government has also extended the use of the US dollar as legal tender until 2030, inspiring confidence in the local operating environment. It is noted that the attainment of foreign exchange and inflation rate stability is progressive and requires consistent implementation of monetary policy and budget discipline. The extension of the multi-currency environment will allow the Group to mobilize resources and realign investment tenors to achieve business growth.

The first half of 2024 could be challenging, due to local food insecurity, a slowdown in global output, reduced trade and investment and increased volatility in commodity prices. The Group will strive to preserve shareholder value and seek out opportunities for sustained growth and profitability.

Our Consolidated Group Performance

FBC Holdings had a strong financial performance for the period ending 31 December 2023, with solid balance sheet growth and sustained earnings across its various subsidiaries. The Group achieved a commendable profit before tax of ZWL403.5 billion, which is an improvement of 255% compared to the prior year's ZWL113.7 billion. Total net income improved by 138% to ZWL1.3 trillion, largely comprising net interest income and exchange gains emanating from the group's foreign currency net asset position. The composition of the Group's earnings profile demonstrates growth and agility in a challenging operating environment, where capital preservation is critical.

Total operating expenses were recorded at ZWL955.5 billion, which is 169% higher than the previous year. Consequently, the cost-to-income ratio for the review period was recorded at 75%, against a figure of 67% recorded in the previous year. The increase in group expenses was primarily a reflection of the movement in prices of goods and services in the local currency, which responded rapidly to the depreciation in the exchange rate. The government has however, instituted fiscal and monetary measures to re-establish stability in the foreign exchange market. The Group is confident that these measures will relatively stabilize the prices of goods and services.

An increase in lending portfolios, especially in foreign currency by the banking subsidiaries, supported the balance sheet to ZWL3.4 trillion, representing a growth of 113% compared to the ZWL1.6 trillion achieved in the previous year. Total equity increased by 141% to ZWL705.9 billion from ZWL293.1 billion, reflecting the Group's sustained business underwriting capacity. The Group's total equity is hedged through hard currency-denominated assets and investment properties. As of December 31, 2023, all Group subsidiaries complied with their applicable regulatory minimum capital requirements.

Group Segment Reviews

FBC Holdings' performance in 2023 reflects the Group's strength to navigate the challenging environment. The Group achieved growth well ahead of its strategic targets and maintained its focus on cost discipline while investing in key priority areas of growth.

FBC Bank Limited (FBC Bank)

FBC Bank made a profit before tax of ZWL299 billion, representing a 150% increase from the previous year's ZWL120 billion. The impressive performance was driven by strong growth in the lending portfolio and increased transactional fees, thanks to the Group's digitalization strategy. As of 31 December 2023, FBC Bank's lending portfolio was valued at ZWL1.4 trillion, driving interest income to ZWL184.6 billion, registering a 36% growth from the previous year.

The Bank's total payments and processing income improved by 182% to ZWL204.6 billion from ZWL72.6 billion in the previous year, benefitting from the Group's paperless banking initiatives. The Bank has deployed 6 004 Point of Sale machines into the market and has over 300,000 active accounts across its digital banking channels.

Looking ahead, FBC Bank will continue to implement strategies to grow and hedge its balance sheet in both local and foreign currency terms.

FBC Building Society

The Building Society achieved a surplus position of ZWL85.4 billion, which represents a growth of 166% compared to the previous year. The Society's income performance is derived mainly from fair value gains achieved through its investment properties, in line with the Group's value preservation strategy. The Building Society is committed to reducing the country's housing backlog as it undertakes housing development and student accommodation projects, following the Country's Vision 2030.

During the review period, the Building Society constructed 98 high-density cluster homes at the Zvishavane Eastlea project and 13 low-density townhouses at the GlenLorne project in Harare. Rental income from the leasing of investment properties contributes to foreign currency income generation. The Fontaine Ridge Phase 1A project, with 149 units, and Phase 1B project, with 109 units, both have a 100% occupancy rate. The Zvishavane Eastlea Phase 2 project, comprising 24 housing units, had a 95% occupancy rate. In 2024, the Building Society is exploring project funding for other property segments, such as retail and commercial properties. Additionally, the Society has started to incorporate climate-proofing methodologies into its project designs, to address climate risk-related concerns and create sustainable communities.

Microplan Financial Services

Microplan Financial Services experienced a significant increase in profitability from ZWL1.6 billion to ZWL9.01 billion, which represents a growth of 463%. The growth was due to a heightened demand for loans by micro, small-to-medium enterprises, as well as low-income households seeking to supplement their incomes. Net income also improved from ZWL7.8 billion to ZWL66.3 billion, driven by robust growth in vendor financing partnerships across the information, communications, technology, solar, and agriculture sectors. Microplan's net interest income for the year of ZWL61.4 billion accounted for 93% of its net income.

The microfinance sector plays a crucial role in achieving the country's goal of becoming an upper-middle-income society by 2030. It provides essential financial services to low-income and marginalized communities, as well as micro and small enterprises. In 2023, Microplan introduced its digital lending platform, which is expected to significantly boost earnings and create sustainable profitability going forward. With the digitalization of financial services, the long-term outlook for the microfinance sector is expected to be robust in terms of outreach and profitability.

FBC Securities

In 2023, the Zimbabwe Stock Exchange faced another tough year in terms of constrained trading liquidity. Barring tight liquidity conditions which prevailed especially in the second half of the year, the Zimbabwe Stock Exchange achieved positive real returns when compared to inflation altitudes and interbank exchange rate developments. The benchmark All Share Index (ALSI) registered a year-to-31 December 2023 gain of 981.54%.

The Victoria Falls Stock Exchange however, saw a rise in market capitalization by 74% to US\$1.2 billion due to the transfer listings from ZSE by some companies. They All Share Index declined by 25.69%.

As a result of the limited trading liquidity in the equities market, FBC Securities recorded a profit before tax of ZWL713 million. The unit remains strategic to the Group's deal origination, structuring, and execution in capital market transactions.

FBC Insurance Company

FBC Insurance reported a ZWL3.8 billion profit before tax, up 65% from last year's ZWL2.3 billion. The gap between the premiums collected and claims paid has been widening due to the foreign exchange rate differentials in the economy. This has made it difficult for industry players to meet the expectations of both policyholders and fund members. As a result, FBC Insurance is focusing on increasing the underwriting of foreign currency-denominated businesses to preserve value.

During the review period, Statutory Instrument 81 of 2023, also known as "no insurance premium, no cover," was introduced to protect the insurance industry from dishonest creditors. The regulation aims to enhance the industry's liquidity and claims settlement capacity. As a result, FBC Insurance will continue to evaluate the company's asset and liability management strategies to align revenues with the risk-based capital requirements.

FBC Reinsurance Limited

FBC Reinsurance reported a profit before tax of ZWL7.3 billion, rebounding from a loss of ZWL2.6 billion in the previous year. The company's investment income contributed significantly to this outcome.

To enhance its product portfolio, FBC Reinsurance is developing new products focusing on Agriculture, Health, and Funeral business. The introduction of these new product segments is aimed at increasing the company's underwriting capacity and improving the quality of earnings. Furthermore, FBC Reinsurance is a signatory to the Nairobi Declaration on Sustainable Insurance, which is supported by the United Nations Environmental Programme (UNEP). The declaration encourages insurance practitioners in Africa to collaborate in the implementation of sustainable insurance solutions. Leveraging its geographical footprint in Botswana, FBC Reinsurance aims to explore opportunities to collaborate in the deployment of sustainable insurance risk solutions.

Our Compliance Priorities

The Group has unwaveringly, maintained its commitment to compliance and regulatory excellence amidst a rapidly changing financial landscape. Over the past year, we have proactively monitored regulatory changes and made necessary adjustments to our policies, procedures, and systems to ensure strict alignment with the latest standards.

Our compliance efforts are driven by a steadfast commitment to integrity, transparency, and accountability. We strongly believe in fostering a culture of compliance throughout the organization, where every employee understands their role in upholding the highest ethical standards and complying with applicable laws and regulations.

Our Digital Transformation Journey

The digitalization thrust of the Group is a key focus area, aimed at providing convenience to customers. To achieve this, the internal software development teams were strengthened to deliver solutions within the shortest possible time. As a result, seamless integrations with customers, back-office automation for increased efficiency, reduced turnaround for compliance with regulators and faster deployment of new products and services were achieved.

In 2023, FBCH completed a data centre upgrade to ensure that its infrastructure continues to provide uninterrupted service. Disaster recovery and business continuity capability remain critical to the operations of the organization. During the review period, the Group also invested in sound infrastructure at its Disaster Recovery site and conducted regular drills to ensure the ability to recover in the event of a disaster.

Furthermore, the organization has included the technology team in its sustainability initiatives to reduce FBCH's carbon footprint and ensure that electronic waste is disposed of in an environmentally friendly manner. In 2024, FBCH will continue to focus on enhancing service delivery through its electronic channels and innovating its technology for increased customer satisfaction.

Our People

FBCH is an equal opportunity employer that highly values its human capital, which is its most valuable asset. Our company firmly believes that the well-being and wellness of employees are crucial factors in ensuring their productivity and service delivery to our customers.

The Group is committed to creating a safe and healthy work environment that is free from any form of harassment, violence, bullying, and intimidation. This is to ensure that our employees remain focused on their work and deliver their best performance for the benefit of our stakeholders. Our employee relations are sound, and we have achieved high levels of employee engagement, experience, and fulfilment, due to these policies.

FBCH is a learning organization that ensures our skills and talent remain relevant in this fast-changing business environment. We have built a strong culture that is focused on customer service, performance, digitalization, compliance, ethics, innovation, and change, through our employees.

Our Transformative Journey Towards Sustainability

The Group has a vibrant human resource base, a business-oriented mindset, and a desire to impact the communities it serves. Over the past three years, we have adopted a three-dimensional approach to capital allocation, encompassing risk, return, and impact. As such, we have integrated social and environmental safeguards as part of our transaction cycle.

In 2023, we partnered with the Rural Electrification Fund (REF) to construct a 50m3 biogas digester and also donated farming implements to Shungu Dzevana Children's Home. We aim to create sustainable and self-sufficient communities, prioritizing shared economic value.

Additionally, we participated in COP28, which was held in Dubai, United Arab Emirates, in November and December 2023 under the slogan "Unite. Act. Deliver". This annual global platform allowed us to interact with international financial institutions, multilateral development banks, impact investors, and United Nations financial mechanisms to mobilize climate finance for the country.

Going forward, we will take the lessons learned and progress made in this transformative year, to continuously shape our collective journey towards a more sustainable and equitable future.

Outlook

The El Nino effect

The impending drought caused by El Niño is expected to significantly impact various industries, including agriculture, energy, food and nutrition, water, education, health and wildlife. Zimbabwe is taking decisive action by prioritizing private financing to achieve its climate change targets and transition towards green and inclusive growth. To facilitate this, the country has developed the National Climate Change Fund, Food Relief Program, and Climate Finance Facility. The Group is actively pursuing opportunities for collaboration to support Zimbabwe's national development priorities.

Financial Markets

In 2024, we anticipate broader financial market regulations, as both monetary and fiscal authorities strive to address market liquidity, price and exchange rate disparities, as well as public debt arrears to support economic growth and job creation. In this environment, the Group is well-prepared to leverage market opportunities and sustain shareholder value. It is critical to maintain an efficient and cost-effective business, coupled with the agility to move and take advantage of opportunities.

The Acquisition of Standard Chartered Bank Zimbabwe.

The process of acquiring Standard Chartered Bank Zimbabwe (SCBZ) is currently underway. We anticipate a seamless integration of operations and reporting in the second half of 2024. In the meantime, Standard Chartered Zimbabwe will operate as a semi-autonomous business.

Appreciation

In closing, I wish to express my sincere gratitude to all our clients for choosing FBC as your financial services partner. We are truly humbled by the trust that you place in us and commit ourselves to building a partnership that goes beyond transactional interactions.

I would also like to extend my appreciation to the FBC Holdings Limited Team, including the Board of Directors and Management. Your invaluable insights and unwavering dedication to serving our clients, have been the cornerstone of our success. Despite the challenging operating environment, I am confident that we will continue to work together to nurture sustainable solutions that promote the financial well-being of the communities we serve.

On behalf of the FBCH Group Board, Management, and Staff Members, I wish to express my profound gratitude to my predecessor, Dr John Mushayavanhu, who served the entity exceptionally well for over two and a half decades. During his tenure, Dr John Mushayavanhu championed FBCH's evolution, leading to significant market share growth across key business segments and the transformation of FBCH into a solid-performing brand.



Trynos Kufazvinei
Group Chief Executive

30 March 2024

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

AUDITORS' STATEMENT TO THE 2023 ABRIDGED INFLATION ADJUSTED

Consolidated Financial Statements

The inflation adjusted consolidated financial results should be read in conjunction with the complete set of inflation adjusted consolidated financial statements as at and for the year ended 31 December 2023, which have been audited by KPMG Chartered Accountants (Zimbabwe) and an unmodified opinion has been issued thereon. The opinion includes key audit matters in respect of Valuation of land and buildings and investment property, Expected credit loss allowance on loans and advances to customers and Adoption of IFRS 17, Insurance contracts and the valuation of the liability for incurred claims.

The auditors' report has been made available to management and the directors of FBC Holdings Limited. The engagement partner responsible for the audit was Themba Mudidi (PAAB Practice Certificate Number 0437).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

Note	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Interest income calculated using the effective interest method	17	384 641 897	206 215 143	233 522 644
Interest expense	17.1	(144 886 870)	(64 048 499)	(85 559 364)
Net interest income		239 755 027	142 166 644	147 963 280
Fee and commission income	18	233 150 837	84 114 900	143 414 421
Fee and commission expense	18.1	(1 679 058)	(1 291 026)	(797 966)
Net fee and commission income		231 471 779	82 823 874	142 616 455
Revenue	19	-	148 692	-
Cost of sales	19.1	-	(84 202)	-
Net income from property sales		-	64 490	-
Insurance revenue	20	120 083 337	45 202 406	69 100 954
Insurance service expense	23	(113 561 440)	(45 262 495)	(73 199 882)
Net revenue/(expenses) from reinsurance contracts	14.1	(18 943 638)	(102 603)	(8 770 056)
Insurance service result		(12 421 741)	(162 692)	(12 868 984)
Revenue		458 805 065	224 892 316	277 710 751
Net foreign currency dealing and trading income		574 648 769	200 014 441	560 552 053
Net gain from financial assets at fair value through profit or loss	21	84 709 378	47 936 016	86 665 447
Other operating income	22	152 362 037	60 190 199	265 917 980
Total other income		811 720 184	308 140 656	913 135 480
Total net income		1 270 525 249	533 032 972	1 190 846 231
Credit impairment losses	5.4	(53 585 432)	(21 987 795)	(53 585 432)
Other operating expenses	23	(901 865 008)	(332 845 463)	(560 956 671)
Monetary gain/(loss)		88 442 674	(64 488 164)	-
Profit before income tax		403 517 483	113 711 550	47 861 294
Income tax expense	24	(76 130 389)	(53 467 572)	(97 886 118)
Profit for the year		327 387 094	60 243 978	478 418 010
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Gains/(loss) on property revaluation		137 686 183	30 800 633	218 550 301
Related tax		(27 041 912)	(4 979 696)	(42 710 972)
Gain on financial assets at fair value through other comprehensive income		1 290 171	89 525	1 230 414
Related tax		(46 008)	(3 100)	(56 111)
Items that may be subsequently reclassified to profit or loss				
Foreign operations – foreign currency translation differences		3 108 228	2 640 143	5 285 920
Related tax		-	-	-
Total other comprehensive income/(loss), net income tax		114 996 662	28 547 505	182 299 552
Total comprehensive income for the year		442 383 756	88 791 483	660 717 562
Profit attributable to:				
Equity holders of the parent		327 243 720	60 177 706	478 312 818
Non - controlling interest		143 374	66 272	105 192
Profit for the year		327 387 094	60 243 978	478 418 010
Total comprehensive income attributable to:				
Equity holders of the parent		441 981 505	88 612 802	660 097 874
Non - controlling interest		402 251	178 681	619 688
Earnings per share (ZWL cents)				
Basic earnings per share	25.1	53 593.92	9 568.25	78 335.07
Diluted earnings per share	25.2	53 593.92	9 568.25	78 335.07
Headline earnings per share	25.3	53 948.31	9 567.93	78 379.46
Diluted headline earnings per share	25.4	53 948.31	9 567.93	78 379.46

*The historical amounts are shown as supplementary information. This information does not comply with IFRS® Accounting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. As a result the auditors have not expressed an opinion on this historical financial information.

** This is due to initial application of IFRS 17 (refer to note 2.1)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

Note	Audited Inflation Adjusted			Unaudited Historical Cost*		
	31 Dec 2023	31 Dec 2022 Restated**	01 Jan 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**	01 Jan 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
ASSETS						
Balances with other banks and cash	4	802 054 951	402 701 996	291 387 433	802 054 951	17 639 587
Financial assets at amortised cost	5.5	94 871 819	38 821 740	32 537 772	94 871 819	8 078 817
Loans and advances to customers	5.1	1 589 110 045	719 173 993	388 747 113	1 589 106 827	23 533 213
Trade and other receivables	5.2	734 934	4 018 234	280 766	734 934	16 997
Insurance contract assets	14	19 912 156	3 012 507	1 139 191	19 912 156	256 480
Reinsurance contract assets	14	19 921 685	6 212 557	5 528 941	19 921 685	334 703
Bonds and debentures		-	-	114 638	-	6 940
Financial assets at fair value through profit or loss	6	122 163 188	70 155 755	60 148 704	124 182 878	3 724 820
Financial assets at fair value through other comprehensive income	7	1 206 639	1 018 865	2 576 963	212 026	156 000
Inventory	8	5 276 220	4 206 582	5 101 118	2 158 210	102 710
Prepayments and other assets	9	164 568 434	92 142 221	110 068 371	158 666 880	6 546 710
Current income tax asset		1 224 225	2 574 889	453 446	1 224 225	27 450
Deferred tax assets		848 614	10 450 096	3 159 117	8 382 302	149 384
Investment property	10	326 214 413	132 843 463	68 989 355	326 214 413	4 176 377
Intangible assets	11	2 236 599	2 037 445	2 145 765	155 071	16 479
Property and equipment	12	239 787 402	101 197 951	66 935 992	239 787 402	4 052 073
Right of use asset		3 760 586	2 927 843	2 846 771	827 239	75 027
Total assets		3 393 891 910	1 593 496 137	1 042 161 456	3 389 407 631	62 784 674
EQUITY AND LIABILITIES						
Liabilities						
Deposits from customers	13.1	1 017 589 872	531 377 844	428 809 870	1 017 589 872	25 958 666
Deposits from other banks	13.2	109 706 818	64 880 551	42 708 193	109 706 818	2 585 406
Borrowings	13.3	716 918 176	327 543 986	139 783 131	716 918 176	8 461 987
Insurance contract liabilities	14	73 283 220	19 377 067	15 117 706	73 283 220	915 174
Reinsurance contract liabilities	14	9 246 112	7 518 740	3 103 464	9 246 112	187 873
Trade and other payables	15	628 002 363	289 472 499	165 508 211	619 241 197	9 635 885
Current income tax liability		7 626 104	1 718 488	6 388 594	7 626 104	386 743
Deferred tax liability		122 330 164	57 453 618	10 850 350	125 076 339	675 817
Lease liability		3 310 749	1 070 900	1 365 205	3 310 749	82 645
Total liabilities		2 688 013 578	1 300 413 693	813 634 724	2 681 998 587	48 890 196
Equity						
Capital and reserves attributable to equity holders of the parent entity						
Share capital and share premium	16.3	14 451 585	14 451 585	14 451 585	14 090	14 090
Other reserves		218 093 199	105 399 387	84 705 211	198 423 262	4 515 727
Retained profits		472 543 987	172 844 162	129 161 307	508 280 080	9 353 404
Total equity, excluding non controlling interest		705 088 771	292 695 134	228 318 103	706 717 432	13 883 221
Non controlling interest in equity		789 561	387 310	208 629	691 612	11 257
Total equity		705 878 332	293 082 444	228 526 732	707 409 044	13 894 478
Total equity and liabilities		3 393 891 910	1 593 496 137	1 042 161 456	3 389 407 631	62 784 674

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Note	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Cash flow from operating activities				
Profit before income tax		403 517 483	113 711 550	576 304 128
Adjustments for non cash items:				
Monetary loss		(88 442 674)	64 488 164	-
Depreciation	12	7 751 461	5 955 631	4 049 096
Amortisation charge	11	252 229	472 585	31 172
Credit impairment losses	5.4	53 585 432	21 987 795	53 585 432
Fair value adjustment on investment property		(136 405 952)	(51 464 113)	(255 772 271)
Net unrealised exchange gains and losses		(289 631 698)	34 054 316	(608 531 273)
Fair value adjustment on financial assets at fair value through profit or loss		(84 709 378)	(47 936 016)	(86 665 447)
Profit/(loss) on disposal of property and equipment	22	2 163 896	(1 969)	271 075
Depreciation right of use asset		1 064 591	948 397	470 897
Interest on lease liability		445 295	2 240 635	296 864
Provisions*		41 475 361	61 553 226	41 475 361
Net cash (used)/generated before changes in operating assets and liabilities		(88 933 954)	206 010 201	(274 484 966)
Decrease in financial assets at amortised cost		33 421 271	10 525 841	2 678 348
Decrease in loans and advances		374 561 034	162 393 254	(194 950 060)
Decrease/(increase) in trade and other receivables		3 787 049	(3 737 468)	605 011
(Increase) in insurance contract assets		(4 874 856)	(1 873 316)	(7 260 459)
(Increase) in reinsurance contract assets		(10 863 524)	(683 616)	(15 783 246)
Decrease in bonds and debentures		-	114 638	-
Decrease in financial assets at fair value through profit or loss		118 200 477	37 928 966	62 968 266
(Increase)/decrease in inventory		(1 069 639)	894 536	(1 842 871)
Decrease in prepayments and other assets		126 146 580	54 868 295	57 599 094
Increase in investment property		(22 940 532)	(12 417 408)	(13 162 419)
Decrease in deposits from customers		(235 972 502)	(158 968 146)	184 825 435
Decrease in deposits from other banks		(163 172 544)	(55 717 141)	(111 793 657)
Increase in insurance contract liabilities		51 553 147	4 259 362	67 339 075
(Decrease)/increase in reinsurance contract liabilities		(7 657 558)	4 415 276	(1 703 471)
Increase/(decrease) in trade and other payables		258 229	(52 387 355)	222 990 855
Net cash generated from operating activities		172 442 678	195 625 919	(21 975 065)
Income tax paid		(60 914 479)	(25 902 222)	(60 522 087)
Interest on lease liability paid		(445 295)	(2 240 635)	(296 864)
Net cash generated from operating activities		111 082 904	167 483 062	(82 794 016)
Cash flows from investing activities				
Purchase of intangible assets		(451 383)	(364 264)	(119 754)
Purchase of property and equipment		(14 500 856)	(10 687 380)	(7 270 175)
Proceeds from sale of property and equipment		3 625 776	209 776	3 106 240
Net cash used in investing activities		(11 326 463)	(10 841 868)	(4 283 689)
Cash flows from financing activities				
Lease liability principal payments		342 514	(1 323 774)	1 939 039
Proceeds from borrowings		84 357 272	295 963 248	17 844 570
Repayment of borrowings		(329 978 847)	(357 169 368)	(4 084 173)
Dividend paid to the Company's shareholders		(29 496 988)	(16 494 851)	(16 574 769)
Purchase of treasury shares		(90 881)	(7 740 918)	(25 872)
Net cash used in financing activities		(274 866 930)	(86 765 663)	(901 205)
Net increase in cash and cash equivalents		(175 110 489)	69 875 531	(87 978 910)
Cash and cash equivalents at beginning of the year		402 701 996	291 387 433	83 802 420
Effect of changes in exchange rates		804 920 345	312 549 811	806 231 441
Effects of inflation on cash and cash equivalents		(230 456 901)	(271 110 779)	-
Cash and cash equivalents at the end of year	4.2	802 054 951		

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

Audited Inflation Adjusted

	Share capital ZWL ('000)	Share premium ZWL ('000)	Retained profits ZWL ('000)	Translation reserve ZWL ('000)	Treasury shares ZWL ('000)	Non distributable reserve ZWL ('000)	Revaluation reserve ZWL ('000)	Financial assets at fair value reserve ZWL ('000)	Changes in ownership ZWL ('000)	Total ZWL ('000)	Non controlling interest ZWL ('000)	Total equity ZWL ('000)
Balance as at 1 January 2022, as previously stated	6 892	14 444 693	137 939 556	-	(17 310 652)	67 449 405	29 084 003	3 768 897	1 713 558	237 096 352	331 150	237 427 503
Changes on initial application of IFRS 17**	-	-	(8 778 249)	-	-	-	-	-	-	(8 778 249)	(122 521)	(8 900 771)
Restated balance as at 1 January 2022	6 892	14 444 693	129 161 307	-	(17 310 652)	67 449 405	29 084 003	3 768 897	1 713 558	228 318 103	208 629	228 526 732
Profit for the year	-	-	60 177 706	-	-	-	-	-	-	60 177 706	66 272	60 243 978
Other comprehensive income:												
Gain on revaluation of property and equipment, net of tax	-	-	-	-	-	-	25 708 527	-	-	25 708 527	112 409	25 820 937
Foreign operations – foreign translation differences	-	-	-	2 640 143	-	-	-	-	-	2 640 143	-	2 640 143
Gain on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	86 424	-	86 424	-	86 424
Total other comprehensive income	-	-	-	2 640 143	-	-	25 708 527	86 424	-	28 435 095	112 409	28 547 505
Total comprehensive income	-	-	60 177 706	2 640 143	-	-	25 708 527	86 424	-	88 612 802	178 681	88 791 483
Transaction with owners:												
Dividend declared and paid	-	-	(16 494 851)	-	-	-	-	-	-	(16 494 851)	-	(16 494 851)
Treasury share purchase	-	-	-	-	(7 740 918)	-	-	-	-	(7 740 918)	-	(7 740 918)
Total transactions with owners recognised directly in equity	-	-	(16 494 851)	-	(7 740 918)	-	-	-	-	(24 235 769)	-	(24 235 769)
Restated balance as at 31 December 2022	6 892	14 444 693	172 844 162	2 640 143	(25 051 571)	67 449 405	54 792 531	3 855 321	1 713 558	292 695 134	387 310	293 082 444
Balance as at 1 January 2023	6 892	14 444 693	172 844 162	2 640 143	(25 051 571)	67 449 405	54 792 531	3 855 321	1 713 558	292 695 134	387 310	293 082 444
Profit for the year	-	-	327 243 720	-	-	-	-	-	-	327 243 720	143 374	327 387 094
Other comprehensive income:												
Gain on revaluation of property and equipment, net of tax	-	-	-	-	-	-	110 385 395	-	-	110 385 395	258 877	110 644 272
Revaluation realised	-	-	1 953 093	-	-	-	(1 953 093)	-	-	-	-	-
Foreign operations – foreign translation differences	-	-	-	3 108 228	-	-	-	-	-	3 108 228	-	3 108 228
Gain on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	1 244 163	-	1 244 163	-	1 244 163
Total other comprehensive income	-	-	1 953 093	3 108 228	-	-	108 432 302	1 244 163	-	114 737 785	258 877	114 996 662
Total comprehensive income	-	-	329 196 813	3 108 228	-	-	108 432 302	1 244 163	-	441 981 506	402 251	442 383 756
Transaction with owners:												
Dividend declared and paid	-	-	(29 496 988)	-	-	-	-	-	-	(29 496 988)	-	(29 496 988)
Treasury share purchase	-	-	-	-	(90 881)	-	-	-	-	(90 881)	-	(90 881)
Total transactions with owners recognised directly in equity	-	-	(29 496 988)	-	(90 881)	-	-	-	-	(29 587 869)	-	(29 587 869)
Balance as at 31 December 2023	6 892	14 444 693	472 543 987	5 748 371	(25 142 452)	67 449 405	163 224 833	5 099 484	1 713 558	705 088 771	789 561	705 878 332
Unaudited Historical Cost*												
Balance as at 1 January 2022, as previously stated	7	14 083	9 780 718	-	(311 545)	1 419 826	3 253 383	152 392	1 671	14 310 535	19 708	14 330 243
Changes on initial application of IFRS 17**	-	-	(427 314)	-	-	-	-	-	-	(427 314)	(8 452)	(435 765)
Restated balance as at 1 January 2022	7	14 083	9 353 404	-	(311 545)	1 419 826	3 253 383	152 392	1 671	13 883 221	11 257	13 894 478
Profit for the year	-	-	38 708 406	-	-	-	-	-	-	38 708 406	6 883	38 715 290
Other comprehensive income:												
Gain on revaluation of property and equipment, net of tax	-	-	-	-	-	-	13 306 179	-	-	13 306 179	53 784	13 359 964
Foreign operations – foreign translation differences	-	-	-	549 415	-	-	-	-	-	549 415	-	549 415
Gain on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	53 511	-	53 511	-	53 511
Total other comprehensive income	-	-	-	549 415	-	-	13 306 179	53 511	-	13 909 105	53 784	13 962 889
Total comprehensive income	-	-	38 708 406	549 415	-	-	13 306 179	53 511	-	52 617 511	60 668	52 678 179
Transaction with owners:												
Dividend declared and paid	-	-	(1 926 219)	-	-	-	-	-	-	(1 926 219)	-	(1 926 219)
Treasury share purchase	-	-	-	-	(1 354 314)	-	-	-	-	(1 354 314)	-	(1 354 314)
Total transactions with owners recognised directly in equity	-	-	(1 926 219)	-	(1 354 314)	-	-	-	-	(3 280 533)	-	(3 280 533)
Restated balance as at 31 December 2022	7	14 083	46 135 592	549 415	(1 665 859)	1 419 826	16 559 562	205 903	1 671	63 220 200	71 924	63 292 124
Balance as at 1 January 2023	7	14 083	46 135 592	549 415	(1 665 859)	1 419 826	16 559 562	205 903	1 671	63 220 200	71 924	63 292 124
Profit for the year	-	-	478 312 818	-	-	-	-	-	-	478 312 818	105 192	478 418 010
Other comprehensive income:												
Gain on revaluation of property and equipment, net of tax	-	-	-	-	-	-	175 324 833	-	-	175 324 833	514 496	175 839 329
Revaluation realised	-	-	406 439	-	-	-	(406 439)	-	-	-	-	-
Foreign operations – foreign translation differences	-	-	-	5 285 920	-	-	-	-	-	5 285 920	-	5 285 920
Gain on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	1 174 303	-	1 174 303	-	1 174 303
Total other comprehensive income	-	-	406 439	5 285 920	-	-	174 918 394	1 174 303	-	181 785 056	514 496	182 299 552
Total comprehensive income	-	-	478 719 257	5 285 920	-	-	174 918 394	1 174 303	-	660 097 874	619 688	660 717 562
Transaction with owners:												
Dividend declared and paid	-	-	(16 574 769)	-	-	-	-	-	-	(16 574 769)	-	(16 574 769)
Treasury share purchase	-	-	-	-	(25 872)	-	-	-	-	(25 872)	-	(25 872)
Total transactions with owners recognised directly in equity	-	-	(16 574 769)	-	(25 872)	-	-	-	-	(16 600 642)	-	(16 600 642)
Balance as at 31 December 2023	7	14 083	508 280 080	5 835 335	(1 691 731)	1 419 826	191 477 956	1 380 206	1 671	706 717 432	691 612	707 409 044

*The historical amounts are shown as supplementary information. This information does not comply with IFRS® Accounting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. As a result the auditors have not expressed an opinion on this historical financial information.

** This is due to initial application of IFRS 17 (refer to note 2.1)

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS

For the year ended 31 December 2023

1 GENERAL INFORMATION

FBC Holdings Limited ("the Company") and its subsidiaries (together "the Group") provide a wide range of commercial banking, mortgage financing, micro lending, reinsurance, short-term insurance, stockbroking services and short-term insurance broking.

The Company is a limited liability company, which is listed on the Zimbabwe Stock Exchange. The Company and its subsidiaries are incorporated and domiciled in Zimbabwe. These consolidated financial statements were approved for issue by the Board of Directors on 28 March 2024

2 MATERIAL ACCOUNTING POLICIES

A full set of the Group's accounting policies is available in the Group's annual report, which is ready for inspection at the Company's registered office. The following paragraphs describe the main accounting policies applied by the Group. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Group's consolidated financial results have been prepared with policies consistent with IFRS® Accounting Standards, and the International Financial Reporting Interpretations Committee, ("IFRS IC") interpretations and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), Banking Act (Chapter 24:07), Insurance Act (Chapter 24:25), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Microfinance Act (Chapter 24:29) and the relevant Statutory Instruments ("SI") SI 62/96, SI 33/99 and SI 33/19. The consolidated financial results have been prepared from statutory records that are maintained under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss, through other comprehensive income, investment property, property and equipment and unlisted investments.

The principal accounting policies

The principle accounting policies applied in the preparation of the Group consolidation financial statements are in compliance with IFRS and have been applied consistently in all material respects with those of the previous consolidated financial statements. In 2019, the Group adopted the requirements of IAS 29 (Financial Reporting in Hyperinflationary Economies).

IAS 21 (The Effects of Changes in Foreign Exchange Rates)

As noted in the Group's financial statements, Government promulgated Statutory Instrument ("SI") 33 on 22 February 2019, giving legal effect to the reintroduction of the Zimbabwe Dollar (ZWL) as the legal tender and prescribed for accounting and other purposes, certain assets and liabilities on the effective date would be deemed to be in Zimbabwean Dollars at the rate which was at par with the United States Dollar (USD).

The Group adopted the following official cross rates against major currencies for the year ended 31 December 2023.

	31 Dec 2023 Cross rate	31 Dec 2022 Cross rate
British pound ("GBP")	7 602.4346	846.1084
SA rand ("ZAR")	0.0031	41.3223
Euro ("EUR")	6 592.6973	747.6519
Pula ("BWP")	444.4806	54.8267
United states dollar ("USD")	6 104.7200	684.339

Functional Currency

The Group has considered which currency is the currency of the primary economic environment in which the Group and Company operates (the "functional currency"). In making this assessment, the Group has used its judgment to determine the functional currency that most faithfully represents the underlying transactions, events and conditions of the Group and Company. The Group concluded that the functional currency of the Group and its subsidiaries is the Zimbabwean Dollar (ZWL) since it is the main currency which represents the transactions of the company based on assessments made as at 31 December 2023. The Group has completed similar assessments for its foreign operations and have concluded, inter alia, that the functional currency of FBC Reinsurance Botswana Pty Limited is the Botswana Pula.

Adoption of the IAS 29 (Financial Reporting in Hyperinflationary Economies)

In October 2019, the PAAB issued a pronouncement prescribing that the application of financial reporting in hyperinflationary economies had become effective in Zimbabwe, for reporting periods on or after 1 July 2019. These financial statements have been prepared in accordance with IAS 29 together with International Financial Reporting Standards Committee (IFRIC) 7. (Applying Restated Approach under IAS 29), as if the economy had been hyperinflationary from 1 October 2018.

The Group adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index to restate the transactions and balances. Monetary assets and liabilities and non-monetary assets and liabilities carried in the income statement have been restated applying the change in the general price index from dates when the transactions were initially recorded in the Group's financial records (transaction date). A net monetary adjustment was recognized in the statement of profit or loss for the year ended 31 December 2023 and the comparative period.

As noted above, the Group adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index and used the monthly indices to inflation adjust the historical figures.

The factors used in the periods under review are as follows:

Period	Indices	Conversion Factors at
CPI as at 31 December 2021	3 977.46	16.5189
CPI as at 31 December 2022	13 672.91	4.8054
CPI as at 31 December 2023	65 703.44	1

IFRS 17 Insurance Contracts

i. Recognition, measurement and presentation of insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM). Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The Group no longer applies shadow accounting to insurance-related assets and liabilities. Insurance finance income and expenses, disaggregated between profit or loss and OCI for life risk and non life contracts, are presented separately from insurance revenue and insurance service expenses. The Group applies the premium allocation approach (PAA) to simplify the measurement of contracts in the non-life segment, except for groups of acquired contracts that do not qualify for the PAA. When measuring liabilities for remaining coverage, the PAA is similar to the Group's previous accounting treatment. However, when measuring liabilities for incurred claims, the Group now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts ("deferred acquisition costs") until those costs were included in profit or loss and OCI. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised. Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

ii. Transition

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach to the extent practicable. Under the full retrospective approach, at 1 January 2022 the Group:

- identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
- identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied, except that the recoverability assessment was not applied;

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

- derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, intangible assets related to insurance contracts (previously referred to as 'value of business acquired'), insurance receivables and payables, and provisions for levies that are attributable to existing insurance contracts. Under IFRS 17, they are included in the measurement of the insurance contracts;
- recognised any resulting net difference in equity.

The Group has applied the transition provisions in IFRS 17 and has not disclosed the impact of the adoption of IFRS 17 on each financial statement line item and EPS. The effects of adopting IFRS 17 on the consolidated financial statements at 1 January 2022 are presented in the statement of changes in equity.

The full retrospective approach required assumptions about what Group management's intentions would have been in previous periods or significant accounting estimates that could not be made without the use of hindsight. Such assumptions and estimates included for certain contracts:

- expectations at contract inception about policyholders' shares of the returns on underlying items at contract inception required for identifying direct participating contracts;
- assumptions about discount rates, because the Group had not been subject to any accounting or regulatory framework that required insurance contracts to be measured on a present value basis before; and
- assumptions about the risk adjustment for non-financial risk, because the Group had not been subject to any accounting or regulatory framework that required an explicit margin for non-financial risk before.

These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Zimbabwean dollars ("ZWL") and are rounded to the nearest dollar.

2.2 Going concern

The Group's forecasts and projections, taking account of changes in trading environment and performance, show that the Group should be able to operate within the level of its current financing. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.3 Basis of consolidation

(a) Subsidiaries

The consolidated financial results combine the financial statements of FBC Holdings Limited ("the Company") and all its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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.

The Company recognises investments in subsidiaries at cost. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Unrealised profits or losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity within "changes in ownership reserve". Gains or losses on disposals to non-controlling interests are also recorded in equity within "changes in ownership reserve".

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.4 Segment reporting

An operating segment is a distinguishable component of the Group that is engaged in business activities from which it earns revenues and incurs expenses (including revenues and expenses relating to transactions with other components of the entity); whose operating results are reviewed regularly by the entity's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance; and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Executive Committee that makes strategic decisions.

The Group's operating segments have been aggregated based on the nature of the products and services on offer and the nature of the regulatory environment. The CODM is responsible for allocating resources and assessing performance of the operating segments.

In accordance with IFRS 8-Operating Segments, the Group has the following business segments: commercial banking, microlending, mortgage financing, reinsurance, short-term insurance and stockbroking.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgements, which necessarily have to be made in the course of the preparation of the financial statements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

The areas involving critical accounting estimates and judgements include determination of functional currency, impairment allowances, income taxes, insurance liabilities, inventory, investment property, property and unlisted investments.

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
4 BALANCES WITH BANKS AND CASH				
4.1 Balances with Reserve Bank of Zimbabwe ("RBZ")				
Current account balances	16 490 534	72 341 796	16 490 534	15 054 352
Balances with banks and cash				
Notes and coins	144 610 504	59 543 764	144 610 504	12 391 077
Other bank balances	640 953 913	270 816 436	640 953 913	56 356 991
	785 564 417	330 360 200	785 564 417	68 748 068
Balances with banks and cash (excluding bank overdrafts)	802 054 951	402 701 996	802 054 951	83 802 420
Current	802 054 951	402 701 996	802 054 951	83 802 420
Non-current	-	-	-	-
Total	802 054 951	402 701 996	802 054 951	83 802 420
4.2 Cash and cash equivalents				
Cash and bank balances comprise of balances with less than three months maturity from date of acquisition, including cash on hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.				
Cash and cash equivalents include the following for the purposes of the statement of cash flows;				
Current account balance at Reserve Bank of Zimbabwe ("RBZ") (note 4.1)	16 490 534	72 341 796	16 490 534	15 054 352
Balances with banks and cash (note 4.1)	785 564 417	330 360 200	785 564 417	68 748 068
	802 054 951	402 701 996	802 054 951	83 802 420
5 FINANCIAL ASSETS				
5.1 Loans and advances to customers				
Loans and advance maturities				
Maturing within 1 year	1 085 694 157	474 292 906	1 085 694 157	98 700 511
Maturing after 1 year	560 143 356	267 811 853	560 140 138	55 731 071
Gross carrying amount	1 645 837 513	742 104 759	1 645 834 295	154 431 582
Impairment allowance	(56 727 468)	(22 930 766)	(56 727 468)	(4 771 900)
	1 589 110 045	719 173 993	1 589 106 827	149 659 682

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
5.2 Trade and other receivables				
Trade and other receivables	734 934	4 018 234	734 934	836 196
Gross carrying amount	734 934	4 018 234	734 934	836 196
Impairment allowance	-	-	-	-
	734 934	4 018 234	734 934	836 196
Current	734 934	4 018 234	734 934	836 196
Non-current	-	-	-	-
Total	734 934	4 018 234	734 934	836 196

5.3 Irrevocable commitments

There are no irrevocable commitments to extend credit, which can expose the Group to penalties or disproportionate expense.

5.4 Movement in credit impairment losses

Audited Inflation Adjusted Restated**	Bonds and debentures ZWL ('000)	Trade and other receivables ZWL ('000)	Loans and advances ZWL ('000)	Financial assets at amortised cost and guarantees ZWL ('000)	Undrawn contractual commitments ZWL ('000)	Total ZWL ('000)
Movement in credit impairment losses						
Balance at 01 January 2022	648	1 684 710	8 667 678	181 742	152 019	10 686 797
Effects of IAS 29	(459)	(1 194 627)	(6 146 244)	(128 873)	(107 797)	(7 578 000)
Change on application of IFRS 17	-	(729 133)	-	-	-	(729 133)
Impairment loss allowance	(189)	321 927	20 478 383	357 822	829 852	21 987 795
Amounts written off /reversals during the year	-	-	(69 051)	-	-	(69 051)
Impairment reversal	-	(82 877)	-	-	-	(82 877)
Balance as at 31 December 2022	-	-	22 930 766	410 691	874 074	24 215 531
Balance at 01 January 2023	-	-	22 930 766	410 691	874 074	24 215 531
Effects of IAS 29	-	-	(18 158 866)	(325 226)	(692 179)	(19 176 271)
Change on application of IFRS 17	-	(34 698)	-	-	-	(34 698)
Impairment loss allowance	-	98 199	52 621 866	381 385	483 982	53 585 432
Amounts written off /reversals during the year	-	-	(666 299)	-	-	(666 299)
Impairment reversal	-	(63 501)	-	-	-	(63 501)
Balance as at 31 December 2023	-	-	56 727 467	466 850	665 877	57 860 194
Unaudited Historical Cost Restated**						
Movement in credit impairment losses						
Balance at 01 January 2022	39	101 987	524 711	11 002	9 203	646 942
Change on application of IFRS 17	-	(151 733)	-	-	-	(151 733)
Impairment loss allowance	(39)	66 993	4 261 559	74 463	172 692	4 575 668
Amounts written off /reversals during the year	-	-	(14 370)	-	-	(14 370)
Impairment reversal	-	(17 247)	-	-	-	(17 247)
Balance as at 31 December 2022	-	-	4 771 900	85 465	181 895	5 039 260
Balance at 01 January 2023	-	-	4 771 900	85 465	181 895	5 039 260
Change on application of IFRS 17	-	(34 698)	-	-	-	(34 698)
Impairment loss allowance	-	98 199	52 621 866	381 385	483 982	53 585 432
Amounts written off /reversals during the year	-	-	(666 299)	-	-	(666 299)
Impairment reversal	-	(63 501)	-	-	-	(63 501)
Balance as at 31 December 2023	-	-	56 727 467	466 850	665 877	57 860 194

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
5.5 Financial assets at amortised cost				
Maturing within 1 year	34 107 465	38 994 815	34 107 465	8 114 834
Maturing after 1 year	61 231 204	237 616	61 231 204	49 448
Gross carrying amount	95 338 669	39 232 431	95 338 669	8 164 282
Impairment allowance	(466 850)	(410 691)	(466 850)	(85 465)
	94 871 819	38 821 740	94 871 819	8 078 817
6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Listed securities at market value	76 954 767	44 211 868	78 974 456	9 588 232
Unlisted securities	45 208 421	25 943 887	45 208 422	5 398 932
	122 163 188	70 155 755	124 182 878	14 987 164
Current	122 163 188	70 155 755	124 182 878	14 987 164
Non-current	-	-	-	-
Total	122 163 188	70 155 755	124 182 878	14 987 164
Financial assets at fair value through profit or loss are presented within 'operating activities' as part of changes in working capital in the statement of cash flows.				
Changes in fair values of financial assets at fair value through profit or loss are recorded in 'other operating income' in the statement of comprehensive income. The fair value of all equity securities is based on their bid prices on an active market, the Zimbabwe Stock Exchange and the Victoria Falls Stock Exchange at year end.				
7 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME				
Listed securities at market value	1 206 639	1 018 865	1 206 639	212 026
Current	1 206 639	1 018 865	1 206 639	212 026
Non-current	-	-	-	-
Total	1 206 639	1 018 865	1 206 639	212 026
8 INVENTORY				
Raw materials	626 065	188 257	238 683	33 711
Work in progress	4 650 155	4 018 325	1 919 527	281 629
	5 276 220	4 206 582	2 158 210	315 340
Current	5 276 220	4 206 582	2 158 210	315 340
Non-current	-	-	-	-
Total	5 276 220	4 206 582	2 158 210	315 340

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
9 PREPAYMENTS AND OTHER ASSETS				
Prepayments	19 466 481	9 530 458	14 715 853	1 543 132
Refundable deposits for Mastercard and Visa transactions	11 150 332	12 851 813	11 150 332	2 674 467
Stationery stock and other consumables	499 930	93 509	401 845	11 393
Time - share asset	4 620 000	886 592	4 620 000	184 500
Zimswitch receivables	10 649 980	5 354 214	10 649 980	1 114 214
Bill payments receivables	1 884 919	932 140	1 884 919	193 979
RBZ NNCD and auction system balances*	80 813 474	39 764 288	80 813 474	8 274 962
Capital work in progress	2 481 742	2 481 742	82 539	82 539
Deferred employee benefit on staff loan	24 278 406	19 557 613	24 278 406	4 069 946
Other	8 723 170	689 852	10 069 532	385 481
	164 568 434	92 142 221	158 666 880	18 534 613
Current	153 418 102	79 290 408	147 516 548	15 860 146
Non-current	11 150 332	12 851 813	11 150 332	2 674 467
Total	164 568 434	92 142 221	158 666 880	18 534 613

* RBZ NNCD and auction system balances refer to prefunded customer positions upon allotment of foreign currency from the Central bank. The Group did not impair prepayments and other assets as they comprise of non financial assets and short term financial assets held with the Reserve Bank of Zimbabwe. Any expected credit loss on these balances are considered to be immaterial.

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
10 INVESTMENT PROPERTY				
Balance as at 1 January	132 843 463	68 989 355	27 644 769	4 176 376
Additions	10 560 502	9 940 053	6 087 700	1 762 249
Fair value adjustment	171 014 581	51 436 699	285 540 420	21 226 794
Disposals	(3 294 164)	-	(2 843 196)	-
Transfer from inventory	12 380 031	2 477 356	7 074 720	479 350
Balance as at 31 December	323 504 413	132 843 463	323 504 413	27 644 769
Non-current	323 504 413	132 843 463	323 504 413	27 644 769
Total	323 504 413	132 843 463	323 504 413	27 644 769

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
11 INTANGIBLE ASSETS				
Year ended 31 December				
Opening net book amount	2 037 445	2 145 766	66 490	16 480
Additions	451 383	364 264	119 753	57 618
Amortisation charge	(252 229)	(472 585)	(31 172)	(7 608)
Closing net book amount	2 236 599	2 037 445	155 071	66 490
As at 31 December				
Cost	11 072 823	10 621 440	205 729	85 975
Accumulated amortisation	(8 836 224)	(8 583 995)	(50 629)	(19 456)
Accumulated impairment	-	-	(29)	(29)
Net book amount	2 236 599	2 037 445	155 071	66 490

12 PROPERTY AND EQUIPMENT

	Audited Inflation Adjusted		Unaudited Historical Cost		Total ZWL
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**	
	Land and buildings ZWL	Machinery ZWL	Computer equipment ZWL	Furniture and office equipment ZWL	Motor vehicles ZWL
Year ended 31 December 2022					
Opening net book amount	39 643 624	2 539 733	6 883 455	8 758 702	9 110 477
Additions	119 082	236 422	2 535 424	4 385 953	3 410 499
Revaluation of property	24 347 514	674 830	(1 997 958)	567 351	6 146 281
Disposals	-	-	(24 447)	(69 791)	(113 569)
Depreciation	(527 395)	(213 012)	(1 759 152)	(1 541 830)	(1 914 242)
Closing net book amount	63 582 825	3 237 973	5 637 322	12 100 385	16 639 446
As at 31 December 2022					
Cost or valuation	65 858 715	3 658 968	14 980 732	24 961 474	23 107 412
Accumulated depreciation	(2 275 890)	(420 995)	(9 343 410)	(12 861 089)	(6 467 966)
Accumulated impairment	-	-	-	-	-
Net book amount	63 582 825	3 237 973	5 637 322	12 100 385	16 639 446
Year ended 31 December 2023					
Opening net book amount	63 582 825	3 237 973	5 637 322	12 100 385	16 639 446
Additions	890 574	1 763 836	3 388 512	5 767 280	2 690 654
Revaluation of property	98 025 782	2 999 940	2 553 780	14 363 102	16 392 961
Disposals	-	-	(74 651)	(2 281 920)	(138 938)
Depreciation	(777 539)	(546 341)	(1 952 786)	(1 931 878)	(2 542 917)
Closing net book amount	161 721 642	7 455 408	9 552 177	28 016 969	33 041 206
As at 31 December 2023					
Cost or valuation	164 775 071	8 422 745	20 848 372	42 809 935	42 052 089
Accumulated depreciation	(3 053 429)	(967 337)	(11 296 195)	(14 792 966)	(9 010 883)
Accumulated impairment	-	-	-	-	-
Net book amount	161 721 642	7 455 408	9 552 177	28 016 969	33 041 206
Unaudited Historical Cost Restated**					
Year ended 31 December 2022					
Opening net book amount	2 399 567	153 747	418 603	528 617	551 539
Additions	21 792	43 150	379 510	704 091	572 774
Revaluation of property	10 876 232	491 415	579 190	1 375 881	2 584 804
Disposals	-	-	(1 710)	(4 225)	(12 200)
Depreciation	(67 209)	(14 489)	(195 182)	(92 414)	(234 156)
Closing net book amount	13 230 382	673 823	1 180 411	2 511 950	3 462 761
As at 31 December 2022					
Cost or valuation	13 329 031	699 053	1 471 081	2 641 443	3 771 359
Accumulated depreciation	(98 650)	(25 230)	(290 671)	(129 485)	(308 346)
Accumulated impairment	1	-	1	(8)	(252)
Net book amount	13 230 382	673 823	1 180 411	2 511 950	3 462 761
Year ended 31 December 2023					
Opening net book amount	13 230 382	673 823	1 180 411	2 511 950	3 462 761
Additions	621 243	1 068 484	1 923 351	2 304 836	1 352 261
Revaluation of property	148 468 103	5 800 228	7 405 734	24 216 303	30 153 496
Adjustment to cost	-	-	-	(2 749)	-
Disposals	-	-	(16 745)	(474 044)	(43 330)
Depreciation	(604 166)	(87 127)	(904 348)	(569 905)	(1 883 550)
Closing net book amount	161 715 562	7 455 408	9 588 403	27 986 391	33 041 638
As at 31 December 2023					
Cost or valuation	162 418 377	7 567 765	10 783 421	28 685 790	35 233 785
Accumulated depreciation	(702 817)	(112 357)	(1 195 018)	(699 390)	(2 191 896)
Accumulated impairment	2	-	-	(9)	(251)
Net book amount	161 715 562	7 455 408	9 588 403	27 986 391	33 041 638

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
13 DEPOSITS AND BORROWINGS FROM OTHER BANKS AND CUSTOMERS				
13.1 Deposits from customers				
Demand deposits	822 316 589	432 380 692	822 316 589	89 978 567
Promissory notes	109 393 919	65 467 035	109 393 919	13 623 712
Other time deposits	85 879 364	33 530 117	85 879 364	6 977 628
	1 017 589 872	531 377 844	1 017 589 872	110 579 907
Current	1 017 402 213	530 049 052	1 017 402 213	110 303 385
Non-current	187 659	1 328 792	187 659	276 522
Total	1 017 589 872	531 377 844	1 017 589 872	110 579 907
13.2 Deposits from other banks				
Money market deposits	109 706 818	64 880 551	109 706 818	13 501 664
Current	109 706 818	64 880 551	109 706 818	13 501 664
13.3 Borrowings				
Bank borrowings				
Foreign lines of credit	718 204 498	328 938 532	718 204 498	68 452 219
Other borrowings	(1 286 322)	(1 394 546)	(1 286 322)	(290 206)
	716 918 176	327 543 986	716 918 176	68 162 013
Current	564 438 966	17 382 423	564 438 966	3 617 288
Non-current	152 479 210	310 161 563	152 479 210	64 544 725
Total	716 918 176	327 543 986	716 918 176	68 162 013
Total deposits and borrowings	1 844 214 866	923 802 381	1 844 214 866	192 243 584

	2023		2022	
	Audited Inflation Adjusted ZWL ('000)	%	Restated** ZWL ('000)	%
Agriculture	62 541 253	3%	42 341 920	5%
Construction	124 433 321	7%	55 002 389	6%
Wholesale and retail trade	168 351 122	9%	70 171 772	9%
Public sector	162 190 647	9%	97 760 276	11%
Manufacturing	139 408 582	8%	73 604 464	8%
Telecommunication	18 669 888	1%	38 248 646	3%
Transport	17 093 545	1%	37 135 227	3%
Individuals	102 485 764	6%	42 020 994	4%
Financial services	793 404 498	43%	365 685 974	41%
Mining	133 619 921	7%	52 385 377	6%
Other	122 016 325	6%	49 445 342	4%
	1 844 214 866	100%	923 802 381	100%
Unaudited Historical Cost				
Agriculture	62 541 253	3%	8 811 368	5%
Construction	124 433 321	7%	11 446 016	6%
Wholesale and retail trade	168 351 122	9%	14 602 769	9%
Public sector	162 190 647	9%	20 343 946	11%
Manufacturing	139 408 582	8%	15 317 114	8%
Telecommunication	18 669 888	1%	7 959 556	3%
Transport	17 093 545	1%	7 727 853	3%
Individuals	102 485 764	6%	8 744 583	4%
Financial services	793 404 498	43%	76 099 374	41%
Mining	133 619 921	7%	10 901 415	6%
Other	122 016 325	6%	10 289 591	4%
	1 844 214 866	100%	192 243 585	100%

14 INSURANCE AND REINSURANCE CONTRACTS

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Insurance contracts				
Insurance contract liabilities				
- Insurance contract balances	-	-	-	-
- Non-Life	73 283 220	19 377 067	73 283 220	3 591 139
	73 283 220	19 377 067	73 283 220	3 591 139
- Assets for insurance acquisition cash flows				
- Non-Life	-	-	-	-
Net Insurance contract liabilities	73 283 220	19 377 067	73 283 220	3 591 139
Insurance contract assets				
- Insurance contract balances				

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

14.1 The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

Movement in insurance and reinsurance contract balances

**Audited Inflation Adjusted
31 Dec 2023**
Non-life
Insurance contracts
**Analysis by remaining coverage
and incurred claims**

	Liability for incurred claims				Total ZWL ('000)
	Liability for remaining coverage excluding loss component ZWL ('000)	Contracts under PAA			
		Loss component ZWL ('000)	Estimates of present value of future cash flows ZWL ('000)	Risk adjustment for non-financial risk ZWL ('000)	
Net opening assets/(liabilities)	(4 369 164)	2 043 920	(10 238 355)	(354 713)	(12 918 312)
Net opening balance	(4 369 164)	2 043 920	(10 238 355)	(354 713)	(12 918 312)
Changes in the statement of profit or loss and OCI					
Insurance revenue	120 083 337	-	-	-	120 083 337
	120 083 337	-	-	-	120 083 337
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(62 188 429)	-	(62 188 429)
Amortisation of insurance acquisition cash flows	(36 401 024)	-	-	-	(36 401 024)
Losses and reversals of losses on onerous contracts	(7 052 081)	-	-	-	(7 052 081)
Adjustment to liabilities for incurred claims	-	1 870 564	(8 098 974)	(1 691 496)	(7 919 906)
	(43 453 105)	1 870 564	(70 287 403)	(1 691 496)	(113 561 440)
Premium refunds	-	-	-	-	-
Insurance service result	76 630 232	1 870 564	(70 287 403)	(1 691 496)	6 521 897
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	(21 159 759)	-	-	-	(21 159 759)
Total changes in the statement of profit or loss and OCI	55 470 473	1 870 564	(70 287 403)	(1 691 496)	(14 637 862)
Cash flows					
Premiums received	(110 444 705)	-	-	-	(110 444 705)
Claims and other insurance service expenses paid	-	-	48 228 790	-	48 228 790
Insurance acquisition cash flows	36 401 025	-	-	-	36 401 025
Total cash flows	(74 043 680)	-	48 228 790	-	(25 814 890)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(22 942 371)	3 914 484	(32 296 968)	(2 046 209)	(53 371 064)
Unaudited Historical Cost					
Net opening assets/(liabilities)	(1 518 634)	425 340	(1 168 848)	15 072	(2 247 070)
Net opening balance	(1 518 634)	425 340	(1 168 848)	15 072	(2 247 070)
Changes in the statement of profit or loss and OCI					
Insurance revenue	69 100 954	-	-	-	69 100 954
	69 100 954	-	-	-	69 100 954
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(38 312 575)	-	(38 312 575)
Amortisation of insurance acquisition cash flows	(19 764 804)	-	-	-	(19 764 804)
Losses and reversals of losses on onerous contracts	(7 052 080)	-	-	-	(7 052 080)
Adjustment to liabilities for incurred claims	-	3 489 143	(8 923 116)	(2 636 450)	(8 070 423)
	(26 816 884)	3 489 143	(47 235 691)	(2 636 450)	(73 199 882)
Premium refunds	-	-	-	-	-
Insurance service result	42 284 070	3 489 143	(47 235 691)	(2 636 450)	(4 098 928)
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	11 071 149	-	(1 856 125)	-	9 215 024
Total changes in the statement of profit or loss and OCI	53 355 219	3 489 143	(49 091 816)	(2 636 450)	5 116 096
Cash flows					
Premiums received	(105 125 329)	-	-	-	(105 125 329)
Claims and other insurance service expenses paid	-	-	31 112 464	-	31 112 464
Insurance acquisition cash flows	17 772 775	-	-	-	17 772 775
Total cash flows	(87 352 554)	-	31 112 464	-	(56 240 090)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(35 515 969)	3 914 483	(19 148 200)	(2 621 378)	(53 371 064)

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

**Audited Inflation Adjusted
31 Dec 2022**
Non-life
Insurance contracts
**Analysis by remaining coverage
and incurred claims**

	Liability for incurred claims				Total ZWL ('000)
	Liability for remaining coverage excluding loss component ZWL ('000)	Loss component ZWL ('000)	Contracts under PAA		
			Estimates of present value of future cash flows ZWL ('000)	Risk adjustment for non-financial risk ZWL ('000)	
Net opening assets/(liabilities)	(2 728 003)	268 391	(3 781 844)	(567 778)	(6 809 235)
Net opening balance	(2 728 003)	268 391	(3 781 844)	(567 778)	(6 809 235)
Changes in the statement of profit or loss and OCI					
Insurance revenue	45 202 406	-	-	-	45 202 406
	45 202 406	-	-	-	45 202 406
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(25 673 008)	-	(25 673 008)
Amortisation of insurance acquisition cash flows	(15 070 345)	-	-	-	(15 070 345)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	-	369 488	(4 932 969)	44 339	(4 519 142)
	(15 070 345)	369 488	(30 605 977)	44 339	(45 262 495)
Premium refunds	-	-	-	-	-
Insurance service result	30 132 061	369 488	(30 605 977)	44 339	(60 089)
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	1 260 699	-	-	-	1 260 699
Total changes in the statement of profit or loss and OCI	31 392 760	369 488	(30 605 977)	44 339	1 200 610
Cash flows					
Premiums received	(33 071 002)	-	-	-	(33 071 002)
Claims and other insurance service expenses paid	-	-	10 678 719	-	10 678 719
Insurance acquisition cash flows	11 636 347	-	-	-	11 636 347
Total cash flows	(21 434 655)	-	10 678 719	-	(10 755 936)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	7 230 102	637 879	(23 709 102)	(523 439)	(16 364 560)
Unaudited Historical Cost					
Net opening assets/(liabilities)	(210 772)	55 852	(228 023)	(29 266)	(412 209)
Net opening balance	(210 772)	55 852	(228 023)	(29 266)	(412 209)
Changes in the statement of profit or loss and OCI					
Insurance revenue	6 318 583	-	-	-	6 318 583
	6 318 583	-	-	-	6 318 583
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	(4 089 997)	-	(4 089 997)
Amortisation of insurance acquisition cash flows	(2 105 988)	-	-	-	(2 105 988)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	-	369 488	(1 293 789)	44 339	(879 962)
	(2 105 988)	369 488	(5 383 786)	44 339	(7 075 947)
Premium refunds	-	-	-	-	-
Insurance service result	4 212 595	369 488	(5 383 786)	44 339	(757 364)
Net finance expenses from insurance contracts	-	-	-	-	-
Effect of movement in exchange rates	2 518 174	-	-	-	2 518 174
Total changes in the statement of profit or loss and OCI	6 730 769	369 488	(5 383 786)	44 339	1 760 810
Cash flows					
Premiums received	(9 296 314)	-	-	-	(9 296 314)
Claims and other insurance service expenses paid	-	-	3 271 084	-	3 271 084
Insurance acquisition cash flows	1 712 395	-	-	-	1 712 395
Total cash flows	(7 583 919)	-	3 271 084	-	(4 312 835)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	-	-	-	-	-
Net closing balance	(1 063 922)	425 340	(2 340 726)	15 073	(2 964 235)

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Audited Inflation Adjusted
31 Dec 2023
Non-Life
Reinsurance contracts
Analysis by remaining coverage and incurred claims

	Assets for remaining coverage			Total ZWL ('000)
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	Asset for incurred claims ZWL ('000)	
Net opening assets/(liabilities)	(2 188 563)	173 050	709 331	(1 306 183)
Net opening balance	(2 188 563)	173 050	709 331	(1 306 183)
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	40 849 193	-	-	40 849 193
	40 849 193	-	-	40 849 193
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	(23 833 250)	-	-	(23 833 250)
Recoveries of incurred claims and other insurance service expenses	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	(4 829 251)	1 172 085	5 584 861	1 927 695
Adjustment to assets for incurred claims	-	-	-	-
	(28 682 501)	1 172 085	5 584 861	(21 905 555)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	12 186 692	1 172 085	5 584 861	18 943 638
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	11 367 150	-	(18 303 467)	(6 936 317)
Total changes in the statement of profit or loss and OCI	23 553 842	1 172 085	(12 718 604)	12 007 321
Cash flows				
Premiums paid	-	-	(6 198 480)	(6 198 480)
Amounts received	-	-	6 172 914	6 172 914
Total cash flows	-	-	(25 566)	(25 566)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	21 365 279	1 345 135	(12 034 841)	10 675 573
Unaudited Historical Cost				
Net opening assets/(liabilities)	(569 811)	36 062	261 931	(271 817)
Net opening balance	(569 811)	36 062	261 931	(271 817)
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	22 030 158	-	-	22 030 158
	22 030 158	-	-	22 030 158
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	(14 222 477)	-	-	(14 222 477)
Recoveries of incurred claims and other insurance service expenses	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	(5 794 570)	1 172 085	5 584 860	962 375
Adjustment to assets for incurred claims	-	-	-	-
	(20 017 047)	1 172 085	5 584 860	(13 260 102)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	2 013 111	1 172 085	5 584 860	8 770 056
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	8 672 936	-	(9 034 678)	(361 742)
Total changes in the statement of profit or loss and OCI	10 686 047	1 172 085	(3 449 818)	8 408 314
Cash flows				
Premiums paid	-	-	185 665	185 665
Amounts received	-	-	2 353 410	2 353 410
Total cash flows	-	-	2 539 075	2 539 075
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	10 116 237	1 208 147	(648 811)	10 675 573

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Audited Inflation Adjusted
Restated**
31 Dec 2022
Non-Life
Reinsurance contracts
Analysis by remaining coverage and incurred claims

	Assets for remaining coverage			Total ZWL ('000)
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	Asset for incurred claims ZWL ('000)	
Opening assets	527 997	275 143	2 822 368	3 625 508
Net opening balance	527 997	275 143	2 822 368	3 625 508
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	10 574 191	-	-	10 574 191
	10 574 191	-	-	10 574 191
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	(9 229 830)	-	-	(9 229 830)
Recoveries of incurred claims and other insurance service expenses	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	(1 436 306)	6 175	188 373	(1 241 758)
Adjustment to assets for incurred claims	-	-	-	-
	(10 666 136)	6 175	188 373	(10 471 588)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	(91 945)	6 175	188 373	102 603
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	1 334 672	(131 765)	(88 499)	1 114 409
Total changes in the statement of profit or loss and OCI	1 242 727	(125 590)	99 874	1 217 012
Cash flows				
Premiums paid	-	-	(9 934 819)	(9 934 819)
Amounts received	-	-	3 786 117	3 786 117
Total cash flows	-	-	(6 148 702)	(6 148 702)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	1 770 724	149 553	(3 226 460)	(1 306 183)
Unaudited Historical Cost				
Opening assets	16 470	18 553	184 453	219 476
Net opening balance	16 470	18 553	184 453	219 476
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	1 620 584	-	-	1 620 584
	1 620 584	-	-	1 620 584
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	(1 806 981)	-	-	(1 806 981)
Recoveries of incurred claims and other insurance service expenses	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	(448 210)	6 175	188 373	(253 662)
Adjustment to assets for incurred claims	-	-	-	-
	(2 255 191)	6 175	188 373	(2 060 643)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	(634 607)	6 175	188 373	(440 059)
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	417 177	11 334	384 416	812 926
Total changes in the statement of profit or loss and OCI	(217 430)	17 509	572 789	372 867
Cash flows				
Premiums paid	-	-	(1 297 999)	(1 297 999)
Amounts received	-	-	433 838	433 838
Total cash flows	-	-	(864 161)	(864 161)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	(200 961)	36 062	(106 918)	(271 817)



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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
15 TRADE AND OTHER PAYABLES				
Trade and other payables	266 138 078	100 750 481	262 522 797	19 288 661
Deferred income	14 421 601	6 779 763	9 766 023	842 969
Visa and MasterCard settlement payables	69 657 688	32 809 177	69 657 688	6 827 601
TT Resdex inwards	4 169 680	890 495	4 169 680	185 312
RBZ cash cover	53 954 286	92 337 712	53 954 286	19 215 509
Zimswitch settlement	6 470 849	3 827 653	6 470 849	796 536
Instant banking balances	1 987 202	2 226 357	1 987 202	463 306
Other liabilities	127 150 767	9 541 415	126 660 458	1 970 405
Intermediary tax	9 223 434	8 428 420	9 223 434	1 753 957
Customer funds awaiting payment	74 828 780	31 881 026	74 828 780	6 634 451
	628 002 363	289 472 499	619 241 197	57 978 707
Current	491 074 819	167 153 105	487 459 538	33 101 457
Non-current	136 927 544	122 319 394	131 781 659	24 877 250
Total	628 002 363	289 472 499	619 241 197	57 978 707
16 SHARE CAPITAL AND SHARE PREMIUM				
16.1 Authorised				
Number of ordinary shares, with a nominal value of ZWL0.00001	800 000 000	800 000 000	800 000 000	800 000 000
16.2 Issued and fully paid				
Number of ordinary shares, with a nominal value of ZWL0.00001	671 949 927	671 949 927	671 949 927	671 949 927
16.3 Share capital movement				
	Number of Shares	Share Capital ZWL ('000)	Share Premium ZWL ('000)	Total ZWL ('000)
INFLATION ADJUSTED				
As at 1 January 2022	671 949 927	6 892	14 444 693	14 451 585
Share issue	-	-	-	-
As at 31 December 2022	671 949 927	6 892	14 444 693	14 451 585
Share issue	-	-	-	-
As at 31 December 2023	671 949 927	6 892	14 444 693	14 451 585
HISTORICAL COST				
As at 1 January 2022	671 949 927	7	14 083	14 090
Share issue	-	-	-	-
As at 31 December 2022	671 949 927	7	14 083	14 090
Share issue	-	-	-	-
As at 31 December 2023	671 949 927	7	14 083	14 090
	Audited Inflation Adjusted	Unaudited Historical Cost		
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
17 INTEREST INCOME				
Cash and cash equivalents	10 394 115	661 019	6 977 113	102 298
Loans and advances to other banks	34 260 727	21 570 098	20 806 992	3 402 068
Loans and advances to customers	315 514 258	167 227 708	193 817 990	26 180 979
Banker's acceptances and tradable bills	11 150 951	9 868 764	4 755 583	1 470 534
Other interest income	13 321 846	6 887 554	7 164 966	996 166
	384 641 897	206 215 143	233 522 644	32 152 045
Credit related fees that are an integral part of the effective interest on loans and advances have been classified under interest income.				
17.1 INTEREST EXPENSE				
Deposit from other banks	35 235 784	26 532 574	18 730 513	4 684 781
Demand deposits	7 055 841	475 830	4 386 130	76 283
Lines of credit from financial institutions	78 610 830	8 073 714	50 076 582	1 157 162
Time deposits	23 984 415	28 966 381	12 366 139	4 729 547
	144 886 870	64 048 499	85 559 364	10 647 773
18 FEE AND COMMISSION INCOME				
Retail service fees	214 437 616	80 060 504	127 941 566	12 039 039
Credit related fees	4 097 266	1 810 617	2 586 713	236 413
Investment banking fees	11 963 013	71 636	11 329 179	11 579
Brokerage commission	2 652 941	2 172 143	1 556 963	330 991
	233 150 837	84 114 900	143 414 421	12 618 022
18.1 FEE AND COMMISSION EXPENSE				
Brokerage	1 679 058	1 291 026	797 966	211 705
19 REVENUE				
Property sales	-	148 692	-	10 786
	-	148 692	-	10 786
19.1 COST OF SALES				
Property costs	-	84 202	-	4 038
	-	84 202	-	4 038
20 INSURANCE REVENUE				
Contracts measured under PAA				
Non-life	120 083 337	45 202 406	69 100 954	6 318 583
	120 083 337	45 202 406	69 100 954	6 318 583
21 NET GAIN FROM FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				
Financial assets at fair value through profit or loss (note 6), fair value gains	84 709 378	47 936 016	86 665 447	8 508 693
22 OTHER OPERATING INCOME				
Rental income	8 811 911	1 122 345	5 735 019	176 776
(Loss)/profit disposal of property and equipment	(2 163 896)	1 969	(271 075)	9 814
Sundry income	9 753 275	7 600 211	5 215 619	1 240 525
Bad debts (written off)/recoveries	(445 205)	1 561	(533 854)	107
Fair value adjustment on investment property	136 405 952	51 464 113	255 772 271	19 973 502
	152 362 037	60 190 199	265 917 980	21 400 724

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
23 OPERATING EXPENSES				
Insurance service expenses				
Claims and benefits	59 058 177	25 483 954	37 309 334	4 150 699
Losses on onerous insurance contracts	7 052 080	-	7 052 080	-
Amounts attributed to/amortisation of insurance acquisition cash flows	36 401 024	15 070 345	19 764 804	2 105 988
Staff costs (note 23.1)	8 484 042	3 424 604	6 507 547	495 510
Administration expenses	2 566 117	1 283 592	2 566 117	323 750
	113 561 440	45 262 495	73 199 882	7 075 947
Other operating expenses				
Administrative expenses	190 331 419	78 336 415	105 457 140	12 038 697
Staff costs (note 23.1)	499 275 874	182 549 031	340 586 036	26 719 970
Directors' remuneration (note 23.2)	197 317 538	62 211 754	106 429 752	10 201 924
Audit fees:				
- Financial statements audit-current year fees	5 606 905	2 654 830	3 700 743	466 699
- Financial statements audit-prior year fees	920 799	81 407	387 835	10 186
- Other services	381 499	-	313 055	-
Depreciation	7 751 461	5 955 631	4 049 096	603 449
Amortisation	252 229	472 585	31 172	7 608
Leases of low value items and short term leases	27 285	583 810	1 841	70 673
	901 865 008	332 845 463	560 956 671	50 119 206
	1 015 426 449	378 107 958	634 156 553	57 195 153
23.1 Staff costs				
Salaries and allowances	496 650 793	176 674 120	340 448 614	26 039 494
Social security	2 015 322	1 607 544	1 204 538	205 005
Pension contribution	9 093 800	7 691 971	5 440 431	970 982
	507 759 915	185 973 635	347 093 583	27 215 481
23.2 Director's remuneration				
Board fees	5 427 953	2 377 525	3 649 967	392 464
Other emoluments	610	-	375	-
For services as management	191 888 975	59 834 229	102 779 410	9 809 460
	197 317 538	62 211 754	106 429 752	10 201 924
24 INCOME TAX EXPENSE				
Charge for the year				
Current income tax on income for the reporting year	26 635 249	18 547 815	26 399 449	3 754 789
Adjustments in respect of prior years	401 826	-	83 620	-
Deferred income tax	49 093 314	34 919 758	71 403 049	5 391 215
Income tax expense	76 130 389	53 467 572	97 886 118	9 146 004
25 EARNINGS PER SHARE				
25.1 Basic earnings per share				
Profit attributable to equity holders of the parent	327 243 720	60 177 706	478 312 818	38 708 406
Total	327 243 720	60 177 706	478 312 818	38 708 406
Basic earnings per share (ZWL cents)	53 593.92	9 568.25	78 335.07	6 154.63
	53 593.92	9 568.25	78 335.07	6 154.63
	Shares issued	Treasury shares	Shares outstanding	Weighted
Year ended 31 December 2023				
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2023	671 949 927	61 248 405	610 701 522	610 701 522
Treasury shares purchased	-	158 500	(158 500)	(102 916)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December	671 949 927	61 406 905	610 543 022	610 598 606
Year ended 31 December 2022				
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2022	671 949 927	34 530 484	637 419 443	637 419 443
Treasury shares purchased	-	26 717 921	(26 717 921)	(8 488 036)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December	671 949 927	61 248 405	610 701 522	628 931 407
25.2 Diluted earnings per share				
Diluted earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.				
	Audited Inflation Adjusted	Unaudited Historical Cost		
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Diluted earnings per share				
Profit attributable to equity holders of the parent	327 243 720	60 177 706	478 312 818	38 708 406
Total	327 243 720	60 177 706	478 312 818	38 708 406
Weighted average number of ordinary shares at 31 December	610 598 606	628 931 407	610 598 606	628 931 407
Diluted earnings per share (ZWL cents)	53 593.92	9 568.25	78 335.07	6 154.63
25.3 Headline earnings per share				
Profit attributable to equity holders of the parent	327 243 720	60 177 706	478 312 818	38 708 406
Adjusted for excluded remeasurements				
Profit on the disposal of property and equipment (note 22)	2 163 896	(1 969)	271 075	(9 814)
Impairment on asset (note 11 & 12)	-	-	-	-
Headline earnings	329 407 616	60 175 737	478 583 893	38 698 592
Weighted average number of ordinary shares at 31 December	610 598 606	628 931 407	610 598 606	628 931 407
Headline earnings per share (ZWL cents)	53 948.31	9 567.93	78 379.46	6 153.07
25.4 Diluted headline earnings per share				
Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.				
Profit attributable to equity holders of the parent	327 243 720	60 177 706	478 312 818	38 708 406
Adjusted for excluded remeasurements				
Profit on the disposal of property and equipment (note 22)	2 163 896	(1 969)	271 075	(9 814)
Impairment on asset (note 11 & 12)	-	-	-	-
Diluted headline earnings	329 407 616	60 175 737	478 583 893	38 698 592
Weighted average number of ordinary shares at 31 December	610 598 606	628 931 407	610 598 606	628 931 407
Diluted headline earnings per share (ZWL cents)	53 948.31	9 567.93	78 379.46	6 153.07

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NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

26 SEGMENT REPORTING

Segment information is presented in respect of business segments.

Segment revenue, expenses, liabilities and assets are items that are directly attributable to the business segment or which can be allocated on a reasonable basis to a business segment.

The Group comprises of seven business segments i.e. commercial banking, microlending, mortgage financing, short term reinsurance, short term insurance, stockbroking and insurance broking.

Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group Executive Committee.

Audited Inflation Adjusted

	Commercial banking ZWL ('000)	Microlending ZWL ('000)	Mortgage financing ZWL ('000)	Short term reinsurance ZWL ('000)	Short term insurance ZWL ('000)	Stockbroking ZWL ('000)	Short term Insurance Broking ZWL ('000)	Consolidated ZWL ('000)
31 Dec 2023								
Total segment net income								
Interest income	300 024 828	67 441 641	26 273 540	1 509 557	1 892 840	2 606	-	397 145 013
Interest expense	(115 435 906)	(6 066 814)	(37 462 472)	-	(101 652)	(203 952)	(2 022 668)	(161 293 463)
Net interest income	184 588 922	61 374 828	(11 188 932)	1 509 557	1 791 188	(201 346)	(2 022 668)	235 851 549
Sales	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-
Insurance service result	-	-	-	(24 442 890)	11 885 783	-	-	(12 557 107)
Net fee and commission income	204 610 150	145 265	24 909 787	-	-	865 117	321 480	230 851 799
-Retail service fees	190 802 191	-	22 870 744	-	-	-	-	-
-Credit related fees	1 844 946	145 265	2 039 043	-	-	-	-	-
-Investment banking fees	11 963 013	-	-	-	-	-	-	-
-Brokerage commission	-	-	-	-	-	865 117	321 480	-
Net trading income and other income	526 759 082	4 798 870	142 455 897	48 735 617	17 348 891	2 330 398	733 158	743 161 913
Total net income for reported segments	915 958 155	66 318 963	156 176 752	25 802 283	31 025 862	2 994 169	(968 030)	1 197 308 154
Intersegment revenue	(8 422 890)	(105 770)	(4 617 812)	(1 472 029)	(14 057 685)	(105 750)	(1 375 754)	(30 157 690)
Intersegment interest expense and commission	16 033 796	9 763 757	8 025 215	171 152	4 595 448	240 877	2 120 680	40 950 925
Net income from external customers	923 569 060	75 976 950	159 584 154	24 501 406	21 563 625	3 129 296	(223 103)	1 208 101 389
Segment profit/(loss) before income tax	298 514 222	9 013 005	85 441 323	7 339 435	3 779 486	713 478	(1 884 800)	402 916 150
Impairment allowances on financial assets	49 914 912	2 425 911	1 050 878	-	63 556	-	-	53 455 256
Depreciation	4 694 646	312 133	1 747 624	438 864	365 690	28 679	74 493	7 662 129
Amortisation	230 280	185	-	896	-	-	20 867	252 229
Segment assets	2 764 854 792	76 884 529	457 177 759	99 589 769	62 239 589	6 412 892	1 892 148	3 469 051 477
Total assets include:								
Additions to non-current assets	10 887 966	1 107 430	1 947 064	681 874	294 046	8 091	-	14 926 470
Segment liabilities	2 319 647 720	72 720 074	265 099 552	80 327 883	44 933 541	4 341 482	4 953 071	2 792 023 325
31 Dec 2022 Restated**								
Total segment net income								
Interest income	182 328 184	9 596 716	16 511 359	169 740	345 748	2 849	-	208 954 595
Interest expense	(46 369 994)	(2 273 171)	(19 479 056)	-	(614 369)	(110 843)	(1 049 589)	(69 897 022)
Net interest income	135 958 190	7 323 545	(2 967 697)	169 740	(268 621)	(107 994)	(1 049 589)	139 057 573
Sales	-	-	148 692	-	-	-	-	148 692
Cost of sales	-	-	(84 202)	-	-	-	-	(84 202)
Gross profit	-	-	64 489	-	-	-	-	64 489
Insurance service result	-	-	-	(5 879 653)	5 661 385	-	-	(218 268)
Net fee and commission income	72 592 859	536 885	8 131 631	-	-	1 148 322	145 141	82 554 838
-Retail service fees	71 994 995	-	7 435 758	-	-	-	-	-
-Credit related fees	526 229	536 885	695 873	-	-	-	-	-
-Investment banking fees	71 636	-	-	-	-	-	-	-
-Brokerage commission	-	-	-	-	-	1 148 322	145 141	-
Net trading income and other income	180 382 782	406	59 947 525	30 459 389	8 179 667	3 120 299	(83 163)	282 006 906
Total net income for reported segments	388 933 831	7 860 835	65 175 948	24 749 476	13 572 431	4 160 628	(987 611)	503 465 538
Intersegment revenue	(4 584 605)	40 021	(119 369)	(2 780 038)	(3 696 888)	(2 849)	(529 612)	(11 673 340)
Intersegment interest expense and commission	5 101 101	2 653 726	3 022 059	388 635	5 943 167	137 411	1 051 444	18 297 541
Net income from external customers	389 450 327	10 554 582	68 078 638	22 358 073	15 818 709	4 295 190	(465 779)	510 089 740
Segment profit/(loss) before income tax	120 081 567	1 588 817	32 070 535	(2 471 396)	2 368 928	(633 920)	(2 862 331)	150 142 200
Impairment allowances on financial assets	20 805 601	391 654	485 673	-	73 459	-	136 157	21 892 545
Depreciation	3 979 403	243 369	896 833	364 208	290 239	23 211	127 269	5 924 531
Amortisation	436 296	185	-	18 512	-	-	17 592	472 585
Segment assets	1 310 932 354	27 564 189	185 089 128	37 689 393	27 902 250	2 376 917	3 029 259	1 594 583 490
Total assets include:								
Additions to non-current assets	8 410 511	104 587	753 677	605 343	195 459	7 728	827 183	10 904 488
Segment liabilities	1 136 806 553	24 513 210	90 795 118	31 073 461	19 340 757	1 622 045	5 061 242	1 309 212 385

Type of revenue generating activity: Commercial and retail banking, Microlending, Mortgage financing, Underwriting general classes of short term re-insurance, Underwriting general classes of short term insurance, Equity market dealing, Short term insurance broking

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

26 SEGMENT REPORTING (CONTINUED)
Unaudited Historical Cost

	Commercial banking ZWL ('000)	Microlending ZWL ('000)	Mortgage financing ZWL ('000)	Short term reinsurance ZWL ('000)	Short term insurance ZWL ('000)	Stockbroking ZWL ('000)	Short term Insurance Broking ZWL ('000)	Consolidated ZWL ('000)
31 Dec 2023								
Total segment net income								
Interest income	182 209 041	42 241 675	14 143 811	1 035 964	1 217 064	1 060	-	240 848 616
Interest expense	(71 835 147)	(3 602 982)	(17 580 784)	-	(34 726)	(78 679)	(806 179)	(93 938 498)
Net interest income	110 373 894	38 638 693	(3 436 973)	1 035 964	1 182 338	(77 619)	(806 179)	146 910 118
Sales	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-
Gross profit	-	-	-	(15 808 478)	2 885 972	-	-	(12 922 506)
Insurance service result	-	-	-	-	-	-	-	-
Net fee and commission income	126 193 135	49 097	15 255 878	-	-	448 034	292 072	142 238 217
-Retail service fees	113 648 384	-	13 973 129	-	-	-	-	-
-Credit related fees	1 215 572	49 097	1 282 749	-	-	-	-	-
-Investment banking fees	11 329 179	-	-	-	-	-	-	-
-Brokerage commission	-	-	-	-	-	448 034	292 072	-
Net trading income and other income	546 248 751	4 737 164	225 430 127	48 539 727	16 574 610	3 441 812	318 991	845 291 182
Total net income for reported segments	782 815 781	43 424 954	237 249 032	33 767 213	20 642 919	3 812 226	(195 116)	1 121 517 010
Intersegment revenue	(4 690 601)	(21 868)	(2 849 087)	(852 965)	(7 212 702)	(71 264)	(826 767)	(16 525 254)
Intersegment interest expense and commission	6 954 745	5 432 828	4 695 246	104 664	3 971 896	94 768	810 024	22 064 170
Net income from external customers	785 079 925	48 835 914	239 095 191	33 018 912	17 402 113	3 835 730	(211 859)	1 127 055 927
Segment profit before income tax	397 192 296	15 674 662	143 037 008	13 005 847	4 969 917	993 996	(3 742 091)	571 131 635
Impairment allowances on financial assets	49 914 912	2 425 911	1 050 878	-	63 556	-	-	53 455 256
Depreciation	2 634 964	177 974	589 808	152 600	446 349	6 006	25 773	4 033 473
Amortisation	28 993	7	-	90	24	-	2 059	31 172
Segment assets	2 757 378 020	76 876 782	453 854 513	99 583 840	61 894 841	6 391 574	1 830 087	3 457 809 657
Total assets include:								
Additions to non-current assets	4 692 256	690 504	1 163 312	658 155	177 592	2 375	-	7 384 193
Segment liabilities	2 314 146 887	68 670 405	265 099 552	80 327 883	46 859 662	4 220 861	4 968 796	2 784 294 047
31 Dec 2022 Restated**								
Total segment net income								
Interest income	28 757 074	1 571 933	2 405 205	32 425	64 485	479	-	32 831 601
Interest expense	(7 808 962)	(369 672)	(3 368 473)	-	(78 694)	(22 490)	(210 944)	(11 859 236)
Net interest income	20 948 112	1 202 261	(963 268)	32 425	(14 209)	(22 012)	(210 944)	20 972 365
Sales	-	-	10 786	-	-	-	-	10 786
Cost of sales	-	-	(4 038)	-	-	-	-	(4 038)
Gross profit	-	-	6 748	-	-	-	-	6 748
Insurance service result	-	-	-	(1 102 210)	777 837	-	-	(324 373)
Net fee and commission income	10 904 551	59 720	1 217 329	-	-	154 085	23 028	12 358 713
-Retail service fees	10 821 789	-	1 121 716	-	-	-	-	-
-Credit related fees	71 184	59 720	95 613	-	-	-	-	-
-Investment banking fees	11 579	-	-	-	-	-	-	-
-Brokerage commission	-	-	-	-	-	154 085	23 028	-
Net trading income and other income	39 883 785	7 664	17 127 900	4 609 700	1 685 088	373 495	(17 376)	63 670 257
Total net income for reported segments	71 736 449	1 269 645	17 388 708	3 539 915	2 448 716	505 568	(205 293)	96 683 709
Intersegment revenue	(775 327)	7 041	(16 651)	(523 043)	(486 458)	(449)	(96 321)	(1 891 208)
Intersegment interest expense and commission	723 452	426 151	547 861	56 727	950 071	25 872	211 309	2 941 443
Net income from external customers	71 684 574	1 702 837	17 919 918	3 073 599	2 912 329	530 991	(90 305)	97 733 945
Segment profit before income tax	36 660 885	322 472	12 764 253	1 527 160	439 628	88 910	(704 096) </	

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NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

27 SEGMENT REPORTING (CONTINUED)
Operating segments reconciliations

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Net income				
Total net income for reportable segments	1 208 101 389	510 089 740	1 127 055 927	97 733 945
Total net income for non reportable segments	120 613 342	20 196 977	92 108 684	16 235 895
Elimination of intersegment revenue received				
- from the holding company	(242 245)	(258 977)	(130 878)	(46 454)
Intersegment eliminations	(57 947 237)	3 005 232	(28 187 502)	(11 367 219)
Group total net income	1 270 525 249	533 032 972	1 190 846 231	102 556 167
Group profit before tax				
Total profit before income tax for reportable segments	402 916 150	150 142 200	571 131 635	51 099 213
Intersegment eliminations	601 334	(36 430 649)	5 172 493	(3 237 919)
Profit before income tax	403 517 483	113 711 551	576 304 128	47 861 294
Group assets				
Total assets for reportable segments	3 469 051 477	1 594 583 490	3 457 809 657	330 006 514
Other group assets	250 799 111	203 378 812	165 202 866	25 505 135
Deferred tax asset allocated to the holding company	72 949	10 386 466	5 881 115	2 004 036
Intersegment eliminations	(326 031 627)	(214 852 631)	(239 486 006)	(27 709 353)
Group total assets	3 393 891 910	1 593 496 137	3 389 407 631	329 806 332
Group liabilities				
Total liabilities for reportable segments	2 792 023 325	1 309 212 385	2 784 294 047	270 060 194
Other group liabilities and elimination of intersegment payables	(104 009 747)	(8 798 693)	(102 295 459)	(3 545 985)
Group total liabilities	2 688 013 578	1 300 413 692	2 681 998 588	266 514 209

In the normal course of business, group companies trade with one another and the material intergroup transactions include:

- Underwriting of insurance risk by the insurance subsidiary;
- Reinsurance of the insurance subsidiary's insurance risk by the reinsurance subsidiary;
- Borrowings from the banking subsidiary by group companies and placement of funds and operating of current accounts; and
- Placement of funds with the Bank and the Building Society by Group companies.

These transactions result in income, expenses, assets and liabilities that are eliminated on consolidation.

28 FINANCIAL RISK MANAGEMENT

The Group has a defined risk appetite that is set by the Board and it outlines the amount of risk that business is prepared to take in pursuit of its objectives and it plays a pivotal role in the development of risk management plans and policies. The Group regularly reviews its policies and systems to reflect changes in markets, products, regulations and best market practice.

The policies specifically cover foreign exchange risk, liquidity risk, interest rate risk, credit risk and the general use of financial instruments. Group Risk and Compliance, Group Internal Audit review from time to time the integrity of the risk control systems in place and ensure that risk policies and strategies are effectively implemented within the Group.

The Group's risk management strategies and plans are aimed at achieving an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group's activities and operations results in exposure to the following risks:

- Credit risk
- Market risk
- Interest rate risk,
- Currency risk
- Price risk
- Liquidity risk
- Settlement risk
- Operational risk
- Capital risk
- Climate related risk
- Insurance risk

- Other risks:
- Reputational risk
 - Legal and Compliance risk
 - Strategic risk

The Group controls these risks by diversifying its exposures and activities among products, clients, and by limiting its positions in various instruments and investments.

28.1 Credit risk

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet their obligations as and when they fall due. Credit risk arises from lending, trading, insurance products and investment activities and products. Credit risk and exposure to loss are inherent parts of the Group's business.

The Group manages, limits and controls concentrations of credit risk in respect of individual counterparties and groups. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one counterparty or group of counterparties and to geographical and industry segments. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors of the subsidiary companies.

The Board Credit Committees of the Bank, Microplan and the Building Society periodically review and approve the Group's policies and procedures to define, measure and monitor the credit and settlement risks arising from the Group's lending and investment activities. Limits are established to control these risks. Any facility exceeding established limits of the subsidiary's Management Credit Committee must then be approved by the subsidiary Board Credit Committee.

The Group Credit Management Division evaluates the credit exposures and assures ongoing credit quality by reviewing individual credit and concentration and monitoring of corrective action.

The Group Credit Division periodically prepares detailed reports on the quality of the customers for review by the Board Loans Review Committees of the subsidiary companies and assess the adequacy of the impairment allowance. Any loan or portion thereof which is classified as a 'loss' is written off. To maintain an adequate allowance for credit losses, the Group generally provides for a loan or a portion thereof, when a loss is probable.

Credit policies, procedures and limits

The Group has sound and well-defined policies, procedures and limits which are reviewed at least once every year and approved by the Board of Directors of the subsidiary companies and strictly implemented by management. Credit risk limits include delegated approval and write-off limits to Credit Managers, Management, Board Credit Committees and the Board. In addition there are counterparty limits, individual account limits, group limits and concentration limits.

Credit risk mitigation and hedging

As part of the Group's credit risk mitigation and hedging strategy, various types of collateral is taken by the banking subsidiaries. These include mortgage bonds over residential, commercial and industrial properties, cession of book debts and the underlying moveable assets financed. In addition, a guarantee is often required particularly in support of a credit facility granted to counterparty. Generally, guarantor counterparties include parent companies and shareholders. Creditworthiness for the guarantor is established in line with the credit policy.

Credit risk stress testing

The Group recognises the possible events or future changes that could have a negative impact on the credit portfolios which could affect the Group's ability to generate more business. To mitigate this risk, the Group has put in place stress testing framework that guides the Group's banking subsidiaries in conducting credit stress tests.

Significant increase in credit risk

The Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on the lifetime rather than 12-month ECL.

Credit terms:
Default

This is failure by a borrower to comply with the terms and conditions of a loan facility as set out in the facility offer letter or loan contract. Default occurs when a debtor is either unwilling or unable to repay a loan.

Past due loans

These are loans in which the debtor is in default by exceeding the loan tenure or expiry date as expressly set out in the loan contract i.e. the debtor fails to repay the loan by a specific given date.

Impaired loans

The Group's policy regarding impaired/doubtful loans is that all loans where the degree of default becomes extensive such that the Group no longer has reasonable assurance of collection of the full outstanding amount of principal and interest; all such loans are classified in the categories 8, 9 and 10 under the Basel II ten tier grading system and stage 3 under IFRS 9 staging matrix.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

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Provisioning policy and write offs

The Group has adopted IFRS 9 to determine expected credit losses (ECL)

The table below shows the mapping of the RBZ Supervisory Rating Scale to the IFRS 9 staging matrix

Rating	Descriptive classification	Risk level	Level of allowance	2012 Grading and level of allowance	IFRS 9 grading/tier system	Type of allowance
1	Prime grade	Insignificant	1%			
2	Strong	Modest	1%	A (1%)	Stage 1	12 Months ECL
3	Satisfactory	Average	2%			
4	Moderate	Acceptable	3%			
5	Fair	Acceptable with care	4%			
6	Speculative	Management attention	5%	B (3%)	Stage 2	Lifetime ECL
7	Highly Speculative	Special mention	10%			
8	Substandard	Vulnerable	20%	C (20%)		
9	Doubtful	High default	50%	D (50%)	Stage 3	Lifetime ECL
10	Loss	Bankrupt	100%	E (100%)		

Expected Credit Losses (ECL)

In the context of IFRS 9 it is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract (scheduled or contractual cashflows) and the cash flows that the entity expects to receive (actual expected cashflows)

Expected Credit Losses are the product of Probability of Default(PD)*Exposure at Default (EAD)* Loss Given Default(LGD)

Probability of Default (PD)

It is the chance that borrowers will fail to meet their contractual obligations in the future. The PD is derived using historical internal credit rating data.

Exposure at Default (EAD)

It is the total value that a bank is exposed to at the time of a loan's default. In most cases and for most loan products, EAD is taken as the gross outstanding balance at time of default. It also includes off -balance sheet exposures such as guarantees and lending commitments which are then modelled based on historical experience to determine the appropriate exposure estimates.

Loss Given Default (LGD)

It is an estimate of the loss from a transaction given that a default has occurred. The LGD estimate is calculated as the quotient of the set of estimated cash flows resulting from the workout and/or collections process (the loss of principal, the carrying costs of non-performing loans e.g. interest income foregone and workout expenses). The estimates take into account the time value of money by discounting the recoveries to the date of default.

28.1.1 Exposure to credit risk
Loans and advances
Stage 3/Grade 8:
Stage 3/Grade 9:
Stage 3/Grade 10:
Gross amount
Allowance for impairment
Carrying amount
Stage 2/Grade 4 - 7:
Stage 1/Grade 1 - 3:
Gross amount
Allowance for impairment
Carrying amount
Total carrying amount

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Loans and advances				
Stage 3/Grade 8:	5 550 355	17 693 857	5 550 355	3 682 098
Stage 3/Grade 9:	12 571 718	218 678	12 571 718	45 507
Stage 3/Grade 10:	892 648	2 401 222	892 648	499 695
Gross amount	19 014 721	20 313 757	19 014 721	4 227 300
Allowance for impairment	(12 443 465)	(5 171 967)	(12 443 465)	(1 076 288)
Carrying amount	6 571 256	15 141 790	6 571 256	3 151 012
Stage 2/Grade 4 - 7:				
377 515 989	71 754 825	377 515 989	14 932 203	
Stage 1/Grade 1 - 3:				
1 249 306 802	650 036 177	1 249 303 585	135 272 079	
Gross amount	1 626 822 791	721 791 002	1 626 819 574	150 204 282
Allowance for impairment	(44 284 002)	(17 758 798)	(44 284 003)	(3 695 612)
Carrying amount	1 582 538 789	704 032 204	1 582 535 571	146 508 670
Total carrying amount	1 589 110 045	719 173 993	1 589 106 827	149 659 682

Loans and advances
Audited Inflation Adjusted

	31 Dec 2023				31 Dec 2022			
	ECL staging		ECL staging		ECL staging		ECL staging	
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Credit grade								
Investment grade	1 249 306 802	-	-	1 249 306 802	650 036 177	-	-	650 036 177
Standard monitoring	-	300 266 007	-	300 266 007	-	51 149 397	-	51 149 397
Special monitoring	-	77 249 982	-	77 249 982	-	20 605 428	-	20 605 428
Default	-	-	19 014 721	19 014 721	-	-	20 313 757	20 313 757
Gross loans and advances	1 249 306 802	377 515 989	19 014 721	1 645 837 512	650 036 177	71 754 825	20 313 757	742 104 759
Loss allowance	(18 889 296)	(25 594 706)	(12 443 465)	(56 927 468)	(14 574 292)	(3 184 507)	(5 171 967)	(22 930 766)
Net loans and advances	1 230 617 506	351 921 283	6 571 256	1 589 110 045	635 461 885	68 570 318	15 141 790	719 173 993
Analysis								
Gross amount								
Balance as at January	650 036 177	71 754 825	20 313 757	742 104 759	342 348 282	52 133 300	2 933 209	397 414 791
Effects of IAS29	(514 764 098)	(56 822 622)	(16 086 457)	(587 673 177)	(242 759 838)	(36 967 685)	(2 079 936)	(281 807 459)
Transfers	(6 354 506)	3 926 744	2 427 761	-	(1 059 946)	430 233	629 713	-
Stage 1	(6 942 472)	6 392 314	550 158	-	(1 527 090)	829 140	897 950	-
Stage 2	556 339	(2 574 392)	2 018 053	-	382 999	(405 733)	22 733	-
Stage 3	31 627	108 823	(140 450)	-	84 145	6 825	(80 970)	-
New issue	1 173 377 168	369 755 394	16 748 304	1 559 880 867	688 474 599	90 538 006	19 363 355	798 375 960
Repayments	(52 987 940)	(11 098 353)	(3 107 667)	(67 193 959)	(136 966 920)	(34 379 029)	(457 482)	(171 803 431)
Amounts written off during the year as uncollectible	-	-	(1 280 977)	(1 280 977)	-	-	(75 102)	(75 102)
Balance as at December	1 249 306 802	377 515 989	19 014 721	1 645 837 512	650 036 177	71 754 825	20 313 757	742 104 759
Impairment								
Balance as at January	14 574 292	3 184 507	5 171 967	22 930 766	4 186 457	2 473 031	2 008 190	8 667 678
Changes on initial application of IFRS 9	(11 541 377)	(2 521 810)	(4 095 679)	(18 158 866)	(2 988 614)	(1 753 624)	(1 424 006)	(6 146 244)
Effects of IAS29	(33 816)	66 412	(32 596)	-	16 764	(8 344)	(8 420)	-
Transfers	(65 203)	61 295	3 909	-	(5 391)	2 864	2 527	-
Stage 1	10 799	(32 248)	21 449	-	14 454	(15 419)	965	-
Stage 2	20 588	37 365	(57 953)	-	7 701	4 212	(11 913)	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	15 732 121	24 881 391	12 101 187	52 714 699	13 513 870	2 576 284	4 729 074	20 819 228
Interest in suspense (reclassification)	(57 549)	(23 827)	580 229	498 853	(54 593)	(27 209)	(53 564)	(135 367)
Amounts written off during the year as uncollectible	15 625	8 033	(1 281 642)	(1 257 984)</				

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Loans and advances

Credit grade	Unaudited Historical Cost							
	31 Dec 2023				31 Dec 2022			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Investment grade	1 249 303 585	-	-	1 249 303 585	135 272 079	-	-	135 272 079
Standard monitoring	-	300 266 007	-	300 266 007	-	10 644 207	-	10 644 207
Special monitoring	-	77 249 982	-	77 249 982	-	4 287 997	-	4 287 997
Default	-	-	19 014 721	19 014 721	-	-	4 227 300	4 227 300
Gross loans and advances	1 249 303 585	377 515 989	19 014 721	1 645 834 295	135 272 079	14 932 203	4 227 300	154 431 582
Loss allowance	(18 689 296)	(25 594 706)	(12 443 465)	(56 727 468)	(3 032 915)	(662 697)	(1 076 288)	(4 771 900)
Net loans and advances	1 230 614 289	351 921 283	6 571 256	1 589 106 827	132 239 164	14 269 506	3 151 012	149 659 682
Analysis								
Gross amount								
Balance as at January								
Effects of IAS 21								
Transfers	(6 354 506)	3 926 744	2 427 761		(220 575)	89 532	131 044	
Stage 1	(6 942 472)	6 392 314	550 158		(317 788)	172 544	145 244	
Stage 2	556 339	(2 574 392)	2 018 053		79 702	(84 433)	4 731	
Stage 3	31 627	108 823	(140 450)		17 511	1 420	(18 931)	
New issue	1 173 373 951	369 755 394	16 748 304	1 559 877 649	143 271 128	18 840 989	4 029 521	166 141 638
Repayments	(52 987 940)	(11 098 353)	(3 107 667)	(67 193 959)	(28 502 862)	(7 154 287)	(95 202)	(35 752 352)
Amounts written off during the year as uncollectible	-	-	(1 280 977)	(1 280 977)	-	-	(15 629)	(15 629)
Balance as at December	1 249 303 585	377 515 989	19 014 721	1 645 834 295	135 272 079	14 932 203	4 227 300	154 431 582
Impairment								
Balance as at January								
Changes on initial application of IFRS 9								
Transfers	(33 816)	66 412	(32 596)		3 489	(1 736)	(1 752)	
Stage 1	(65 203)	61 295	3 909		(1 122)	596	526	
Stage 2	10 799	(32 248)	21 449		3 008	(3 209)	201	
Stage 3	20 588	37 365	(57 953)		1 603	876	(2 479)	
Net change due to new issues and repayments	15 732 121	24 881 391	12 101 187	52 714 699	2 812 241	536 126	984 122	4 332 488
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	(57 549)	(23 827)	580 229	498 853	(11 361)	(5 662)	(11 147)	(28 170)
Amounts written off during the year as uncollectible	15 625	8 033	(1 281 642)	(1 257 984)	(24 887)	(15 739)	(16 504)	(57 130)
Balance as at December	18 689 296	25 594 706	12 443 465	56 727 468	3 032 915	662 697	1 076 288	4 771 900

28.1.2 Sectoral analysis of utilizations of loans and advances to customers

	Audited Inflation Adjusted				Unaudited Historical Cost			
	2023		2022		2023		2022	
	ZWL ('000)	%	ZWL ('000)	%	ZWL ('000)	%	ZWL ('000)	%
Mining	71 431 194	4%	103 145 995	14%	71 431 194	4%	21 464 716	14%
Manufacturing	204 035 371	12%	49 928 891	7%	204 035 371	12%	10 390 219	7%
Mortgage	83 124 677	5%	58 526 726	8%	83 124 677	5%	12 179 431	8%
Wholesale	189 319 268	12%	548 438	0%	189 319 268	12%	114 130	0%
Distribution	1 475 132	0%	59 887 407	8%	1 475 132	0%	12 462 590	8%
Individuals	194 853 104	12%	46 430 129	6%	194 853 104	12%	9 662 125	6%
Agriculture	118 454 755	7%	25 768 150	3%	118 454 755	7%	5 362 361	3%
Communication	3 324 740	0%	-	0%	3 324 740	0%	-	0%
Construction	82 406 714	5%	31 741 962	4%	82 406 714	5%	6 605 513	4%
Local authorities	151	0%	561 290	0%	151	0%	116 805	0%
Other services	697 412 405	42%	365 565 770	49%	697 409 188	43%	76 073 692	49%
Total	1 645 837 512	100%	742 104 759	100%	1 645 834 295	100%	154 431 582	100%

Reconciliation of allowance for impairment for loans and advances

	31 Dec 2023			31 Dec 2022		
	Specific allowance / Stage 3 ZWL ('000)	Collective allowance / Stage 1-2 ZWL ('000)	Total ZWL ('000)	Specific allowance / Stage 3 ZWL ('000)	Collective allowance / Stage 1-2 ZWL ('000)	Total ZWL ('000)
Audited Inflation Adjusted						
Balance at 1 January	5 171 967	17 758 799	22 930 766	2 008 190	6 659 488	8 667 678
Effects of IAS 29	(4 095 680)	(14 063 187)	(18 158 866)	(1 424 006)	(4 722 238)	(6 146 244)
Impairment loss allowance	12 648 820	40 564 732	53 213 552	4 667 090	16 016 771	20 683 861
Amounts written off during the year	(1 281 642)	23 658	(1 257 984)	(79 307)	(195 222)	(274 529)
Balance as at 31 December	12 443 465	44 284 002	56 727 468	5 171 967	17 758 799	22 930 766
Unaudited Historical Cost						
Balance at 1 January	1 076 288	3 695 612	4 771 900	121 569	403 142	524 711
Impairment loss allowance	12 648 820	40 564 732	53 213 552	971 223	3 333 095	4 304 318
Amounts written off during the year	(1 281 643)	23 658	(1 257 984)	(16 504)	(40 625)	(57 129)
Balance as at 31 December	12 443 465	44 284 002	56 727 468	1 076 288	3 695 612	4 771 900

We Are Investing In The Future For You, Because You Matter Most

Vision
"To nurture sustainable solutions that enable the financial well-being of the communities we serve."

Mission Statement
To deliver unique customer experience through value adding relationships, simplified processes and relevant technologies."

Customer Promise
"You Matter Most"


NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

28.1.3 Bonds and Debentures

Credit grade	Audited Inflation Adjusted							
	31 Dec 2023				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Investment grade	-	-	-	-	-	-	-	-
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross Bonds and Debentures								
Impairment loss allowance	-	-	-	-	-	-	-	-
Net Bonds and Debentures								
Analysis								
Gross amount								
Balance as at January								
Effects of IAS29	-	-	-	-	115 286	-	-	115 286
(81 750)	-	-	-	-	(81 750)	-	-	(81 750)
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
New issue	-	-	-	-	-	-	-	-
Repayments	-	-	-	-	(33 537)	-	-	(33 537)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December								
Impairment								
Balance as at January								
Effects of IAS29	-	-	-	-	648	-	-	648
(460)	-	-	-	-	(460)	-	-	(460)
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	-	-	-	-	(189)	-	-	(189)
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December								

Credit grade	Unaudited Historical Cost							
	31 Dec 2023				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Investment grade	-	-	-	-	-	-	-	-
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross Bonds and Debentures								
Impairment loss allowance	-	-	-	-	-	-	-	-
Net Bonds and Debentures								
Analysis								
Gross amount								
Balance as at January								
Effects of IAS29	-	-	-	-	6 979	-	-	6 979
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
New issue	-	-	-	-	-	-	-	-
Repayments	-	-	-	-	(6 979)	-	-	(6 979)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December								
Impairment								
Balance as at January								
Effects of IAS29	-	-	-	-	39	-	-	39
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	-	-	-	-	(39)	-	-	(39)
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December								

28.1.4 Financial assets at amortised cost

Credit grade	Audited Inflation Adjusted							
	31 Dec 2023				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)							

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)
 For the year ended 31 December 2023

	Unaudited Historical Cost				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Credit grade								
Investment grade	95 338 669	-	-	95 338 669	8 164 282	-	-	8 164 282
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets at amortised cost	95 338 669	-	-	95 338 669	8 164 282	-	-	8 164 282
Impairment loss allowance	(466 850)	-	-	(466 850)	(85 465)	-	-	(85 465)
Net financial asset at amortised cost	94 871 819	-	-	94 871 819	8 078 817	-	-	8 078 817
Analysis								
Gross amount								
Balance as at January	8 164 282	-	-	8 164 282	1 980 726	-	-	1 980 726
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
New issue	89 686 204	-	-	89 686 204	9 024 947	-	-	9 024 947
Repayments	(2 511 817)	-	-	(2 511 817)	(2 841 391)	-	-	(2 841 391)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December	95 338 669	-	-	95 338 669	8 164 282	-	-	8 164 282
Impairment								
Balance as at January	85 465	-	-	85 465	11 002	-	-	11 002
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	317 829	-	-	317 829	72 365	-	-	72 365
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	63 556	-	-	63 556	2 098	-	-	2 098
Balance as at December	466 850	-	-	466 850	85 465	-	-	85 465

28.1.5 Credit exposure on undrawn loan commitments and guarantees

	Audited Inflation Adjusted				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Credit grade								
Investment grade	99 183 946	-	-	99 183 946	63 781 692	-	-	63 781 692
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross undrawn loan commitments and guarantees	99 183 946	-	-	99 183 946	63 781 692	-	-	63 781 692
Loss allowance	(665 877)	-	-	(665 877)	(874 074)	-	-	(874 074)
Net undrawn loan commitments and guarantees	98 518 069	-	-	98 518 069	62 907 618	-	-	62 907 618
Analysis								
Gross amount								
Balance as at January	63 781 692	-	-	63 781 692	75 579 638	-	-	75 579 638
Effects of IAS29	(50 508 700)	-	-	(50 508 700)	(53 593 466)	-	-	(53 593 466)
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
New issue	115 476 185	-	-	115 476 185	771 521 184	-	-	771 521 184
Repayments	(29 565 229)	-	-	(29 565 229)	(729 725 664)	-	-	(729 725 664)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December	99 183 946	-	-	99 183 946	63 781 692	-	-	63 781 692
Impairment								
Balance as at January	874 074	-	-	874 074	152 019	-	-	152 019
Effects of IAS29	(692 179)	-	-	(692 179)	(107 796)	-	-	(107 796)
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	483 982	-	-	483 982	829 851	-	-	829 851
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December	665 877	-	-	665 877	874 074	-	-	874 074

	Unaudited Historical Cost				31 Dec 2022 Restated**			
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
Credit grade								
Investment grade	99 183 946	-	-	99 183 946	13 272 991	-	-	13 272 991
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross undrawn loan commitments and guarantees	99 183 946	-	-	99 183 946	13 272 991	-	-	13 272 991
Loss allowance	(665 877)	-	-	(665 877)	(181 895)	-	-	(181 895)
Net undrawn loan commitments and guarantees	98 518 069	-	-	98 518 069	13 091 096	-	-	13 091 096
Analysis								
Gross amount								
Balance as at January	13 272 991	-	-	13 272 991	4 575 330	-	-	4 575 330
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
New issue	115 476 184	-	-	115 476 184	160 553 817	-	-	160 553 817
Repayments	(29 565 229)	-	-	(29 565 229)	(151 856 156)	-	-	(151 856 156)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December	99 183 946	-	-	99 183 946	13 272 991	-	-	13 272 991
Impairment								
Balance as at January	181 895	-	-	181 895	9 203	-	-	9 203
Transfers	-	-	-	-	-	-	-	-
Stage 1	-	-	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	483 982	-	-	483 982	172 692	-	-	172 692
Interest in suspense (reclassification)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at December	665 877	-	-	665 877	181 895	-	-	181 895

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)
 For the year ended 31 December 2023

28.1.6 Trade and other receivables
Past due and impaired
 Allowance for impairment

Carrying amount

 Past due but not impaired
 Neither past due nor impaired

Gross amount, not impaired
 Allowance for impairment

Carrying amount, not impaired
Total carrying amount

	Audited Inflation Adjusted		Unaudited Historical Cost	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Past due and impaired				
Allowance for impairment	-	-	-	-
Carrying amount				
Past due but not impaired	-	126 127	-	26 247
Neither past due nor impaired	734 934	3 892 107	734 934	809 949
Gross amount, not impaired	734 934	4 018 234	734 934	836 196
Allowance for impairment	-	-	-	-
Carrying amount, not impaired	734 934	4 018 234	734 934	836 196
Total carrying amount	734 934	4 018 234	734 934	836 196

28.2 Liquidity risk

Liquidity risk is the risk of not being able to generate sufficient cash to meet financial commitments, to extend credit, meet deposit maturities, settle claims and other unexpected demands for cash. Liquidity risk arises when assets and liabilities have differing maturities.

Management of liquidity risk

The Group does not manage liquidity risk in isolation as it is often triggered by consequences of other financial risks such as credit risk and market risk. The Group's liquidity risk management framework is therefore designed to ensure that its subsidiaries have adequate liquidity to withstand any stressed conditions. To achieve this objective, the Board of Directors of the Company, through the Board Asset Liability Committees of the Bank, Microplan and the Building Society and Board Risk and Compliance Committees, is ultimately responsible for liquidity risk management. The responsibility for managing the daily funding requirements is delegated to the Heads of Treasury Divisions for the banking entities and the Finance Directors for non-banking entities with independent day to day monitoring being provided by Group Risk Management.

Liquidity and funding management

The Group's management of liquidity and funding is decentralised and each entity is required to fully adopt the liquidity policy approved by the Board with independent monitoring being provided by the Group Risk Management Division. The Group uses concentration risk limits to ensure that funding diversification is maintained across products, counterparties, and sectors. Major sources of funding are in the form of deposits across a spectrum of retail and wholesale clients for banking subsidiaries.

Cash flow and maturity profile analysis

The Group uses the cash flow and maturity mismatch analysis on both contractual and behavioural basis to assess the banking units' abilities to meet immediate liquidity requirements and plan for their medium to long term liquidity profile.

Liquidity contingency plans

In line with the Group's liquidity management policy, liquidity contingency plans are in place for the subsidiaries in order to ensure a positive outcome in the event of a liquidity crisis. The plans clearly outline early warning indicators which are supported by clear and decisive crisis response strategies. The crisis response strategies are created around the relevant crisis management structures and address both specific and market crises.

Liquidity stress testing

It is the Group's policy that each entity conducts stress tests on a regular basis to ensure that they have adequate liquidity to withstand stressed conditions. In this regard, anticipated on- and off-balance sheet cash flows are subjected to a variety of specific and systemic stress scenarios during the period in an effort to evaluate the impact of unlikely events on liquidity positions.

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Audited Inflation Adjusted
Contractual maturity analysis on balance sheet items as at 31 December 2023

	Up to 3 months	3 months to 1 year	Over 1 to 20 years	Total
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Liabilities				
Deposits from customers	976 510 421	40 891 792	187 659	1 017 589 872
Deposits from other banks	92 650 590	847 274	16 208 954	109 706 818
Borrowings	102 197 073	74 110 106	560 326 246	736 633 425
Insurance liabilities	82 529 332	-	-	82 529 332
Trade and other liabilities excluding deferred income	81 228 548	334 921 768	197 430 447	613 580 763
Total liabilities - (contractual maturity)	1 335 115 964	450 770 940	774 153 306	2 560 040 210
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	680 885 831	121 169 120	-	802 054 951
Financial assets at amortised cost	36 946 064	59 104 148	7 505	96 057 717
Loans and advances to customers	510 972 655	290 667 506	847 217 012	1 648 857 173
Insurance assets	9 958 460	19 916 921	9 958 460	39 833 841
Trade and other receivables	730 227	-	4 706	734 934
Financial assets at fair value through profit or loss	76 954 767	-	45 208 421	122 163 188
Financial assets at fair value through -other comprehensive income	1 206 639	-	-	1 206 639
Other assets excluding time share assets, deferred acquisition -costs, stationary and prepayments, work in progress	125 567 482	782 469	11 150 334	137 500 285
Liquidity gap	108 106 160	40 869 224	139 393 131	288 368 515
Cumulative liquidity gap - on balance sheet	108 106 160	148 975 384	288 368 515	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	79 763 907	-	79 763 907
Commitments to lend	19 159 455	-	-	19 159 455
Total liabilities	19 159 455			

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Audited Inflation Adjusted

Contractual maturity analysis on balance sheet items as at 31 December 2022	Up to 3 months ZWL ('000)	3 months to 1 year ZWL ('000)	Over 1 year ZWL ('000)	Total ZWL ('000)
Restated**				
Liabilities				
Deposits from customers	519 284 749	12 093 095	-	531 377 844
Deposits from other banks	64 545 902	275 062	59 587	64 880 551
Borrowings	376 428	45 137 161	344 793 927	390 307 516
Insurance liabilities	26 281 265	-	-	26 281 265
Trade and other liabilities excluding deferred income	265 576 260	16 948 712	9 822 493	292 347 466
Total liabilities - (contractual maturity)	876 064 604	74 454 030	354 676 007	1 305 194 642
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	351 030 570	51 671 426	-	402 701 996
Financial assets at amortised cost	33 606 766	12 915 040	586 913	47 108 719
Loans and advances to customers	77 827 020	613 742 815	3 392 708 080	4 084 277 915
Bonds and debentures	-	-	-	-
Insurance assets	2 306 266	4 612 532	2 306 266	9 225 064
Trade and other receivables	1 004 558	2 009 117	1 004 558	4 018 233
Financial assets at fair value through profit or loss	59 180 706	-	10 975 049	70 155 755
Financial assets at fair value through other -comprehensive income	1 018 865	-	-	1 018 865
Other assets excluding time share assets, -deferred acquisition costs, stationary and prepayments	63 867 097	1 863 197	13 419 627	79 149 921
	589 841 848	686 814 127	3 421 000 493	4 697 656 468
Liquidity gap	(286 222 756)	612 360 097	3 066 324 486	3 392 461 827
Cumulative liquidity gap - on balance sheet	(286 222 756)	326 137 341	3 392 461 827	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	36 162 935	-	36 162 935
Commitments to lend	27 616 745	-	-	27 616 745
Total liabilities	27 616 745	36 162 935	-	63 779 680
Liquidity gap	(27 616 745)	(36 162 935)	-	3 328 682 147
Cumulative liquidity gap - on and off balance sheet	(313 839 501)	262 357 661	3 328 682 147	-
Unaudited Historical Cost				
Contractual maturity analysis on balance sheet items as at 31 December 2023				
Liabilities				
Deposits from customers	976 510 421	40 891 792	187 659	1 017 589 872
Deposits from other banks	92 650 590	847 274	16 208 954	109 706 818
Borrowings	102 197 073	74 110 106	560 326 247	736 633 426
Insurance liabilities	82 529 332	-	-	82 529 332
Trade and other liabilities excluding deferred income	77 122 960	334 921 768	197 430 446	609 475 174
Total liabilities - (contractual maturity)	1 331 010 376	450 770 940	774 153 306	2 555 934 622
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	680 885 831	121 169 120	-	802 054 951
Financial assets at amortised cost	36 946 064	59 104 148	7 505	96 057 717
Loans and advances to customers	510 969 438	290 667 506	847 217 012	1 648 853 956
Bonds and debentures	-	-	-	-
Insurance assets	9 958 460	19 916 921	9 958 460	39 833 841
Trade and other receivables	730 227	-	4 707	734 934
Financial assets at fair value through profit or loss	78 974 456	-	45 208 422	124 182 878
Financial assets at fair value through other -other comprehensive income	1 206 639	-	-	1 206 639
Other assets excluding time share assets, deferred acquisition -costs, stationary and prepayments, work in progress	126 913 844	782 467	11 150 332	138 846 643
	1 446 584 959	491 640 162	913 546 438	2 851 771 559
Liquidity gap	115 574 583	40 869 222	139 393 131	295 836 936
Cumulative liquidity gap - on balance sheet	115 574 583	156 443 805	295 836 936	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	79 763 907	-	79 763 907
Commitments to lend	19 159 455	-	-	19 159 455
Total liabilities	19 159 455	79 763 907	-	98 923 362
Liquidity gap	(19 159 455)	(79 763 907)	-	196 913 575
Cumulative liquidity gap - on and off balance sheet	96 415 128	57 520 444	196 913 575	-
Contractual maturity analysis on balance sheet items as at 31 December 2022 Restated**				
Liabilities				
Deposits from customers	108 063 330	2 516 577	-	110 579 907
Deposits from other banks	13 432 024	57 240	12 400	13 501 664
Borrowings	78 335	9 393 058	71 751 732	81 223 125
Insurance liabilities	4 524 170	-	-	4 524 170
Trade and other liabilities excluding deferred income	53 573 794	3 527 034	2 044 064	59 144 892
Total liabilities - (contractual maturity)	179 671 653	15 493 909	73 808 196	268 973 758
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	73 049 579	10 752 841	-	83 802 420
Financial assets at amortised cost	6 993 579	2 687 624	122 137	9 803 340
Loans and advances to customers	16 195 162	127 720 085	706 023 687	849 938 934
Bonds and debentures	-	-	-	-
Insurance assets	479 935	959 869	479 935	1 919 739
Trade and other receivables	209 049	418 098	209 049	836 196
Financial assets at fair value through profit or loss	12 703 252	-	2 283 911	14 987 163
Financial assets at fair value through other -comprehensive income	212 026	-	-	212 026
Other assets excluding time share assets, -deferred acquisition costs, stationary and prepayments	13 532 688	387 733	2 792 629	16 713 050
	123 375 270	142 926 250	711 911 348	978 212 868
Liquidity gap	(56 296 383)	127 432 341	638 103 152	709 239 110
Cumulative liquidity gap - on balance sheet	(56 296 383)	71 135 958	709 239 110	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	7 525 519	-	7 525 519
Commitments to lend	5 747 054	-	-	5 747 054
Total liabilities	5 747 054	7 525 519	-	13 272 573
Liquidity gap	(5 747 054)	(7 525 519)	-	695 966 538
Cumulative liquidity gap - on and off balance sheet	(62 043 437)	57 863 385	695 966 538	-

The Group determines ideal weights for maturity buckets which are used to benchmark the actual maturity profile. Maturity mismatches across the time buckets are managed through the tenor of new advances and the profile of time deposits.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

28.3 Market risk

Market risk is the risk of financial loss from on and off balance sheet positions arising from adverse movements in market prices such as interest rates, foreign exchange rates and equity prices.

The market risk for the trading portfolio is managed and monitored based on a collection of risk management methodologies to assess market risk including Value-at-Risk ("VaR") methodology that reflects the interdependency between risk variables, stress testing, loss triggers and traditional risk management measures. Non-trading positions are managed and monitored using other sensitivity analysis.

28.3.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate risk profile is assessed regularly based on the fundamental trends in interest rates, economic developments and technical analysis. The Group's policy is to monitor positions on a daily basis to ensure positions are maintained within the established limits.

Interest rate risk exposure stems from assets and liabilities maturing or being repriced at different times. For example:
i) Liabilities may mature before assets, necessitating the rollover of such liabilities until sufficient quantity of assets mature to repay the liabilities. The risk lies in that interest rates may rise and that expensive funds may have to be used to fund assets that are yielding lower returns.

ii) Assets may mature before liabilities do, in which case they have to be reinvested until they are needed to repay the liabilities. If interest rates fall the re-investment may be made at rates below those being paid on the liabilities waiting to be retired.

This risk is managed by ALCO through the analysis of interest rate sensitive assets and liabilities, using tools such as Value at Risk ("VaR"), Scenario Analysis and Gap Analysis.

Scenario analysis of net interest income

The Group's trading book is affected by interest rate movements. The desired interest rate risk profile is achieved through effective management of the statement of financial position composition. When analyzing the impact of a shift in the yield curve on the Group's interest income, the Group recognizes that the sensitivity of changes in the interest rate environment varies by asset and liability class. Scenarios are defined by the magnitude of the yield curve shift assumed. Analysis of the various scenarios is then conducted to give an appreciation of the distribution of future net interest income and economic value of equity as well as their respective expected values.

28.3.2 Currency risk

The Group is a diversified local Company and its major trading and reporting currency is the ZWL.

The Group is exposed to various currency exposures primarily with respect to the South African rand, Botswana pula, British pound, United States Dollar and the Euro, mainly due to the cash holding and switch transactions in the banking subsidiary.

Foreign exchange risks arise from future commercial transactions and recognised assets and liabilities. This is the risk from movement in the relative rates of exchange between currencies. The risk is controlled through control of open position as per ALCO directives, Reserve Bank of Zimbabwe requirements and analysis of the market. The Group manages this risk through monitoring long and short positions and assessing the likely impact of forecasted movements in exchange rates on the Group's profitability.

28.3.3 Equity Price risk

The Group is exposed to equity price risk because of investments held by the Group and classified on the consolidated statement of financial position at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

28.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counterparty to honour their obligation to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that trades are settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval / limit monitoring process.

28.5 Operating risk

Operational risk is the risk of loss arising from the potential inadequate information systems, technological failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems that may result in unexpected losses. Operational risk exists in all products and business activities.

Group's approach to managing operational risk

The Group's approach is that business activities are undertaken in accordance with fundamental control principles of operational risk identification, clear documentation of control procedures, segregation of duties, authorisation, close monitoring of risk limits, monitoring of assets use, reconciliation of transactions and compliance.

Operational risk framework and governance

The Board has ultimate responsibility for ensuring effective management of operational risk. This function is implemented through the Board Risk and Compliance Committee at Group level which meets on a quarterly basis to review all major risks including operational risks. This Committee serves as the oversight body in the application of the Group's operational risk management framework, including business continuity management. Subsidiaries have board committees responsible for ensuring robust operational risk management frameworks. Other Group management committees which report to Group Executive Committee include the Group New Product Committee, Group IT Steering Committee and Group Business Continuity Committee.

The management and measurement of operational risk

The Group identifies and assesses operational risk inherent in all material products, activities, processes and systems. It ensures that before new products, activities, processes and systems are introduced or undertaken, the operational risk inherent in them is subjected to adequate assessment by the appropriate risk committees which include the Group Risk and Compliance Committee and Group New Product Committee.

The Group conducts Operational Risk Assessments in line with the Group's risk strategy. These assessments cover causes and events that have, or might result in losses, as well as monitor overall effectiveness of controls and whether prescribed controls are being followed or need correction. Key Risk Indicators ("KRIs") which are statistical data relating to a business or operations unit are monitored on an ongoing basis. The Group also maintains a record of loss events that occur in the Group in line with Basel II requirements. These are used to measure the Group's exposure to the respective losses. Risk limits are used to measure and monitor the Group's operational risk exposures. These include branch cash holding limits, teller transaction limits, transfer limits and write off limits which are approved by management and the Board. In addition, the Group also uses risk mitigation mechanisms such as insurance programmes to transfer risks. The Group maintains adequate insurance to cover key operational and other risks.

Business continuity management

To ensure that the essential functions of the Group are able to continue in the event of adverse circumstances, the Group Business Continuity Plan is reviewed annually and approved by the Board. The Group Business Continuity Committee is responsible for ensuring that all subsidiary companies conduct tests each year in line with the Group policy. The Group successfully conducted its business continuity tests and all processes were well documented. All structures, processes and systems of the banking subsidiaries have been aligned to Basel II requirements. The Group also adopted in full the Risk Management Guidelines which were issued by the Reserve Bank of Zimbabwe as part of the Basel II implementation for the banking subsidiaries.

28.6 Capital risk
28.6.1 Regulatory Capital and Financial Risk Management

Regulatory capital refers to the risk of the Group's own capital resources being adversely affected by unfavourable external developments.

The Group's objective when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the Group's subsidiaries;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its businesses.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe (the "RBZ"), for supervisory purposes for the banking subsidiaries. The required information is filed with the RBZ on a quarterly basis.

It is the intention of the Group to maintain a ratio of total regulatory capital to its risk-weighted assets (the "Capital Adequacy Ratio") above the minimum level set by the Reserve Bank of Zimbabwe which takes into account the risk profile of the Group.

The regulatory capital requirements are strictly observed when managing economic capital. The banking subsidiaries' regulatory capital is analysed into three tiers;

- Tier 1 capital, which includes ordinary share capital and premium, retained profits, non distributable reserves and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes qualifying subordinated liabilities, revaluation reserve, collective impairment allowances and the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale.
- Tier 3 capital or market and operational risk capital includes market risk capital and operational risk capital. Operational risk includes legal risk. Market risk capital is allocated to the risk of losses in the on and off balance sheet position arising from movements in market prices.

Various limits are applied to elements of the capital base. The amount of capital qualifying for tier 2 capital cannot exceed tier 1 capital and the qualifying term subordinated loan capital may not exceed 50 percent of tier 1 capital. There are also restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consolidation, investment in the capital of other banks and certain other regulatory items.

The Group's operations are categorised as either banking or trading book, and risk weighted assets are determined according to specified requirements that seek to reflect the varying levels or risk attached to assets and off balance sheet exposures.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Overall, the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have always complied with all externally imposed capital requirements throughout the period.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

The Securities Commission of Zimbabwe ("SECZ") sets and monitors capital requirements for the stockbroking subsidiary and the Insurance and Pensions Commission ("IPEC") sets and monitors capital requirements for the insurance subsidiaries.

Company As at 31 December 2023	Regulatory Authority	Minimum capital required US\$	Minimum capital required ZWL ('000)	Net Regulatory Capital ZWL ('000)	Total Equity ZWL ('000)
FBC Bank Limited	RBZ	30 000 000	183 141 600	306 191 310	443 231 132
FBC Building Society	RBZ	20 000 000	122 094 400	156 546 871	188 754 961
FBC Reinsurance Limited	IPEC		150 000	19 255 957	19 255 957
FBC Securities (Private) Limited	SECZ		150	2 170 713	2 170 713
FBC Insurance Company (Private) Limited	IPEC		37 500	15 035 179	15 035 179
Microplan Financial Services (Private) Limited	RBZ	25 000	152 618	8 206 377	8 206 377

Company As at 31 December 2022	Regulatory Authority	Minimum capital required US\$	Minimum capital required ZWL ('000)	Net Regulatory Capital ZWL ('000)	Total Equity ZWL ('000)
FBC Bank Limited	RBZ	30 000 000	20 530 170	25 030 758	36 988 394
FBC Building Society	RBZ	20 000 000	13 686 780	15 197 289	18 941 630
FBC Reinsurance Limited	IPEC		150 000	3 343 774	3 343 774
FBC Securities (Private) Limited	SECZ		150	181 864	181 864
FBC Insurance Company (Private) Limited	IPEC		37 500	2 238 050	2 238 050
Microplan Financial Services (Private) Limited	RBZ	25 000	17 108	496 478	496 478

28.7 Climate related risk

Climate-related risks are potential negative impacts on the Group arising from climate change. Climate-related risks have an impact on the principal risk categories discussed above (i.e. credit, liquidity, market and operational risks), but due to their pervasive nature have been identified and managed by the Group on an overall basis.

The Group distinguishes between physical risks and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels. Transition risks arise as a result of measures taken to mitigate the effects of climate change and transition to a low-carbon economy – e.g. changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand.

The Group has set up a Committee, which is responsible for developing group-wide policies, processes and controls to incorporate climate risks in the management of principal risk categories.

The Group has developed a climate risk framework for:

- identifying risk factors and assessing their potential impact on the Group's financial statements; and
- allocating responsibilities for managing each identified risk factor.

The Group has also set out principles on how to incorporate climate-related risk into stress test scenarios.

28.8 Reputational risk

Reputational risk refers to the risk of damage to the Group's image, which may affect its ability to retain and generate business. The Group manages reputational risk by ensuring that business is conducted in accordance with the legal and regulatory requirements. In addition, the Group's corporate governance structure conforms to international standards. The Group also has systems in place to monitor customer service satisfaction levels as well as processes to resolve customer queries and complaints.

28.9 Legal and compliance risk

Legal and compliance risk is the risk that arises due to the Group's failure to adhere to legal and regulatory obligations. The Group manages this risk through dedicated Legal and Compliance units, and deliberations by its Board Risk and Compliance Committee.

28.10 Strategic risk

Strategic risk refers to the potential for opportunity loss arising from failure to optimise the earnings potential of the Group. The Board approves the Group's strategy as formulated by top management, while the Chief Executive Officer has the overall responsibility of strategy implementation. The Board conducts a quarterly review of the strategy's performance and its continued applicability.

28.11 Insurance Risk

Insurance and reinsurance contracts expose the Group to underwriting risk, which comprises insurance risk, policyholder behaviour risk and expense risk. In addition, the Group is exposed to financial and operational risks from insurance and reinsurance contracts.

The risk under an 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 Group 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 Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

NOTES TO THE CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

28.11.1 Concentration of insurance risk

With the insurance process, concentration of risk may arise where a particular event or series of events could impact heavily upon the Group's liabilities. Such concentration may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise.

Property is subject to a number of risks, including theft, fire, business interruption and weather. For property business there is risk that external factors such as adverse weather conditions may adversely impact upon a large proportion of a particular geographical portion of the property risks. Claim inducing perils such as storms, floods, subsidence, fires, explosions, and rising crime levels will occur on a regional basis, meaning that the Group has to manage its geographical risk dispersion very carefully.

For motor business the main risks relates mainly to losses arising from theft, fire, third party losses and accident. Claims including perils such as increase in crime levels, adverse weather and bad road networks will occur meaning that the Group has to ensure that all products are adequately priced and that salvage recovery is pursued in order to mitigate losses.

28.11.2 Claims development

The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the contract term, subject to pre-determined time scales dependent on the nature of the insurance contract. The Group takes all reasonable steps to ensure that they have appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The claims liability comprises a provision for outstanding claims and a provision for claims incurred but not yet reported ("IBNR") at statement of financial position date.

In calculating the estimated cost of outstanding claims, the Group uses the estimates determined by external assessors who would have calculated the total estimated cost of the claim. The Group provides for IBNR at 15% (2022 - 15%) of net premium written for the reinsurance subsidiary and 5% (2022 - 5%) of net premium written for the short term insurance subsidiary based on past experience.

28.11.3 Management of risk relating to changes in underwriting variables

Profit or loss and equity are sensitive to changes in variables that have a material effect on them. These variables are mainly significant classes of transactions and their corresponding balances. These variables are gross premium written, commissions, IBNR and outstanding claims. The Group has put in place procedures to identify and control the impact of these variables on the profit or loss and equity through financial analysis which entails scrutiny of key performance indicators (includes ratio analysis) on a regular basis. The results of the financial information are taken into account when budgets are made and when pricing decisions for different types of policies is done to ensure that the companies are adequately pricing their insurance products to avoid future losses.

29 Statement of Compliance

The Group complies with the following statutes inter alia:-
The Banking Act (Chapter 24:20) and Banking Regulations, Statutory Instrument 205 of 2000; Bank Use Promotion & Suppression of Money Laundering (Chapter 24:24); Exchange Control Act (Chapter 22:05); the National Payments Systems Act (Chapter 24:23); Insurance Act (Chapter 24:07) and the Companies and Other Business Entities Act (Chapter 24:31). In addition, the Group also complies with the Reserve Bank of Zimbabwe and Insurance and Pensions Commission's directives on liquidity management, capital adequacy as well as prudential lending guidelines.

30 INTERNATIONAL CREDIT RATINGS

The Group suspended the credit ratings on some of its banking and insurance subsidiaries which have in the past reviewed annually by an international credit rating agency, Global Credit Rating due to the Covid-19 pandemic. The rating for the units with ratings that have been suspended was last done in 2019 save for FBC Building Society which resumed its ratings in 2023.

The last ratings for those units with suspended ratings and the ratings for those still being rated are as follows:

Subsidiary	2023	2022	2021	2019	2018	2017	2016
FBC Bank Limited	A-	A-	A-	BBB+	BBB+	BBB+	A-
FBC Reinsurance Limited	A-						
FBC Building Society	BB+	-	-	BBB-	BBB-	BBB-	BBB-
FBC Insurance Company Limited	-	-	-	A-	A-	A-	A-
Microplan Financial Services (Private) Limited	-	-	-	BBB	BBB	BBB-	BBB-

31 SUBSEQUENT EVENTS
31.1 Dividend Declared

Notice is hereby given that a final dividend of US 0.45 cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 28 March 2024 in respect of the year ended 31 December 2023. The dividend is payable to Shareholders registered in the books of Company at the close of business on Friday 19 April 2024. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 15 April 2024 and ex-dividend as from 16 April 2024. Dividend payment will be made to Shareholders on or about 29 April 2024.

31.2 Proposed acquisition

The Group is in the process of acquiring all of the issued ordinary shares of Standard Chartered Bank Zimbabwe Limited and the entire beneficial interest in the Africa Enterprise Network Trust for a cash consideration. Completion of the transaction is subject to fulfilment of certain conditions precedent. As at the 31st of December 2023 some of these conditions had not yet been fulfilled and as a result the transaction is not yet completed.

35 CORPORATE GOVERNANCE

The Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various subcommittees.

The Board is responsible to the shareholders for setting the direction of the Group through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability.

The Board meets regularly, with a minimum of four scheduled meetings annually. To assist the Board in the discharge of its responsibilities a number of committees have been established, of which the following are the most significant: (i) Board Audit Committee, (ii) Board Human Resources and Remuneration Committee, (iii) Board Finance and Strategy Committee (iv) Board Risk and Compliance Committee (v) Board Marketing and Public Relations Committee (vi) Board Digitalization and Innovations.

Board Attendance

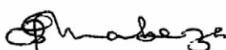
Board member	Main Board				Board Audit				Board HR				Board Finance & Strategy				Board Risk & Compliance				Board Marketing and PR				Board Digitalisation and Innovations				Board Corporate Governance, Nominations and Sustainability			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Herbert Nkala	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓
Chipo Mtasa	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓
John Mushayavanhu	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Kleto Chiketsani	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Aeneas Chuma	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gary Collins	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	X	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Franklin Kennedy	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trynos Kufazvinei	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
David Makwara	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Canada Malunga	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Charles Msipa	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	X	✓
Rutenhuro Moyo	✓	✓	✓	✓	✓	X	✓	✓	N/A	N/A	N/A	N/A	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sifiso Ndllovu	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vimbai Nyemba	✓	✓	✓	X	N/A	N/A	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	✓	X	✓	N/A	N/A	N/A	N/A	✓	✓	✓	X
Webster Rusere	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Key
 ✓ - Attended
 X - Apologies
 N/A - not applicable

Q1 - Quarter 1
 Q2 - Quarter 2

Q3 - Quarter 3
 Q4 - Quarter 4

* Executive Director
 ** Independent Non Executive Director
 *** Non-Independent Non-Executive Director

By order of the Board


Tichaona K. Mabeza
 GROUP COMPANY SECRETARY

30 March 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

Note	Audited Inflation Adjusted		Unaudited Historical Cost*		
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	
ASSETS					
Balances with banks and cash	1	767 477 294	389 554 883	767 477 294	81 066 502
Financial assets at fair value through profit or loss	2	45 208 420	10 975 048	45 208 421	2 283 911
Financial assets at amortised cost	3.2	60 963 042	5 066 316	60 963 042	1 054 302
Loans and advances to customers	4	1 411 893 476	661 967 236	1 411 893 476	137 755 605
Amounts due from group companies	6	32 009 164	26 055 657	32 009 164	5 422 191
Prepayments and other assets	7	188 648 836	113 372 583	184 750 203	23 380 762
Investment property	8	94 530 655	40 837 432	94 530 655	8 498 284
Intangible assets	10	2 164 154	1 943 052	150 972	60 212
Right of use asset	11.1	1 631 128	1 667 032	66 170	88 226
Property and equipment	9	160 328 619	59 493 115	160 328 619	12 380 537
Total assets		2 764 854 788	1 310 932 354	2 757 378 016	271 990 532
EQUITY AND LIABILITIES					
Liabilities					
Deposits from customers	12	936 172 072	511 331 595	936 172 072	106 408 276
Deposits from other financial institutions	12.1	195 979 118	69 811 982	195 979 118	14 527 897
Lines of credit	12.2	657 188 455	296 158 047	657 188 455	61 630 589
Current tax liability		5 494 277	358 444	5 494 277	74 592
Deferred tax liability		108 227 638	43 874 838	105 304 853	8 130 586
Lease liability	11.2	353 086	560 653	353 086	116 672
Trade and other payables	13	418 366 522	214 710 994	413 655 025	44 113 527
Total liabilities		2 321 781 168	1 136 806 553	2 314 146 886	235 002 139
Equity					
Share capital		18 977 274	18 977 274	18 502	18 502
Share premium		13 536 477	13 536 477	13 198	13 198
Retained earnings		307 561 766	113 052 230	320 397 247	28 104 167
Other reserves		102 998 103	28 559 820	122 802 183	8 852 526
Total equity		443 073 620	174 125 801	443 231 130	36 988 393
Total equity and liabilities		2 764 854 788	1 310 932 354	2 757 378 016	271 990 532

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

Note	Audited Inflation Adjusted		Unaudited Historical Cost*		
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	
Interest income calculated using the effective interest method	15	300 024 828	182 328 184	182 209 041	28 757 074
Interest and similar expenses	16	(115 435 906)	(46 369 994)	(71 835 147)	(7 808 962)
Net interest related income		184 588 922	135 958 190	110 373 894	20 948 112
Fee and commission income	17	204 610 150	72 592 860	126 193 135	10 904 551
Revenue		389 199 072	208 551 050	236 567 029	31 852 663
Dealing and trading income	19	480 149 499	162 403 353	466 052 782	32 949 303
Other operating income	18	46 609 584	17 979 429	80 195 970	6 934 483
Total other income		526 759 083	180 382 782	546 248 752	39 883 786
Total net income		915 958 155	388 933 832	782 815 781	71 736 449
Credit impairment losses on financial assets	5	(49 914 911)	(20 805 601)	(49 914 911)	(4 329 654)
Monetary gain/(loss)		5 913 101	(41 174 175)	-	-
Administrative expenses	20	(573 442 122)	(206 872 488)	(335 708 574)	(30 745 911)
Profit before income tax		298 514 223	120 081 568	397 192 296	36 660 884
Income tax expense		(66 410 526)	(47 761 762)	(87 852 581)	(8 854 867)
Profit for the period		232 103 697	72 319 806	309 339 715	27 806 017
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on property revaluation		97 481 558	16 366 160	146 507 487	9 112 029
Tax relating to other comprehensive income		(21 090 182)	(3 395 078)	(32 151 391)	(1 977 763)
Other comprehensive income (net of income tax)		76 391 376	12 971 082	114 356 096	7 134 266
Total comprehensive income for the period		308 495 073	85 290 888	423 695 811	34 940 283

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Audited Inflation Adjusted				Total equity ZWL ('000)
	Share capital ZWL ('000)	Share premium ZWL ('000)	Retained earnings ZWL ('000)	Revaluation reserve ZWL ('000)	
Opening balances as at 1 January 2022	18 977 274	13 536 477	77 352 591	15 588 738	125 455 080
Profit for the year	-	-	72 319 806	-	72 319 806
Other comprehensive income					
Revaluation of property and equipment	-	-	-	12 971 082	12 971 082
Total comprehensive income			72 319 806	12 971 082	85 290 888
Transactions with owners of equity					
Dividend paid	-	-	(36 620 167)	-	(36 620 167)
Balance as at 31 December 2022	18 977 274	13 536 477	113 052 230	28 559 820	174 125 801
Opening balances as at 1 January 2023	18 977 274	13 536 477	113 052 230	28 559 820	174 125 801
Profit for the year	-	-	232 103 697	-	232 103 697
Other comprehensive income					
Revaluation of property and equipment	-	-	-	76 391 376	76 391 376
Revaluation realised on disposal of previously revalued assets	-	-	1 953 093	(1 953 093)	-
Total comprehensive income			234 056 790	74 438 283	308 495 073
Transactions with owners of equity					
Dividend paid	-	-	(39 547 254)	-	(39 547 254)
Balance as at 31 December 2023	18 977 274	13 536 477	307 561 766	102 998 103	443 073 620

	Unaudited Historical Cost*				Total equity ZWL ('000)
	Share capital ZWL ('000)	Share premium ZWL ('000)	Retained earnings ZWL ('000)	Revaluation reserve ZWL ('000)	
Opening Balance as at 1 January 2022	18 502	13 198	5 746 946	1 718 260	7 496 906
Profit for the year	-	-	27 806 017	-	27 806 017
Other comprehensive income					
Revaluation of property and equipment	-	-	-	7 134 266	7 134 266
Total comprehensive income			27 806 017	7 134 266	34 940 283
Transactions with owners of equity					
Dividend paid	-	-	(5 448 796)	-	(5 448 796)
Balance as at 31 December 2022	18 502	13 198	28 104 167	8 852 526	36 988 393
Opening balance as at 1 January 2023	18 502	13 198	28 104 167	8 852 526	36 988 393
Profit for the year	-	-	309 339 715	-	309 339 715
Other comprehensive income					
Revaluation of property and equipment	-	-	-	114 356 096	114 356 096
Revaluation realised on disposal of previously revalued assets	-	-	406 439	(406 439)	-
Total comprehensive income			309 746 154	113 949 657	423 695 811
Transactions with owners of equity					
Dividend paid	-	-	(17 453 074)	-	(17 453 074)
Balance as at 31 December 2023	18 502	13 198	320 397 247	122 802 183	443 231 130

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Note	Audited Inflation Adjusted		Unaudited Historical Cost*		
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	
Cash flow from operating activities					
Profit before income tax	298 514 223	120 081 568	397 192 296	36 660 884	
Adjustments for non cash items:					
Expected credit losses on credit assets	5	49 914 911	20 805 601	49 914 911	
Fair value changes on investment property and equities		(47 321 505)	(17 643 303)	(79 661 908)	
Net Unearned interest income		(60 563 976)	(38 837 348)	(60 563 976)	
Unrealised foreign exchange change gains		(439 729 202)	(149 464 174)	(439 729 206)	
Amortisation	10	230 280	436 296	28 993	
Depreciation	9	4 694 646	3 979 403	2 634 964	
Depreciation on right of use assets	11.1	35 904	416 758	22 056	
Profit/(loss) on disposal of property and equipment		2 194 663	27 024	374 381	
Net cash used before changes in operating assets and liabilities	(192 030 056)	(60 198 175)	(129 787 489)	(2 298 279)	
(Increase)/Decrease in Financial assets at amortised cost		(94 867 479)	4 626 526	(58 277 972)	
Increase in loans and advances to customers		(245 449 462)	(293 790 996)	(150 781 880)	
(Increase)/ decrease in prepayments and other assets		(75 276 254)	(12 914 593)	(43 880 252)	
(Increase)/decrease in amounts due from group companies		(5 953 507)	(18 028 896)	19 348 429	
Decrease in bonds and debentures		-	114 638	-	
Increase in financial assets at fairvalue through profit or loss		-	(1 059 061)	-	
Increase in deposits from customers		424 840 477	86 185 245	238 467 010	
Increase in deposits from other financial institutions		126 167 136	24 904 692	18 106 753	
Increase in other liabilities		203 655 528	98 325 496	116 249 177	
Net cash flow after working capital changes	141 086 383	(171 835 124)	9 443 776	22 798 547	
Income tax paid	(27 591 948)	(20 466 936)	(17 410 013)	(3 250 534)	
Net cash generated/ (used in) from operating activities	113 494 435	(192 302 060)	(7 966 237)	19 548 013	
Cash flows from investing activities					
Proceeds from sale of property and equipment	10	193 327	93 222	121 645	
Purchase of intangible assets		(451 383)	(259 929)	(119 754)	
Purchase of investment property	8	(2 865 053)	-	(2 863 799)	
Purchase of property and equipment	9	(10 436 583)	(8 150 583)	(4 572 501)	
Net cash used in investing activities	(13 559 692)	(8 317 290)	(7 434 409)	(1 370 094)	
Cash flows from financing activities					
Dividend paid		(39 547 254)	(36 620 167)	(17 453 074)	
Proceeds received from lines of credit		84 357 272	295 963 248	17 844 570	
Repayments of lines of credit		(27 550 693)	(192 601 501)	(20 480 327)	
Net cash generated from/ (used in) financing activities	17 259 325	66 741 580	(20 088 830)	16 532 731	
Net increase/ (decrease) in cash and cash equivalents	117 194 068	(133 877 770)	(35 489 477)	34 710 650	
Cash and cash equivalents at beginning of year		389 554 883	283 830 246	81 066 502	
Effect of changes in exchange rates		721 900 269	140 190 793	721 900 269	
Effects of inflation on cash and cash equivalents		(461 171 926)	99 411 614	-	
Cash and cash equivalents at the end of year	1	767 477 294	389 554 883	767 477 294	81 066 502

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Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL RESULTS

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
1 BALANCES WITH BANKS AND CASH				
Balances with Reserve Bank of Zimbabwe	121 169 120	25 358 655	121 169 120	5 277 145
Statutory reserve balances	5 510 265	69 815 323	5 510 265	14 528 592
Current account balances	126 679 385	95 173 978	126 679 385	19 805 737
Balances with other banks and cash				
Nostro accounts	277 124 791	29 781 106	277 124 791	6 197 458
Notes and coins	137 591 002	54 617 236	137 591 002	11 365 865
Other bank balances	226 082 116	209 982 563	226 082 116	43 697 442
	640 797 909	294 380 905	640 797 909	61 260 765
Cash and cash equivalents	767 477 294	389 554 883	767 477 294	81 066 502
2 FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS				
Balance as at 1 January	10 975 048	2 982 370	2 283 911	180 542
Additions	29 531 554	1 059 061	29 531 554	108 918
Fair value adjustment	(3 506 666)	6 933 617	(3 506 666)	1 994 451
Effects of inflation adjustment	8 208 484	-	16 899 622	-
Balance as at 31 December	45 208 420	10 975 048	45 208 421	2 283 911
3 FINANCIAL ASSETS AT AMORTISED COST				
Open market treasury bills	61 054 578	4 886 931	61 054 578	1 016 972
Accrued interest / (discount)	184 038	202 286	184 038	42 096
	61 238 616	5 089 217	61 238 616	1 059 068
3.1 Maturity analysis of financial assets at amortised cost				
Maturing between 0 to 90 days	30 607 239	4 895 470	30 607 239	1 018 749
Maturing between 91 to 180 days	30 623 964	-	30 623 964	-
Maturing in more than 365 days	7 413	193 747	7 413	40 319
	61 238 616	5 089 217	61 238 616	1 059 068
3.2 Exposure to credit risk: financial assets at amortised cost				
Stage I classified exposures: investment grade	61 238 616	5 089 217	61 238 616	1 059 068
Twelve months expected credit losses	(275 574)	(22 901)	(275 574)	(4 766)
Carrying amount of financial assets at amortised cost	60 963 042	5 066 316	60 963 042	1 054 302
4 LOANS AND ADVANCES TO CUSTOMERS				
Maturing within 1 year	949 653 471	441 473 180	949 653 471	91 870 717
Maturing after 1 year but within 5 years	515 583 421	242 553 206	515 583 421	50 475 404
Gross carrying amount	1 465 236 892	684 026 386	1 465 236 892	142 346 121
Expected credit losses (note 4.3)	(53 343 416)	(22 059 150)	(53 343 416)	(4 590 516)
Net loans and advances	1 411 893 476	661 967 236	1 411 893 476	137 755 605
4.1 Loans concentration by sector				
	Audited Inflation Adjusted			
Sector of the economy	31 Dec 2023 gross total ZWL ('000)	percentage	31 Dec 2022 gross total ZWL ('000)	percentage
Agriculture	113 149 977	7.7%	23 790 304	3.5%
Communication	3 324 740	0.2%	-	0.0%
Construction	82 406 714	5.6%	31 741 962	4.6%
Distribution	1 433 957	0.1%	59 880 416	8.8%
Individuals	143 602 702	9.8%	35 856 299	5.2%
Local authorities	151	0.0%	561 290	0.1%
Manufacturing	203 925 940	13.9%	49 910 398	7.3%
Mortgages	61 354 341	4.2%	50 236 476	7.3%
Mining	71 356 354	4.9%	103 127 615	15.1%
Other services	595 362 748	40.6%	328 373 188	48.0%
Wholesale	189 319 268	12.9%	548 438	0.1%
Gross value of loans and advances	1 465 236 892	100%	684 026 386	100%
Expected credit loss allowance	(53 343 416)		(22 059 150)	
Net loans and advances	1 411 893 476		661 967 236	
	Unaudited Historical Cost*			
Sector of the economy	31 Dec 2023 gross total ZWL ('000)	percentage	31 Dec 2022 gross total ZWL ('000)	percentage
Agriculture	113 149 977	7.7%	4 950 770	3.5%
Communication	3 324 740	0.2%	-	0.0%
Construction	82 406 714	5.6%	6 605 513	4.6%
Distribution	1 433 957	0.1%	12 461 135	8.8%
Individuals	143 602 702	9.8%	7 461 708	5.2%
Local authorities	151	0.0%	116 805	0.1%
Manufacturing	203 925 940	13.9%	10 386 371	7.3%
Mortgages	61 354 341	4.2%	10 454 228	7.3%
Mining	71 356 354	4.9%	21 460 891	15.1%
Other services	595 362 748	40.6%	68 334 570	48.0%
Wholesale	189 319 268	12.9%	114 130	0.1%
Gross value of loans and advances	1 465 236 892	100%	142 346 121	100%
Expected credit loss allowance	(53 343 416)		(4 590 516)	
Net loans and advances	1 411 893 476		137 755 605	
	Audited Inflation Adjusted		Unaudited Historical Cost*	
4.2 Exposure to credit risk: Loans and advances	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
Gross carrying amount of loans and advances to customers	1 465 236 892	684 026 386	1 465 236 892	142 346 121
Amortised cost of gross loans and advances; past due and impaired				
Stage III classified exposures : default				
Grade 8: impaired	4 326 689	17 164 785	4 326 690	3 571 998
Grade 9: impaired	12 162 972	194 825	12 162 971	40 543
Grade 10: impaired	817 138	2 002 479	817 138	416 717
Amortised cost, past due and impaired	17 306 799	19 362 089	17 306 799	4 029 258
Life time expected credit losses	(11 324 803)	(1 773 040)	(11 324 803)	(368 970)
Carrying amount, past due and impaired	5 981 996	17 589 049	5 981 996	3 660 288
Past due but not impaired				
Stage II classified exposures : standard monitoring	292 861 178	68 279 946	292 861 178	14 209 080
: special monitoring	74 098 819	268 612	74 098 819	55 898
Gross amount, past due but not impaired	366 959 997	68 548 558	366 959 997	14 264 978
Life time expected credit losses	(24 825 951)	(4 575 206)	(24 825 951)	(952 102)
Carrying amount, past due and not impaired	342 134 046	63 973 352	342 134 046	13 312 876
Neither past due nor impaired				
Stage I classified exposures : investment grade	1 080 970 096	596 115 739	1 080 970 096	124 051 885
Twelve months expected credit losses	(17 192 662)	(15 710 904)	(17 192 662)	(3 269 444)
Carrying amount, not impaired	1 063 777 434	580 404 835	1 063 777 434	120 782 441
Total carrying amount (loans and advances)	1 411 893 476	661 967 236	1 411 893 476	137 755 605

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted					
	Stage 1 12-month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)		
4.3 Expected credit loss staging: 31 December 2023						
Credit grade						
Investment grade	1 080 970 096	-	-	1 080 970 096		
Standard monitoring	-	292 861 178	-	292 861 178		
Special monitoring	-	74 098 819	-	74 098 819		
Default	-	-	17 306 799	17 306 799		
Gross financial assets at amortised cost	1 080 970 096	366 959 997	17 306 799	1 465 236 892		
Expected credit loss allowance	(17 192 662)	(24 825 951)	(11 324 803)	(53 343 416)		
Net financial asset at amortised cost	1 063 777 434	342 134 046	5 981 996	1 411 893 476		
Expected credit loss staging: 31 December 2022						
Credit grade						
Investment grade	596 115 739	-	-	596 115 739		
Standard monitoring	-	68 279 946	-	68 279 946		
Special monitoring	-	268 612	-	268 612		
Default	-	-	19 362 089	19 362 089		
Gross financial assets at amortised cost	596 115 739	68 548 558	19 362 089	684 026 386		
Expected credit loss allowance	(15 710 904)	(4 575 206)	(1 773 040)	(22 059 150)		
Net financial asset at amortised cost	580 404 835	63 973 352	17 589 049	661 967 236		
Expected credit loss staging: 31 December 2023						
	Unaudited Historical Cost*					
Credit grade						
Investment grade	1 080 970 096	-	-	1 080 970 096		
Standard monitoring	-	292 861 178	-	292 861 178		
Special monitoring	-	74 098 819	-	74 098 819		
Default	-	-	17 306 799	17 306 799		
Gross financial assets at amortised cost	1 080 970 096	366 959 997	17 306 799	1 465 236 892		
Expected credit loss allowance	(17 192 662)	(24 825 951)	(11 324 803)	(53 343 416)		
Net financial asset at amortised cost	1 063 777 434	342 134 046	5 981 996	1 411 893 476		
Expected credit loss staging: 31 December 2022						
Credit grade						
Investment grade	124 051 885	-	-	124 051 885		
Standard monitoring	-	14 209 080	-	14 209 080		
Special monitoring	-	55 898	-	55 898		
Default	-	-	4 029 258	4 029 258		
Gross financial assets at amortised cost	124 051 885	14 264 978	4 029 258	142 346 121		
Expected credit loss allowance	(3 269 444)	(952 102)	(368 970)	(4 590 516)		
Net financial asset at amortised cost	120 782 441	13 312 876	3 660 288	137 755 605		
5 MOVEMENT IN CREDIT IMPAIRMENT LOSSES						
For the year ended 31 December 2023						
	Audited Inflation Adjusted					
	Bonds and Debentures ZWL ('000)	Trade and Other receivables ZWL ('000)	Loans and advances ZWL ('000)	Financial assets at amortised cost ZWL ('000)	Undrawn contractual commitments and guarantees ZWL ('000)	Total ZWL ('000)
Balance at the beginning of the period 1 January 2022	-	133 791	22 059 150	22 901	872 062	23 087 904
Effects of IAS 29 adjusted	-	(105 949)	(17 468 633)	(18 135)	(690 586)	(18 283 303)
Increase in expected credit losses	-	98 199	49 322 088	270 808	223 816	49 914 911
Amounts written off /reversals during the year	-	-	(569 189)	-	-	(569 189)
Balance as at 31 December 2023	-	126 041	53 343 416	275 574	405 292	54 150 323
For the year ended 31 December 2022						
Balance at the beginning of the period 1 January 2022	648	37 618	7 657 059	53 276	152 019	7 900 620
Effects of IAS 29 adjusted	(460)	(26 675)	(5 429 615)	(37 778)	(107 797)	(5 602 325)
Increase in expected credit losses	(188)	122 848	19 847 698	7 403	827 840	20 805 601
Amounts written off as uncollectible	-	-	(15 992)	-	-	(15 992)
Balance at the end of the period 31 December 2022	-	133 791	22 059 150	22 901	872 062	23 087 904
For the year ended 31 December 2023						
	Unaudited Historical Cost*					
	Bonds and Debentures ZWL ('000)	Trade and Other receivables ZWL ('000)	Loans and advances ZWL ('000)	Financial assets at amortised cost ZWL ('000)	Undrawn contractual commitments and guarantees ZWL ('000)	Total ZWL ('000)
Balance at the beginning of the period 1 January 2023	-	27 842	4 590 516	4 766	181 476	4 804 600
Impairment loss allowance	-	98 199	49 322 088	270 808	223 816	49 914 911
Amounts written off /reversals during the year	-	-	(569 188)	-	-	(569 188)
Balance as at 31 December 2023	-	126 041	53 343 416	275 574	405 292	54 150 323
For the year ended 31 December 2022						
Balance at the beginning of the period 1 January 2022	39	2 277	463 532	3 225	9 203	478 276
Increase in expected credit losses	(39)	25 565	4 130 313	1 541	172 274	4 329 654
Amounts written off as uncollectible	-	-	(3 329)	-	-	(3 329)
Balance as at 31 December 2022	-	27 842	4 590 516	4 766	181 477	4 804 601

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

24 LIQUIDITY PROFILING

Liquidity profiling as at 31 December 2023

On balance sheet items	Audited Inflation Adjusted			Total ZWL ('000)
	Upto 3 months ZWL ('000)	3 months to 1 year ZWL ('000)	Over 1 year ZWL ('000)	
Liabilities				
Deposits from customers	935 979 456	4 957	187 659	936 172 072
Deposits from other financial institutions	178 922 889	847 274	16 208 955	195 979 118
Lines of credit	99 384 884	8 366 137	549 437 434	657 188 455
Lease liabilities	-	-	353 086	353 086
Current tax liability	5 494 277	-	-	5 494 277
Other liabilities	336 493 096	69 657 688	-	406 150 784
Total liabilities - (contractual maturity)	1 556 274 602	78 876 056	566 187 134	2 201 337 792
Assets held for managing liquidity risk				
Balances with other banks and cash	646 308 174	121 169 120	-	767 477 294
Gross financial assets at amortised cost	30 607 239	30 623 965	7 412	61 238 616
Financial assets at fair value through profit or loss	-	-	45 208 421	45 208 421
Gross loans and advances to customers	418 775 329	205 693 462	840 768 101	1 465 236 892
Other assets (excluding prepayments)	192 380 485	-	11 150 332	203 530 817
Total assets - (contractual maturity)	1 288 071 227	357 486 547	897 134 266	2 542 692 040
Liquidity gap	(268 203 375)	278 610 491	330 947 132	341 354 248
Cumulative liquidity gap - on balance sheet	(268 203 375)	10 407 116	341 354 248	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	79 763 907	-	79 763 907
Commitments to lend	17 643 565	-	-	17 643 565
Total liabilities	17 643 565	79 763 907	-	97 407 472
Liquidity gap	(285 846 940)	198 846 584	330 947 132	243 946 776
Cumulative liquidity gap - on and off balance sheet	(285 846 940)	(87 000 356)	243 946 776	-

Liquidity profiling as at 31 December 2022

On balance sheet items	Upto 3 months ZWL ('000)	3 months to 1 year ZWL ('000)	Over 1 year ZWL ('000)	Total ZWL ('000)
Liabilities				
Deposits from customers	511 331 595	-	-	511 331 595
Deposits from other financial institutions	69 477 334	275 062	59 586	69 811 982
Lines of credit	-	135 212	296 022 835	296 158 047
Lease liabilities	-	-	560 653	560 653
Current tax liability	0	-	358 444	358 444
Other liabilities	198 448 480	15 479 871	-	213 928 351
Total liabilities - (contractual maturity)	779 257 409	15 890 145	297 001 518	1 092 149 072
Assets held for managing liquidity risk				
Balances with other banks and cash	337 883 457	51 671 426	-	389 554 883
Gross financial assets at amortised cost	4 826 894	24 707	237 616	5 089 217
Financial assets at fair value through profit or loss	-	-	10 975 048	10 975 048
Gross loans and advances to customers	48 490 300	175 300 431	460 235 655	684 026 386
Other assets (excluding prepayments)	119 446 465	-	12 851 813	132 298 278
Total assets - (contractual maturity)	510 647 116	226 996 564	484 300 132	1 221 943 812
Liquidity gap	(268 610 293)	211 106 419	187 298 614	129 794 740
Cumulative liquidity gap - on balance sheet	(268 610 293)	(57 503 874)	129 794 740	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	36 162 935	-	661 364 432
Commitments to lend	27 522 649	-	-	626 032 522
Total liabilities	27 522 649	36 162 935	-	63 685 584
Liquidity gap	(296 132 942)	174 943 484	187 298 614	66 109 156
Cumulative liquidity gap - on and off balance sheet	(296 132 942)	(121 189 458)	66 109 156	-

Liquidity profiling as at 31 December 2023

On balance sheet items	Unaudited Historical Cost*			Total ZWL ('000)
	Upto 3 months ZWL ('000)	3 months to 1 year ZWL ('000)	Over 1 year ZWL ('000)	
Liabilities				
Deposits from customers	935 979 456	4 957	187 659	936 172 072
Deposits from other financial institutions	178 922 889	847 274	16 208 955	195 979 118
Lines of credit	99 384 884	8 366 137	549 437 434	657 188 455
Lease liabilities	-	-	353 086	353 086
Current tax liability	5 494 277	-	-	5 494 277
Other liabilities	-	275 034 569	131 116 215	406 150 784
Total liabilities - (contractual maturity)	1 219 781 506	284 252 937	697 303 349	2 201 337 792
Assets held for managing liquidity risk				
Balances with other banks and cash	646 308 174	121 169 120	-	767 477 294
Gross financial assets at amortised cost	30 607 239	30 623 965	7 412	61 238 616
Financial assets at fair value through profit or loss	-	-	45 208 421	45 208 421
Gross loans and advances to customers	418 775 329	205 693 462	840 768 101	1 465 236 892
Other assets (excluding prepayments)	192 380 485	-	11 150 332	203 530 817
Total assets - (contractual maturity)	1 288 071 227	357 486 547	897 134 266	2 542 692 040
Liquidity gap	68 289 721	73 233 610	199 830 917	341 354 248
Cumulative liquidity gap - on balance sheet	68 289 721	141 523 331	341 354 248	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	79 763 907	-	79 763 907
Commitments to lend	17 643 565	-	-	17 643 565
Total liabilities	17 643 565	79 763 907	-	97 407 472
Liquidity gap	50 646 156	(6 530 297)	199 830 917	243 946 776
Cumulative liquidity gap - on and off balance sheet	50 646 156	44 115 859	243 946 776	-

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Liquidity profiling as at 31 December 2022

On balance sheet items	Unaudited Historical Cost*			Total ZWL ('000)
	Upto 3 months ZWL ('000)	3 months to 1 year ZWL ('000)	Over 1 year ZWL ('000)	
Liabilities				
Deposits from customers	106 408 276	-	-	106 408 276
Deposits from other financial institutions	14 458 256	57 240	12 401	14 527 897
Lines of credit	-	28 138	61 602 451	61 630 589
Lease liabilities	-	-	116 672	116 672
Current tax liability	-	-	74 592	74 592
Other liabilities	41 297 195	3 221 366	-	44 518 561
Total liabilities - (contractual maturity)	162 163 727	3 306 744	61 806 116	227 276 587
Assets held for managing liquidity risk				
Balances with other banks and cash	70 313 661	10 752 841	-	81 066 502
Gross financial assets at amortised cost	1 004 478	5 142	49 448	1 059 068
Financial assets at fair value through profit or loss	-	-	2 283 911	2 283 911
Gross loans and advances to customers	10 090 848	36 480 078	95 775 195	142 346 121
Other assets (excluding prepayments)	24 856 849	-	2 674 467	27 531 316
Total assets - (contractual maturity)	106 265 836	47 238 061	100 783 021	254 286 918
Liquidity gap	(55 897 891)	43 931 317	38 976 905	27 010 331
Cumulative liquidity gap - on balance sheet	(55 897 891)	(11 966 574)	27 010 331	-
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	7 525 519	-	411 457 029
Commitments to lend	5 727 472	-	-	389 475 861
Total liabilities	5 727 472	7 525 519	-	13 252 991
Liquidity gap	(61 625 363)	36 405 798	38 976 905	13 757 340
Cumulative liquidity gap - on and off balance sheet	(61 625 363)	(25 219 565)	13 757 340	-

25 INTEREST RATE REPRICING AND GAP ANALYSIS

Total position as at 31 December 2023

Total position as at 31 December 2023	Audited Inflation Adjusted					Non-interest bearing ZWL ('000)	Total ZWL ('000)
	0-30 days ZWL ('000)	31-90 days ZWL ('000)	91-180 days ZWL ('000)	181-365 days ZWL ('000)	Over 365 days ZWL ('000)		
Cash and cash equivalents	141 511 841	43 695 797	44 801 394	-	-	537 468 262	767 477 294
Gross financial assets at amortised cost	-	61 231 238	-	-	7 378	-	61 238 616
Financial assets at fair value through profit or loss	-	-	-	-	-	45 208 420	45 208 420
Gross loans and advances to customers	761 425 616	107 763 421	-	-	596 047 855	-	1 465 236 892
Prepayments and other assets	-	-	-	-	-	188 648 836	188 648 836
Amounts due from group companies	-	-	-	-	-	32 009 164	32 009 164
Investment property	-	-	-	-	-	94 530 655	94 530 655
Right of use assets	-	-	-	-	-	1 631 128	1 631 128
Intangible assets	-	-	-	-	-	2 164 154	2 164 154
Property and equipment	-	-	-	-	-	160 328 619	160 328 619
Total assets	902 937 457	212 690 456	44 801 394	-	596 055 233	1 061 989 238	2 818 473 778
Deposits from customers	111 322 639	575 488	4 957	-	187 659	824 081 329	936 172 072
Deposits from other financial institutions	139 979 201	28 152 784	10 540 550	622 131	16 684 452	-	195 979 118
Lines of credit	-	107 763 421	-	-	549 425 034	-	657 188 455
Other liabilities	-	-	-	-	-	418 366 522	418 366 522
Current tax liability	-	-	-	-	-	5 494 277	5 494 277
Deferred income tax liabilities	-	-	-	-	-	108 227 638	108 227 638
Lease liabilities	-	-	-	-	353 086	-	353 086
Capital and reserves	-	-	-	-	-	443 073 620	443 073 620
Total liabilities	251 301 840	136 491 693	10 545 507	622 131	566 650 231	1 799 243 386	2 764 854 788
Interest rate repricing gap	651 635 617	76 198 763	34 255 887	(622 131)	29 405 002	(737 254 148)	53 618 990
Cumulative interest rate repricing gap	651 635 617	727 834 380	762 090 267	761 468 136	790 873 138	53 618 990	-

Total position as at 31 December 2022

Total position as at 31 December 2022	Unaudited Historical Cost*					Non-interest bearing ZWL ('000)	Total ZWL ('000)
	0-30 days ZWL ('000)	31-90 days ZWL ('000)	91-180 days ZWL ('000)	181-365 days ZWL ('000)	Over 365 days ZWL ('000)		
Cash and cash equivalents	161 827 353	64 232 812	51 671 426	-	-	111 823 292	389 554 883
Gross financial assets at amortised cost	-	4 826 894	-	24 707	237 616	-	5 089 217
Financial assets at fair value through profit or loss	-	-	-	-	-	10 975 048	10 975 048
Gross loans and advances to customers	395 589 018	-	135 212	-	288 302 156	-	684 026 386
Prepayments and other assets	-	-	-	-	-	113 372 583	113 372 583
Amounts due from group companies	-	-	-	-	-	26 055 657	26 055 657
Investment property	-	-	-	-	-	40 837 432	40 837 432
Right of use assets	-	-	-	-	-	1 667 032	1 667 032
Intangible assets	-	-	-	-	-	1 943 052	1 943 052
Property and equipment	-	-	-	-	-	59 493 115	59 493 115
Total assets	557 416 371	69 059 706	51 671 426	159 919	288 539 772	366 167 211	1 333 014 405
Deposits from customers	65 245 389	236 118	-	-	-	445 850 088	511 331 595
Deposits from other financial institutions	49 643 161	19 834 173	275 062	-	59 586	-	69 811 982
Lines of credit	-	-	-				

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

25 INTEREST RATE REPRICING AND GAP ANALYSIS (continued)

Total position as at 31 December 2023

	Unaudited Historical Cost*						Total ZWL ('000)
	0-30 days ZWL ('000)	31-90 days ZWL ('000)	91-180 days ZWL ('000)	181-365 days ZWL ('000)	Over 365 days ZWL ('000)	Non-interest bearing ZWL ('000)	
Cash and cash equivalents	141 511 841	43 695 797	44 801 394	-	-	537 468 262	767 477 294
Gross financial assets at amortised cost	-	61 231 238	-	-	7 378	-	61 238 616
Financial assets at fair value through profit or loss	-	-	-	-	-	45 208 421	45 208 421
Gross loans and advances to customers	761 425 616	107 763 421	-	-	596 047 855	-	1 465 236 892
Prepayments and other assets	-	-	-	-	-	184 750 203	184 750 203
Amounts due from group companies	-	-	-	-	-	32 009 164	32 009 164
Investment property	-	-	-	-	-	94 530 655	94 530 655
Right of use assets	-	-	-	-	-	66 170	66 170
Intangible assets	-	-	-	-	-	150 972	150 972
Property and equipment	-	-	-	-	-	160 328 619	160 328 619
Total assets	902 937 457	212 690 456	44 801 394	-	596 055 233	1 054 512 466	2 810 997 006
Deposits from customers	111 322 639	575 488	4 957	-	187 659	824 081 329	936 172 072
Deposits from other financial institutions	139 979 201	28 152 784	10 540 550	622 131	16 684 452	-	195 979 118
Lines of credit	-	107 763 421	-	-	549 425 034	-	657 188 455
Other liabilities	-	-	-	-	-	413 655 025	413 655 025
Lease liability	-	-	-	-	353 086	-	353 086
Current tax liability	-	-	-	-	-	5 494 277	5 494 277
Deferred tax liabilities	-	-	-	-	-	105 304 853	105 304 853
Capital and reserves	-	-	-	-	-	443 231 130	443 231 130
Total equity and liabilities	251 301 840	136 491 693	10 545 507	622 131	566 650 231	1 791 766 614	2 757 378 016
Interest rate repricing gap	651 635 617	76 198 763	34 255 887	(622 131)	29 405 002	(737 254 148)	53 618 990
Cumulative interest rate repricing gap	651 635 617	727 834 380	762 090 267	761 468 136	790 873 138	53 618 990	-

Total position as at 31 December 2022

	0 - 30 days ZWL ('000)	31 - 90 days ZWL ('000)	91-180 days ZWL ('000)	181-365 days ZWL ('000)	Over 365 days ZWL ('000)	Non-interest bearing ZWL ('000)	Total ZWL ('000)
	Cash and cash equivalents	33 676 326	13 366 870	10 752 841	-	-	23 270 465
Gross financial assets at amortised cost	-	1 004 478	-	5 142	49 448	-	1 059 068
Financial assets at fair value through profit or loss	-	-	-	-	-	2 283 911	2 283 911
Gross loans and advances to customers	82 322 207	-	-	28 138	59 995 776	-	142 346 121
Prepayments and other assets	-	-	-	-	-	23 380 762	23 380 762
Amounts due from group companies	-	-	-	-	-	5 422 191	5 422 191
Investment property	-	-	-	-	-	8 498 284	8 498 284
Right of use assets	-	-	-	-	-	88 226	88 226
Intangible assets	-	-	-	-	-	60 212	60 212
Property and equipment	-	-	-	-	-	12 380 537	12 380 537
Total assets	115 998 533	14 371 348	10 752 841	33 280	60 045 224	75 384 588	276 585 814
Deposits from customers	13 577 587	49 136	-	-	-	92 781 553	106 408 276
Deposits from other financial institutions	10 330 758	4 127 498	57 241	-	12 400	-	14 527 897
Lines of credit	-	-	-	28 138	61 602 451	-	61 630 589
Other liabilities	-	-	-	-	-	44 113 527	44 113 527
Lease liability	-	-	-	-	116 672	-	116 672
Current tax liability	-	-	-	-	-	74 592	74 592
Deferred tax liabilities	-	-	-	-	-	8 130 586	8 130 586
Capital and reserves	-	-	-	-	-	36 988 393	36 988 393
Total liabilities	23 908 345	4 176 634	57 241	28 138	61 731 523	182 088 651	271 990 532
Interest rate repricing gap	92 090 188	10 194 714	10 695 600	5 142	(1 686 299)	(106 704 063)	4 595 282
Cumulative interest rate repricing gap	92 090 188	102 284 902	112 980 502	112 985 644	111 299 345	4 595 282	-

26 FBC BANK FOREIGN EXCHANGE GAP AS AT 31 DECEMBER 2023

Foreign exchange gap analysis as at 31 December 2023

Base currency ZWL\$ equivalent	USD ZWL ('000)	ZAR ZWL ('000)	EUR ZWL ('000)	BWP ZWL ('000)	GBP ZWL ('000)	Total ZWL ('000)
	Assets					
Cash	132 756 082	926 496	80 488	12 193	25 103	133 800 362
Balances with Reserve Bank	262 727 692	24 562	19 289	383	-	262 771 926
Correspondent nostro balances	102 099 992	1 047 215	787 891	27 718	53 888	104 016 704
Other Bank balances	300 040 487	-	-	-	-	300 040 487
Loans and overdrafts	1 309 344 877	299	39	-	-	1 309 345 215
Other assets	150 776 484	1 457 044	3 782 328	14	51	156 015 921
Total assets	2 257 745 614	3 455 616	4 670 035	40 308	79 042	2 265 990 615
Liabilities						
Deposits from customers	915 745 217	250 309	1 543 615	10 816	10 970	917 560 927
Lines of credit	657 188 455	-	-	-	-	657 188 455
Other liabilities	185 392 862	7 906	923 724	5 077	10 746	186 340 315
Total liabilities	1 758 326 534	258 215	2 467 339	15 893	21 716	1 761 089 697
Net currency position	499 419 080	3 197 401	2 202 696	24 415	57 326	504 900 918

Foreign exchange gap analysis as at 31 December 2022

Base currency ZWL\$ equivalent	USD ZWL ('000)	ZAR ZWL ('000)	EUR ZWL ('000)	BWP ZWL ('000)	GBP ZWL ('000)	Total ZWL ('000)
	Assets					
Cash	10 224 361	926 496	80 488	12 193	25 103	11 268 641
Balances with Reserve Bank	17 339 936	24 562	19 289	383	-	17 384 170
Correspondent nostro balances	4 320 708	1 047 215	787 891	27 718	53 888	6 237 420
Loans and overdrafts	81 573 986	299	39	-	-	81 574 324
Other assets	50 590 386	1 457 044	3 782 328	14	51	55 829 823
Total assets	164 049 377	3 455 616	4 670 035	40 308	79 042	172 294 378
Liabilities						
Deposits from customers	38 397 961	660 700	392 153	10 225	9 251	39 470 290
Lines of credit	61 560 000	-	-	-	-	61 560 000
Other liabilities	17 591 739	-	59	155 646	490 133	18 237 577
Total liabilities	117 549 700	660 700	392 212	165 871	499 384	119 267 867
Net currency position	46 499 677	2 794 916	4 277 823	(125 563)	(420 342)	53 026 511

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

27 VALUE AT RISK

Value at risk ("VaR") is a statistical estimate of the maximum loss expected from the Bank's trading book with a given degree of confidence over a given holding period. The Bank's system uses the Exponentially Weighted Moving Average ("EWMA") method to compile VaR. This method attaches more weight to the most recent data on market risk factors the weights decaying exponentially as we go further into the past. The VaR parameters used are at 95% confidence level, one day holding period and ten day holding period.

31 December 2023				Value at risk (95% confidence level)	
Asset class	Type of risk	Present value	Portfolio weight	1-day holding period	5-day holding period
Currency	Exchange rate				
BWP	497	3 961	0.00%	1	3
EUR	6 721	807 195	0.98%	1 203	2 691
GBP	7 729	3 668	0.00%	0	1
ZAR	323	46 285	0.06%	154	344
USD	6 105	81 808 644	98.96%	178 674	399 527
Total portfolio VaR		82 669 754	100%	180 033	402 566
Portfolio VaR				156 955	350 962
Diversification benefit				23 078	51 604

31 December 2022				Value at risk (95% confidence level)	
Asset class	Type of risk	Present value	weight	period	period
Currency	Exchange rate				
BWP	55	(183 483)	-0.24%	67	150
EUR	744	6 251 161	8.07%	9 319	20 838
GBP	841	(614 236)	-0.79%	40	88
ZAR	41	4 084 141	5.27%	13 568	30 338
	684	67 948 815	87.69%	148 403	331 841
Total portfolio VaR		77 486 398	100%	171 397	383 255
Portfolio VaR				147 114	328 957
Diversification benefit				24 282	54 298

- The 5-day holding period VaR estimate is interpolated from the 1-day holding period period by multiplying the 1-day VaR with the square root of 5.
- Risk is not additive. Thus portfolio VaR is not necessarily equal to the sum of the VaR of the constituent elements in the portfolio.
- Diversification benefit equals the sum of the VaR of the constituent elements in the portfolio less the portfolio VaR.
- Year-to-date daily returns observations are used to estimate the VaR.
- Estimates of volatilities and correlations use the actual average daily returns.
- A negative diversification benefit means the daily returns of the constituent elements in the portfolio are positively correlated thus there is zero benefit from holding the different asset classes.
- A positive diversification benefit means the daily returns of the constituent elements in the portfolio are negatively correlated thus there is some benefit from holding the different asset classes.

28 RESERVE BANK OF ZIMBABWE ("RBZ") ONSITE EXAMINATION

The Bank has its corporate governance and risk management processes independently audited by the Reserve Bank of Zimbabwe.

The most recent inspection was carried out for the 12 months to 30 June 2014 and the results indicate that the Bank's risk management and corporate governance practices are sound as illustrated below:

Summary risk assessment system ("RAS") ratings

RAS component	Latest RAS rating 30-06-2014
Overall inherent risk	Moderate
Overall risk management systems	Acceptable
Overall composite risk	Moderate

Summary risk matrix

Type of risk	Level of inherent risk	Adequacy of risk management systems	Overall composite risk	Direction of overall composite risk
Credit	Moderate	Acceptable	Moderate	Stable
Liquidity	Moderate	Acceptable	Moderate	Stable
Interest rate	Moderate	Acceptable	Moderate	Stable
Foreign exchange	Low	Strong	Low	Stable
Operational	Moderate	Acceptable	Moderate	Stable
Legal and compliance	Moderate	Acceptable	Moderate	Stable
Reputation	Moderate	Strong	Moderate	Stable
Strategic	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

Level of inherent risk key

Rating	Description
Low	Reflects a lower than average probability of an adverse impact on a banking institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the Bank's overall financial condition.
Moderate	Could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.
High	Reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the Bank.

Adequacy of risk management systems key

Rating	Description
Weak	Risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the Bank. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies and procedures.
Acceptable	Management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognised and are being addressed. Management information systems are generally adequate.
Strong	Management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define risk tolerance, responsibilities and accountabilities are effectively communicated.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

Overall composite risk key

Rating	Description
Low	Would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate such risks.
Moderate	Risk management systems appropriately mitigate inherent risk. For a given low risk area, significant risks in the risk management systems may result in a moderate composite risk assessment. On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the institution.
High	Risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the Bank's overall condition.

Direction of overall risk key

Rating	Description
Increasing	Based on the current information, risk is expected to increase in the next 12 months.
Decreasing	Based on the current information, risk is expected to decrease in the next 12 months.
Stable	Based on the current information, risk is expected to be stable in the next 12 months.

FBC Bank Limited's CAMELS* ratings by The Reserve Bank Of Zimbabwe

Camels component	Latest RBS ratings 30 June 2014
Capital adequacy	2
Asset quality	2
Management	2
Earnings	1
Liquidity	1
Sensitivity to market risk	2
Composite rating	2

*CAMELS- is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak, and '5' is critical.
*RBS- stands for risk-based supervision.

29 GOING CONCERN

In accordance with the requirements of International Financial Reporting Standards, the directors carried out a going concern assessment for the entity. Key considerations were made on compliance with regulatory requirements with main focus on compliance with regulatory minimum capital requirements, the operating environment and the inherent risks thereof and the budgets and future plans of the Bank. The Bank was in compliance with the regulatory minimum capital requirement for Tier 1 banks as at 31 December 2023 and has a robust plan for capital maintenance and growth into the future. On the basis of the review, the directors have a reasonable expectation that the Bank, taking into account the operating environment, has adequate resources to continue in operational existence for the foreseeable future. The Bank therefore continues to adopt the going concern basis in preparing its financial statements.

30 INTERNATIONAL CREDIT RATING

The Bank traditionally has its credit ratings reviewed annually by an international credit rating agency, Global Credit Rating Company. The Bank was awarded an International A- Credit Rating in 2023.

31 BOARD ATTENDANCE

NAME	Executive ("E") / Non Executive Director ("NE")	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Morgan Nzwere	N/E	√	√	√	√
Webster Rusere	E	√	√	√	√
John Mushayavanhu	N/E	√	√	√	√
Peter C C Moyo	N/E	√	√	√	√
Trynos Kufazvinei	N/E	√	√	√	√
Martin Makonese	E	√	√	√	√
Caroline Mathonsi	N/E	√	√	√	√
Tendai Mutseyekwa	N/E	√	√	√	√
Patrick Takawira	E	√	√	√	√
Abel Magwaza	E	√	√	√	√
Fungai D Makoni	N/E	√	x	√	x
Mary N Machingaidze	N/E	√	√	x	√
Yvonne Halimana	N/E	√	√	√	√

KEY
√ - Present
X - Absent
N/E - Non-executive director
E - Executive director

32 GROUP BOARD COMMITTEES

The FBC Holdings Limited (the "parent company") Board of Directors has constituted separate committees which include the Group Audit Committee, Group Finance and Strategy Committee, Group Risk and Compliance Committee and the Group Human Resources and Remuneration, as shown below:

GROUP AUDIT COMMITTEE

Members	Q1	Q2	Q3	Q4
Chipo Mutasa (Chairperson)	√	√	√	√
Charles Msipa	√	√	√	√
Rutenhuro Moyo	√	√	√	√
Aeneas Chuma	√	√	√	√

The Committee is chaired by a non-executive director and comprises non-executive directors only. The Divisional Director of Internal Audit, the Group Finance Director, the Managing Directors of the Bank, Short term Insurance, Building Society, Reinsurance, Securities and the Group Chief Executive attend the committee by invitation. The committee is constituted at Group level and oversees subsidiary companies.

The Committee meets regularly to:

- Review compliance with banking regulations;
- Review the effectiveness of internal controls;
- Review and approve the financial statements; and
- Review reports of both internal and independent auditors findings, instituting special investigations where necessary.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

GROUP FINANCE AND STRATEGY COMMITTEE

Members	Q1	Q2	Q3	Q4
Canada Malunga (Chairman)	√	√	√	√
John Mushayavanhu	√	√	√	√
Franklin Kennedy	√	√	√	√
Rutenhuro Moyo	√	√	√	√
David Makwara	√	√	√	√

This Committee is constituted at group level and oversees the subsidiary companies. It is chaired by a non-executive director. Meetings of the Committee are attended by invitation, by other senior executives.

The Committee meets at least four times a year to review the following amongst other activities:

- The Bank's strategy and budget;
- The Bank's performance against agreed benchmarks; and
- The adequacy of the Bank's management information systems.

GROUP RISK AND COMPLIANCE COMMITTEE

Members	Q1	Q2	Q3	Q4
Rutenhuro Moyo (Chairman)	√	√	√	√
Sifiso Ndllovu	√	√	√	√
Aeneas Chuma	√	√	√	√
Franklin Kennedy	√	√	√	√

The Committee is constituted at Group level and is responsible for the Risk Management function. It is chaired by a non executive director. The Committee's primary objective is to maintain oversight of the Bank's risk and regulatory compliance process and procedures and monitor their effectiveness.

GROUP HUMAN RESOURCES AND REMUNERATION COMMITTEE

Members	Q1	Q2	Q3	Q4
Charles Msipa (Chairman)	√	√	√	√
Chipo Mutasa	√	√	√	√
Herbert Nkala	√	√	√	√
Vimbai Nyemba	√	√	√	√

The Committee is chaired by a non-executive director and comprises mainly of non-executive directors. This Committee is constituted at Group level and oversees the subsidiary companies. Meetings of the committee are attended by invitation, by the Divisional Director of Human Resources.

The Committee's primary objective is to ensure that the right calibre of management is attracted and retained. To achieve this, it ensures that the executive directors, senior managers and staff are appropriately rewarded for their contribution to the Bank's performance.

The Committee is also responsible for the Bank's Human Resources Policy issues, terms and conditions of service.

Non-executive directors are remunerated by fees and do not participate in any performance-related incentive schemes.

The following Board Committees fall under FBC Bank Limited:

CREDIT COMMITTEE

Members	Q1	Q2	Q3	Q4
Marry N Machingaidze (Chairperson)	√	√	√	√
Webster Rusere	√	√	√	√
Fungai D Makoni	√	√	√	√

This Committee falls directly under the Bank. It sets the Bank's credit policy and also approves credit applications above management's discretionary limits. The Committee is responsible for the overall quality of the Bank's credit portfolio. The Committee is chaired by a non-executive director. The Heads of Credit and Risk Management Departments attend the Committee meetings by invitation.

LOANS REVIEW COMMITTEE

Members	Q1	Q2	Q3	Q4
Peter C C Moyo (Chairman)	√	√	√	√
John Mushayavanhu	√	√	√	√
Morgan Nzwere	√	√	√	√
Yvonne N Halimana	√	√	√	√

The Committee falls directly under the Bank, and comprises non-executive directors only. Meetings of the Committee are attended by invitation, by the Managing Director of the Bank, the Heads of Credit and Risk Management departments and the Group Chief Executive.

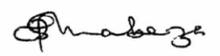
The Committee is responsible for ensuring that the Bank's loan portfolio and lending activities abide by the Bank's credit policy as approved by the Board of Directors and is in compliance with Reserve Bank of Zimbabwe ("RBZ") prudential lending guidelines. It also ensures that problem loans are properly identified, classified and placed on non-accrual in accordance with the Reserve Bank guidelines. The Committee also ensures that adequate impairment allowances are made for potential losses and write-offs of losses identified are made in the correct period.

ASSETS AND LIABILITIES COMMITTEE

Members	Q1	Q2	Q3	Q4
Fungai D Makoni (Chairman)	√	√	√	√
Webster Rusere	√	√	√	√
Morgan Nzwere	√	√	√	√
Tendai C Mutseyekwa	√	√	√	√
John Mushayavanhu	√	√	√	√

The Committee draws its members from the Bank's Board and is chaired by a non-executive director. It is responsible for the continuous monitoring of the Bank's assets and liabilities.

By Order of the Board


Tichaona Kudakwashe Mabeza
Company Secretary

30 March 2024

Digital Onboarding



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and start transacting

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FBC Mobile Moola
App and start
transacting

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 FBC Bank

 FBC Building Society

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

Notes	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Assets				
Cash and cash equivalents	78 576 317	17 004 505	78 576 317	3 538 643
Financial assets at amortised cost	27 750 502	31 332 900	27 750 502	6 520 387
Loans and advances to customers	78 285 538	19 092 898	78 285 538	3 973 238
Inventory	5 276 220	4 206 582	2 158 210	315 340
Other assets	3 960 226	3 322 906	3 754 990	570 564
Investment properties	229 398 157	91 182 005	229 398 157	18 975 006
Property and equipment	33 887 565	18 866 102	33 887 565	3 926 042
Right of use assets	43 234	81 230	43 234	16 904
Total assets	457 177 759	185 089 128	453 854 513	37 836 124
Liabilities				
Deposits from banks	33 212 525	27 025 057	33 212 525	5 623 923
Deposits from customers	114 638 296	46 784 812	114 638 296	9 735 935
Lease liability	44 884	113 987	44 884	23 721
Other liabilities	117 203 847	16 871 262	117 203 847	3 510 915
Total liabilities	265 099 552	90 795 118	265 099 552	18 894 494
Equity				
Share capital	160 295	160 295	163	163
Share premium	29 076 759	29 076 759	1 081 465	1 081 465
Revaluation reserve	27 469 778	12 647 755	32 208 090	3 744 341
Retained earnings	135 371 375	52 409 201	155 465 243	14 115 661
Total equity	192 078 207	94 294 010	188 754 961	18 941 630
Total equity and liabilities	457 177 759	185 089 128	453 854 513	37 836 124

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

Notes	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Interest income	26 273 540	16 511 359	14 143 811	2 405 205
Interest expense	(37 462 472)	(19 382 834)	(17 580 784)	(3 368 473)
Net interest income	(11 188 932)	(2 871 475)	(3 436 973)	(963 268)
Revenue from property sales	-	148 692	-	10 786
Cost of sales	-	(84 202)	-	(4 038)
Net income from property sales	-	64 490	-	6 748
Fees and commission income	25 674 468	8 814 393	15 575 931	1 319 798
Fees and commission expense	(764 681)	(682 762)	(320 053)	(102 469)
Net fees and commission income	24 909 787	8 131 631	15 255 878	1 217 329
Other income	142 455 898	59 851 302	225 430 127	17 127 900
Total net income	156 176 753	65 175 948	237 249 032	17 388 708
Expected credit losses	(1 050 878)	(485 673)	(1 050 878)	(101 069)
Operating expenses	(141 133 957)	(35 182 380)	(93 161 146)	(4 523 386)
Total operating expenses	(142 184 835)	(35 668 053)	(94 212 024)	(4 624 455)
Surplus from operations	13 991 918	29 507 895	143 037 008	12 764 254
Monetary gain adjustment	71 449 406	2 562 640	-	-
Surplus for the year	85 441 324	32 070 535	143 037 008	12 764 254
Other comprehensive income				
Gain on property and equipment revaluation	14 822 023	6 046 218	28 463 749	3 002 109
Total comprehensive income for the year	100 263 347	38 116 753	171 500 757	15 766 363

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Audited Inflation Adjusted				Total equity ZWL ('000)
	Share capital ZWL ('000)	Share premium ZWL ('000)	Revaluation reserve ZWL ('000)	Retained earnings ZWL ('000)	
Opening balance as at 1 January 2022	160 295	29 076 759	6 601 537	20 338 666	56 177 257
Surplus for the year	-	-	-	32 070 535	32 070 535
Other comprehensive income					
Regulatory Impairment allowance	-	-	6 046 218	-	6 046 218
Revaluation gain	-	-	-	-	-
Total comprehensive income	-	-	6 046 218	32 070 535	38 116 753
Shareholders equity as at 31 December 2022	160 295	29 076 759	12 647 755	52 409 201	94 294 010
Opening balance as at 1 January 2023	160 295	29 076 759	12 647 755	52 409 201	94 294 010
Surplus for the year	-	-	-	85 441 324	85 441 324
Other comprehensive income					
Revaluation gain	-	-	14 822 023	-	14 822 023
Total comprehensive income	-	-	14 822 023	85 441 324	100 263 347
Transactions with owners recorded directly in equity					
Dividend paid	-	-	-	(2 479 150)	(2 479 150)
Shareholders equity as at 31 December 2023	160 295	29 076 759	27 469 778	135 371 375	192 078 207

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Unaudited Historical Cost*				Total equity ZWL ('000)
	Share capital ZWL ('000)	Share premium ZWL ('000)	Revaluation reserve ZWL ('000)	Retained earnings ZWL ('000)	
Opening balance as at 1 January 2022	163	1 081 465	742 232	1 351 407	3 175 267
Surplus for the year	-	-	-	12 764 254	12 764 254
Other comprehensive income					
Revaluation gain	-	-	3 002 109	-	3 002 109
Total comprehensive income	-	-	3 002 109	12 764 254	15 766 363
Shareholders equity as at 31 December 2022	163	1 081 465	3 744 341	14 115 661	18 941 630
Opening balance as at 1 January 2023	163	1 081 465	3 744 341	14 115 661	18 941 630
Surplus for the year	-	-	-	143 037 008	143 037 008
Other comprehensive income					
Revaluation gain	-	-	28 463 749	-	28 463 749
Total comprehensive income	-	-	28 463 749	143 037 008	171 500 757
Transactions with owners recorded directly in equity					
Dividend paid	-	-	-	(1 687 426)	(1 687 426)
Shareholders equity as at 31 December 2023	163	1 081 465	32 208 090	155 465 243	188 754 961

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Notes	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
CASH FLOW FROM OPERATING ACTIVITIES				
Surplus for the year	85 441 324	32 070 535	143 037 008	12 764 254
Adjustments for:				
Depreciation of property and equipment	1 747 624	896 833	589 808	92 665
Amortisation of intangible assets	77 138	-	16 225	-
Depreciation of right of use assets	64 984	322	13 523	73
Lease finance costs	27 284	38 407	1 841	6 668
Profit on disposal of investment properties	(250 948)	-	(250 948)	-
(Profit)/loss on disposal of property and equipment	(93 169)	20 866	(75 860)	(3 836)
Expected credit losses	1 050 878	485 673	1 050 878	101 069
Fair value gain on investment properties	(84 196 746)	(40 708 359)	(170 599 465)	(13 175 213)
Net cash used before changes in working capital	3 868 369	(7 195 723)	(26 216 990)	(214 320)
Increase in financial assets held at amortised cost	3 582 397	(9 151 270)	(21 230 115)	(5 177 588)
Increase in loans and advances to customers	(60 243 519)	(2 334 726)	(75 363 178)	(3 030 425)
Decrease in embedded derivative	-	277 673	-	16 809
Increase in inventory	(13 449 669)	(1 582 820)	(8 917 590)	(691 979)
Increase in other assets	(637 319)	(508 742)	(3 184 426)	(419 366)
Increase in deposits from banks	6 187 468	15 277 290	27 588 601	4 912 754
Increase in deposits from customers	67 853 484	5 886 198	104 902 361	7 260 075
Increase in other liabilities	67 087 521	4 361 226	80 463 120	1 373 233
Net cash generated from operating activities	74 248 732	5 029 106	78 041 783	4 029 193
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on:				
Purchase of property and equipment	(1 947 064)	(753 677)	(1 163 312)	(130 448)
Purchase of investment properties	(7 695 448)	(9 908 683)	(3 223 900)	(1 751 659)
Proceeds from disposal of investment property	6 120 044	-	3 996 108	-
Proceeds from disposal of property and equipment	93 169	-	83 811	-
Net cash used in investing activities	(3 429 299)	(10 662 360)	(307 293)	(1 882 107)
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings repayment	-	(297 227)	-	(21 561)
Dividend paid	(2 479 150)	-	(1 687 426)	-
Operating lease payments	(53 850)	(62 573)	(20 530)	(10 183)
Net cash used in financing activities	(2 533 000)	(359 800)	(1 707 956)	(31 744)
Net increase/(decrease) in cash and cash equivalents	68 286 433	(5 993 054)	76 026 534	2 115 342
Cash and cash equivalents at the beginning of the year	17 004 505	23 114 926	3 538 643	1 399 298
Effect of changes in exchange rates	(988 860)	115 345	(988 860)	24 003
Effect of inflation on cash and cash equivalents	(5 725 761)	(232 712)	-	-
Cash and cash equivalents at the end of the year	78 576 317	17 004 505	78 576 317	3 538 643

The Home of Mortgage Financing

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NOTES TO THE FINANCIAL RESULTS
For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
1 CASH AND CASH EQUIVALENTS				
Cash on hand	6 682 444	4 777 274	6 682 444	994 152
Cash at bank	4 616 422	9 700 758	4 616 422	2 018 731
Balances with Reserve Bank of Zimbabwe ("RBZ")	10 980 268	2 526 473	10 980 268	525 760
Interbank short term investments	56 551 665	-	56 551 665	-
78 830 799	17 004 505	78 830 799	3 538 643	
Expected credit loss allowance	(254 482)	-	(254 482)	-
78 576 317	17 004 505	78 576 317	3 538 643	
2 FINANCIAL ASSETS AT AMORTISED COST				
Treasury bills	-	3 187 609	-	663 342
Agro bills	27 875 944	8 539 216	27 875 944	1 777 014
Savings Bonds	-	19 982 914	-	4 158 451
Gross financial assets at amortised cost	27 875 944	31 709 739	27 875 944	6 598 807
Expected credit loss allowance	(125 442)	(376 839)	(125 442)	(78 420)
27 750 502	31 332 900	27 750 502	6 520 387	
2.1 Maturity analysis of financial assets at amortised cost				
1 month to 3 months	-	19 758 539	-	4 111 759
3 months to 1 year	27 750 502	11 574 361	27 750 502	2 408 628
27 750 502	31 332 900	27 750 502	6 520 387	
3 LOANS AND ADVANCES TO CUSTOMERS				
Short term loan advances	37 244 142	7 045 781	37 244 142	1 466 229
Business Banking advances	26 559 067	6 361 967	26 559 067	1 323 227
Mortgage loan advances	15 184 147	5 950 819	15 184 147	1 238 368
Gross loans and advances to customers	78 987 356	19 358 567	78 987 356	4 028 824
Expected credit loss allowance	(701 818)	(265 669)	(701 818)	(55 286)
Net loans and advances to customers	78 285 538	19 092 898	78 285 538	3 973 238
3.1 Maturity analysis of loans and advances				
Up to 1 month	4 688 604	1 097 965	4 688 604	228 487
1 month to 3 months	9 377 207	1 440 801	9 377 207	299 831
3 months to 1 year	35 384 071	5 640 902	35 384 071	1 173 874
1 year to 5 years	21 752 857	4 383 572	21 752 857	912 223
Over 5 years	7 082 799	6 529 658	7 082 799	1 358 823
78 285 538	19 092 898	78 285 538	3 973 238	
	Expected credit loss (ECL) staging			
	Stage 1 12 month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	Total ZWL ('000)
3.2 Credit exposure on loans and advances 2023 Inflation Adjusted				
Credit grade				
Investment grade	73 032 819	-	-	73 032 819
Standard monitoring	-	4 187 852	-	4 187 852
Special monitoring	-	1 289 524	-	1 289 524
Default	-	-	477 161	477 161
Gross loans and advances to customers	73 032 819	5 477 376	477 161	78 987 356
Credit impairment loss allowance	(258 631)	(167 686)	(275 501)	(701 818)
Net loans and advances to customers	72 774 188	5 309 690	201 660	78 285 538
3.2.1 Credit exposure on loans and advances 2022 Inflation Adjusted				
Credit grade				
Investment grade	16 707 604	-	-	16 707 604
Standard monitoring	-	1 102 244	-	1 102 244
Special monitoring	-	721 537	-	721 537
Default	-	-	827 182	827 182
Gross loans and advances to customers	16 707 604	1 823 781	827 182	19 358 567
Credit impairment loss allowance	(97 903)	(63 477)	(104 289)	(265 669)
Net loans and advances to customers	16 609 701	1 760 304	722 893	19 092 898
3.2.2 Credit exposure on loans and advances 2023 Historical cost				
Credit grade				
Investment grade	73 032 819	-	-	73 032 819
Standard monitoring	-	4 187 852	-	4 187 852
Special monitoring	-	1 289 524	-	1 289 524
Default	-	-	477 161	477 161
Gross loans and advances to customers	73 032 819	5 477 376	477 161	78 987 356
Credit impairment loss allowance	(258 631)	(167 686)	(275 501)	(701 818)
Net loans and advances to customers	72 774 188	5 309 690	201 660	78 285 538
3.2.3 Credit exposure on loans and advances 2022 Historical cost				
Credit grade				
Investment grade	3 476 858	-	-	3 476 858
Standard monitoring	-	229 377	-	229 377
Special monitoring	-	150 152	-	150 152
Default	-	-	172 137	172 137
Gross loans and advances to customers	3 476 858	379 529	172 137	4 028 524
Credit impairment loss allowance	(20 374)	(13 209)	(21 703)	(55 286)
Net loans and advances to customers	3 456 484	366 320	150 434	3 973 238
3.3 Analysis of gross loans and advances 2023 Inflation Adjusted				
Balance as at 1 January 2023	16 707 604	1 823 780	827 182	19 358 567
Monetary loss adjustment	(13 230 746)	(1 444 251)	(655 045)	(15 330 043)
Transfers	(180 700)	195 705	(15 005)	-
Stage 1	(250 775)	235 756	15 019	-
Stage 2	70 075	(98 811)	28 736	-
Stage 3	-	58 760	(58 760)	-
Impact of increase in loans and advances	71 185 101	5 155 883	533 931	76 874 915
Repayments	(1 448 440)	(253 740)	(116 743)	(1 818 923)
Amounts written off during the year as uncollectible	-	-	(97 159)	(97 159)
Balance as at 31 December 2023	73 032 819	5 477 376	477 161	78 987 356
3.3.1 Analysis of gross loans and advances 2022 Inflation Adjusted				
Balance as at 1 January 2022	15 746 020	1 469 759	610 331	17 826 110
Monetary loss adjustment	(11 165 492)	(1 042 205)	(432 785)	(12 640 482)
Transfers	(119 076)	38 897	80 179	-
Stage 1	(283 418)	207 148	76 270	-
Stage 2	164 342	(168 251)	3 909	-
Stage 3	-	-	-	-
Impact of increase in loans and advances	14 389 606	1 552 273	734 952	16 676 831
Repayments	(2 143 454)	(194 943)	(118 002)	(2 456 399)
Amounts written off during the year as uncollectible	-	-	(47 493)	(47 493)
Balance as at 31 December 2022	16 707 604	1 823 781	827 182	19 358 567
3.3.2 Analysis of gross loans and advances 2023 Historical cost				
Balance as at 1 January 2023	3 476 858	379 529	172 137	4 028 524
Transfers	(180 700)	195 705	(15 005)	-
Stage 1	(250 775)	235 756	15 019	-
Stage 2	70 075	(98 811)	28 736	-
Stage 3	-	58 760	(58 760)	-
Impact of increase in loans and advances	71 185 101	5 155 883	533 931	76 874 915
Repayments	(1 448 440)	(253 740)	(116 743)	(1 818 923)
Amounts written off during the year as uncollectible	-	-	(97 159)	(97 159)
Balance as at 31 December 2023	73 032 819	5 477 376	477 161	78 987 356

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
For the year ended 31 December 2023

	Expected credit loss (ECL) staging			Total ZWL ('000)
	Stage 1 12 month ECL ZWL ('000)	Stage 2 Lifetime ECL ZWL ('000)	Stage 3 Lifetime ECL ZWL ('000)	
3.3.3 Analysis of gross loans and advances 2022 Historical cost				
Balance as at 1 January 2022	953 210	88 974	36 947	1 079 131
Transfers	(7 594)	9 472	(1 878)	-
Stage 1	(58 979)	43 107	15 872	-
Stage 2	34 200	(35 013)	813	-
Stage 3	17 185	1 378	(18 563)	-
Impact of increase in loans and advances	2 994 482	323 028	152 944	3 470 454
Repayments	(463 238)	(41 946)	(5 993)	(511 177)
Amounts written off during the year as uncollectible	-	-	(9 883)	(9 883)
Balance as at 31 December 2022	3 476 858	379 529	172 137	4 028 524
3.4 Analysis of impairment on loans and advances 2023 Inflation adjusted				
Balance as at 1 January 2023	97 903	63 477	104 289	265 669
Monetary loss adjustment	(77 528)	(50 267)	(82 587)	(210 382)
Transfers	144	4 166	(4 310)	-
Stage 1	(771)	731	41	-
Stage 2	915	(1 421)	505	-
Stage 3	-	4 856	(4 856)	-
Net change through statement of comprehensive income	242 742	153 767	379 015	775 524
Changes in parameters	(4 630)	(3 457)	(23 747)	(31 834)
Amounts written off during the year as uncollectible	-	-	(97 159)	(97 159)
Balance as at 31 December 2023	258 631	167 686	275 501	701 818
3.4.1 Analysis of impairment on loans and advances 2022 Inflation adjusted				
Balance as at 1 January 2022	214 574	139 121	228 570	582 265
Monetary loss adjustment	(152 154)	(98 651)	(162 079)	(412 884)
Transfers	15 115	(4 804)	(10 311)	-
Stage 1	(1 029)	873	156	-
Stage 2	9 312	(9 749)	437	-
Stage 3	6 832	4 072	(10 904)	-
Net change through statement of comprehensive income	64 462	52 397	144 047	260 906
Changes in parameters	(44 094)	(24 586)	(48 445)	(117 125)
Amounts written off during the year as uncollectible	-	-	(47 493)	(47 493)
Balance as at 31 December 2022	97 903	63 477	104 289	265 669
3.4.2 Analysis of impairment on loans and advances 2023 Historical cost				
Balance as at 1 January 2023	20 375	13 209	21 703	55 287
Transfers	144	4 166	(4 310)	-
Stage 1	(771)	731	41	-
Stage 2	915	(1 421)	505	-
Stage 3	-	4 856	(4 856)	-
Net change through statement of comprehensive income	242 742	153 768	379 014	775 524
Changes in parameters	(4 630)	(3 457)	(23 747)	(31 834)
Amounts written off during the year as uncollectible	-	-	(97 159)	(97 159)
Balance as at 31 December 2023	258 631	167 686	275 501	701 818
3.4.3 Analysis of impairment on loans and advances 2022 Historical cost				
Balance as at 1 January 2022	12 990	8 422	13 837	35 249
Transfers	3 146	(1 001)	(2 145)	-
Stage 1	(214)	182	33	-
Stage 2	1 938	(2 029)	91	-
Stage 3	1 422	847	(2 269)	-
Net change through statement of comprehensive income	13 414	10 904	29 976	54 294
Changes in parameters	(9 176)	(5 116)	(10 082)	(24 374)
Amounts written off during the year as uncollectible	-	-	(9 883)	(9 883)
Balance as at 31 December 2022	20 374	13 209	21 703	55 286
4 MOVEMENT IN EXPECTED CREDIT LOSSES				
Balance at beginning of the year	644 520	709 313	134 125	42 939
Impairment charge for the year	1 050 878	485 673	1 050 878	101 069
Monetary loss adjustment	(510 395)	(502 974)	-	-
Amounts written off during the year	(97 159)	(47 492)	(97 159)	(9 883)
Balance as at 31 December 2023	1 087 844	644 520	1 087 844	134 125



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FBC Building Society (Registered Building Society)

Abridged Audited Results

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
5 INVENTORY				
Raw materials	626 065	188 257	238 683	33 711
Work in progress	4 650 155	4 018 325	1 919 527	281 629
	5 276 220	4 206 582	2 158 210	315 340
6 OTHER ASSETS				
Prepayments	447 693	2 151 332	335 884	335 884
Other	3 512 533	1 171 574	3 419 106	234 680
	3 960 226	3 322 906	3 754 990	570 564
7 INVESTMENT PROPERTIES				
Opening balance	91 182 005	38 087 608	18 975 006	2 305 692
Fair value adjustment on investment properties	121 434 837	40 708 359	202 967 727	14 438 305
Additions	7 695 448	9 908 683	3 223 900	1 751 659
Disposals	(3 294 164)	-	(2 843 196)	-
Transfer from inventory	12 380 031	2 477 355	7 074 720	479 350
Closing balance	229 398 157	91 182 005	229 398 157	18 975 006
8 PROPERTY AND EQUIPMENT				
Cost				
Carrying amount at beginning of the year	18 866 102	12 963 040	3 926 042	784 738
Gross carrying amount	19 322 516	14 532 007	3 926 042	784 738
Accumulated depreciation and impairment loss	(456 414)	(1 568 967)	-	-
Additions	1 947 064	753 677	1 163 312	130 448
Revaluation gain on properties	14 822 023	6 046 218	29 395 970	3 108 846
Disposals	-	-	(7 951)	(5 325)
Depreciation charge for the year	(1 747 624)	(896 833)	(589 808)	(92 665)
Carrying amount at end of the year	33 887 565	18 866 102	33 887 565	3 926 042
9 RIGHT OF USE ASSETS				
Opening carrying amount right of use buildings	81 230	5 404	16 904	73
Remeasurement of right of use buildings	26 988	76 148	39 853	16 904
Depreciation charge for the year	(64 984)	(322)	(13 523)	(73)
Carrying amount at end of the year	43 234	81 230	43 234	16 904
10 DEPOSITS				
10.1 Deposits from banks				
Money market deposits	33 212 525	27 025 057	33 212 525	5 623 923
10.2 Deposits from customers				
Retail savings deposits	28 758 932	13 286 246	28 758 932	2 764 872
Money market deposits	82 060 980	31 906 037	82 060 980	6 639 657
Fixed deposits	3 818 384	1 592 529	3 818 384	331 406
	114 638 296	46 784 812	114 638 296	9 735 935
Total deposits	147 850 821	73 809 869	147 850 821	15 359 858
10.3 Maturity analysis of deposits				
Up to 1 month	103 145 602	70 787 171	103 145 602	14 730 834
1 month to 3 months	22 275 581	2 671 567	22 275 581	555 954
3 months to 1 year	18 611 254	-	18 611 254	-
Over 1 year	3 818 384	351 131	3 818 384	73 070
	147 850 821	73 809 869	147 850 821	15 359 858
11 OTHER LIABILITIES				
Trade and other payables	16 229 772	1 941 364	16 229 772	403 999
Deferred income	2 245 089	651 876	2 245 089	135 656
Deferred capital gain tax on property valuations	34 170 461	7 529 823	34 170 461	1 566 959
Provisions	64 558 525	6 748 199	64 558 525	1 404 301
	117 203 847	16 871 262	117 203 847	3 510 915
12 INTEREST INCOME				
Loans and advances to customers	12 554 662	9 639 671	7 282 730	1 415 017
Interbank money market investments	3 524 896	84 630	2 686 678	5 706
Financial assets at amortised cost	10 193 982	6 787 058	4 174 403	984 482
	26 273 540	16 511 359	14 143 811	2 405 205
13 INTEREST EXPENSE				
Deposits from banks	19 759 980	10 376 925	9 100 003	1 964 081
Deposits from customers - retail savings	29 440	43 834	13 637	3 532
Offshore borrowings	-	8 246	-	563
Deposits from customers - time deposits	17 673 052	8 953 829	8 467 144	1 400 297
	37 462 472	19 382 834	17 580 784	3 368 473
14 OTHER INCOME				
Rent received	6 989 352	747 713	4 515 561	116 848
Fair value adjustment on investment properties	84 196 746	40 708 359	170 599 465	13 175 213
Foreign exchange gains	48 899 822	18 406 656	48 899 822	3 830 431
Other	2 369 978	(11 426)	1 415 279	5 408
	142 455 898	59 851 302	225 430 127	17 127 900
15 OPERATING EXPENSES				
Administration expenses	17 797 015	6 529 676	5 956 824	627 381
Personnel expenses	94 601 719	19 263 629	64 174 869	2 638 733
Audit fees	1 284 417	703 593	720 148	112 275
Directors fees and key management remuneration	25 675 831	7 749 920	21 704 133	1 045 591
Depreciation and amortisation	1 747 691	897 155	603 331	92 738
Lease finance costs	27 284	38 407	1 841	6 668
	141 133 957	35 182 380	93 161 146	4 523 386
16 CAPITAL ADEQUACY RATIO				
Core Capital Tier 1				
Issued and fully paid up ordinary share capital	29 237 055	29 237 055	1 081 628	1 081 628
Retained earnings	135 371 373	52 409 200	155 465 243	14 115 661
Capital allocated for market and operational risk	(39 124 310)	(35 391 938)	(14 915 863)	(1 135 873)
Total core capital	125 484 118	46 254 317	141 631 008	14 061 416
Supplementary Capital Tier 2				
Revaluation reserves	27 469 778	12 647 755	32 208 090	3 744 341
Total supplementary capital	27 469 778	12 647 755	32 208 090	3 744 341
Tier 3				
Capital allocated for market and operational risk	39 124 310	35 391 938	14 915 863	1 135 873
Core capital plus supplementary capital	192 078 206	94 294 010	188 754 961	18 941 630
Total risk weighted assets	579 201 275	231 560 294	579 201 275	48 187 775
Tier 1 capital ratio	22%	20%	24%	29%
Tier 2 capital ratio	5%	5%	6%	8%
Tier 3 capital ratio	7%	15%	3%	2%
Capital adequacy ratio	34%	41%	33%	39%

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
17 LIQUIDITY RISK				
Contractual maturity profile of assets and liabilities				
31 Dec 2023				
(Inflation Adjusted/Historical cost)				
	Up to 30 days ZWL ('000)	31-90 days ZWL ('000)	91-365 days ZWL ('000)	Over 1 year ZWL ('000)
Liabilities				
Deposits from banks	33 212 525	-	-	33 212 525
Deposits from customers	69 933 077	22 275 581	18 611 254	114 638 296
Other liabilities	9 430 532	1 077 339	42 908 216	63 787 760
Total liabilities	112 576 134	23 352 920	61 519 470	265 054 668
Assets				
Cash and cash equivalents	78 576 317	-	-	78 576 317
Financial assets at amortised cost	-	-	27 750 502	27 750 502
Loans and advances to customers	4 688 604	9 377 207	35 384 071	28 835 656
Total assets	83 264 921	9 377 207	63 134 573	184 612 357
Liquidity gap	(29 311 213)	(13 975 713)	1 615 103	(80 442 311)
Cumulative liquidity gap	(29 311 213)	(43 286 926)	(41 671 823)	(80 442 311)

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
17.1 LIQUIDITY RISK				
Contractual maturity profile of assets and liabilities				
31 Dec 2022				
AUDITED INFLATION ADJUSTED				
	Up to 30 days ZWL ('000)	31-90 days ZWL ('000)	91-365 days ZWL ('000)	Over 1 year ZWL ('000)
Liabilities				
Deposits from banks	27 025 057	-	-	-
Deposits from customers	43 762 114	2 671 567	-	351 131
Other liabilities	1 340 237	1 261 867	930 319	13 338 839
Total liabilities	72 127 408	3 933 434	930 319	13 689 970
Assets				
Cash and cash equivalents	17 004 505	-	-	-
Financial assets at amortised cost	-	16 209 911	15 122 989	-
Loans and advances to customers	1 097 965	1 440 801	5 640 902	10 913 230
Total assets	18 102 470	17 650 712	20 763 891	10 913 230
Liquidity gap	(54 024 938)	13 717 278	19 833 572	(2 776 740)
Cumulative liquidity gap	(54 024 938)	(40 307 660)	(20 474 088)	(23 250 828)
17.2 LIQUIDITY RISK				
Contractual maturity profile of assets and liabilities				
31 Dec 2022				
Historical cost				
	Up to 30 days ZWL ('000)	31-90 days ZWL ('000)	91-180 days ZWL ('000)	181-365 days ZWL ('000)
Liabilities				
Deposits from banks	5 623 923	-	-	-
Deposits from customers	9 106 911	555 954	-	73 070
Other liabilities	278 904	262 595	193 600	2 775 816
Total liabilities	15 009 738	818 549	193 600	2 848 886
Assets				
Cash and cash equivalents	3 538 643	-	-	-
Financial assets at amortised cost	-	3 373 288	3 147 099	-
Loans and advances to customers	228 487	299 831	1 173 874	2 271 046
Total assets	3 767 130	3 673 119	4 320 973	2 271 046
Liquidity gap	(11 242 608)	2 854 570	4 127 373	(577 840)
Cumulative liquidity gap	(11 242 608)	(8 388 038)	(4 260 665)	(4 838 505)
18 INTEREST RATE RISK				
AUDITED INFLATION ADJUSTED				
Interest rate repricing gap				
31 December 2023				
Assets				
Cash and cash equivalents	50 025 156	-	-	28 551 161
Financial assets at amortised cost	-	-	27 750 502	-
Loans and advances to customers	78 285 538	-	-	-
Inventory	-	-	-	5 276 220
Other assets	-	-	-	3 960 226
Investment properties	-	-	-	229 398 157
Property and equipment	-	-	-	33 887 565
Right of use assets	-	-	-	43 234
Total assets	128 310 694	-	27 750 502	301 116 563
Liabilities				
Deposits from banks	33 212 525	-	-	-
Deposits from customers	69 933 077	22 275 581	18 611 254	3 818 384
Lease liability	-	-	-	44 884
Other liabilities	-	-	-	117 203 847
Equity	-	-	-	192 078 207
Total liabilities	103 145 602	22 275 581	18 611 254	381 818 384
Interest rate repricing gap	25 165 092	(22 275 581)	9 139 248	(8 210 375)
Cumulative interest rate repricing gap	25 165 092	2 889 511	12 028 759	8 210 375
18.1 AUDITED INFLATION ADJUSTED				
Interest rate repricing gap				
31 December 2022				
Assets				
Cash and cash equivalents	-	-	-	17 004 505
Financial assets at amortised cost	6 479 894			

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)	31 Dec 2023 ZWL ('000)	31 Dec 2022 ZWL ('000)
19 CAPITAL COMMITMENTS				
Capital expenditure authorised not yet undertaken	3 980 622	-	3 980 622	-

20 RESERVE BANK OF ZIMBABWE ONSITE EXAMINATION

The Building Society has its corporate governance and risk management processes independently audited by the Reserve Bank of Zimbabwe.

FBC Building Society CAMELS* ratings

CAMELS* component	Latest RBS** ratings 30 June 2014	Previous RBS** ratings 30 Sept 2007
Capital adequacy	2	2
Asset quality	3	2
Management	2	2
Earnings	2	2
Liquidity	1	2
Sensitivity to market risk	2	2
Overall composite rating	2	2

*CAMELS is an acronym for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. CAMELS rating system uses a rating scale of 1-5, where '1' is strong, '2' is satisfactory, '3' is fair, '4' is weak and '5' is critical.

**RBS stands for Risk-Based Supervision

Summary Risk Assessment System (RAS) ratings

RAS component	Latest RAS rating 30 June 2014
Overall inherent risk	Moderate
Overall risk management systems	Acceptable
Overall composite risk	Moderate
Direction of overall composite risk	Stable

Summary risk matrix

Type of risk	Level of inherent risk	Adequacy of risk management systems	Overall composite risk	Direction of overall composite risk
Credit	Moderate	Acceptable	Moderate	Increasing
Liquidity	Moderate	Acceptable	Moderate	Stable
Interest rate	Moderate	Acceptable	Moderate	Stable
Foreign exchange	Low	Strong	Low	Stable
Operational	Moderate	Acceptable	Moderate	Stable
Legal and compliance	Moderate	Acceptable	Moderate	Stable
Reputation	Moderate	Strong	Moderate	Stable
Strategic	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

Level of inherent risk key

Rating	Description
Low	Reflects a lower than average probability of an adverse impact on a banking institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the Society overall financial condition.
Moderate	Could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.
High	Reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the Society.

Adequacy of risk management systems key

Rating	Description
Weak	Risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the Society. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies and procedures.
Acceptable	Management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognised and are being addressed. Management information systems are generally adequate.
Strong	Management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define risk tolerance, responsibilities and accountabilities are effectively communicated.

Overall composite risk key

Rating	Description
Low	Would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate such risks.
Moderate	Risk management systems appropriately mitigate inherent risk. For a given low risk area, significant risks in the risk management systems may result in a moderate composite risk assessment. On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the institution.
High	Risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the Society's overall condition.

Direction of overall risk key

Rating	Description
Increasing	Based on the current information, risk is expected to increase in the next 12 months.
Decreasing	Based on the current information, risk is expected to decrease in the next 12 months.
Stable	Based on the current information, risk is expected to be stable in the next 12 months.

21 EXTERNAL CREDIT RATING

The Building Society had its credit rating assessed by an internationally credit rating agency, Global Credit Rating Company. The credit rating agency is accredited by the Reserve Bank of Zimbabwe. The Building Society was accorded a long term credit rating of BB+ in July 2023.

22 GOING CONCERN

In accordance with the requirements of International Financial Reporting Standards, the directors carried out a going concern assessment for the entity. Key considerations were made on compliance with regulatory requirements with main focus on compliance with regulatory minimum capital requirements, the operating environment and the inherent risks thereof and the budgets and future plans of the Building Society. The Building Society was in compliance with the regulatory minimum capital requirement for Tier 11 banks as at 31 December 2023 and has a robust plan for capital maintenance and growth into the future. On the basis of the review, the directors have a reasonable expectation that the Building Society, taking into account the operating environment, has adequate resources to continue in operational existence for the foreseeable future. The Building Society therefore continues to adopt the going concern basis in preparing its financial statements.

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

23 BOARD ATTENDANCE

The Building Society's Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various sub-committees. Guidelines issued by the Reserve Bank of Zimbabwe ("RBZ") from time to time are strictly adhered to and compliance check lists are continuously reviewed.

The Board is chaired by an independent Non-Executive Director. The Board is responsible to the shareholders for setting the direction of the Building Society through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability. The Board meets regularly, with a minimum of four scheduled meetings annually.

Board member	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Farai Muchena	✓	✓	✓	✓
Pius Rateiwa *	✓	✓	✓	✓
Edwin Chidzonga	✓	✓	✓	✓
Clemence Guta	✓	✓	✓	✓
Agnes Kanhukamwe *	✓	✓	✓	✓
Trynos Kufazvinei **	n/a	n/a	n/a	n/a
Chipo Mafunga	✓	✓	✓	✓
Gardiner Manikai	✓	✓	✓	✓
John Mushayavanhu ***	✓	✓	✓	✓
Tariro Ndebele	✓	✓	✓	✓
Webster Rusere	✓	✓	✓	✓

Key

✓ - Attended
n/a - Apologies

* Executive

** Appointed to the Board effective 01 January 2024

*** Resigned from the Board on 31 December 2023

Board Audit

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Clemence Guta	✓	✓	✓	✓
Guardiner Manikai	✓	✓	✓	✓
Tariro Ndebele	✓	✓	✓	✓

Board Human Resources and Remuneration

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Farai Muchena	✓	✓	✓	✓
Chipo Mafunga	✓	✓	X	✓
John Mushayavanhu ***	✓	✓	✓	✓

The committee's primary objective is to ensure that the right caliber of management and staff is attracted and retained. To achieve this, it ensures that the directors, senior managers and other staff are appropriately rewarded for their contribution to the Building Society's performance. The committee is also responsible for human resources policy issues as well as terms and conditions of service. Non-Executive Directors are remunerated by fees and do not participate in any performance-related scheme(s). The Group Divisional Director of Human Resources attends meetings of the committee by invitation.

Board Finance and Assets and Liabilities

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Edwin Chidzonga	✓	✓	✓	✓
Farai Muchena	x	✓	✓	✓
John Mushayavanhu ***	✓	✓	✓	✓
Pius Rateiwa	✓	✓	✓	✓

The committee meets at least four times a year to review the following aspects of the Building Society:

- The performance against agreed benchmarks;
- The assets and liabilities;
- The strategy and budget;
- The financial statements and accounting policies;
- The counterparties trading limits; and
- The adequacy of the management information systems.

Board Risk and Compliance

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Guardiner Manikai	✓	✓	✓	✓
Edwin Chidzonga	✓	✓	✓	✓
Chipo Mafunga	✓	✓	✓	✓
John Mushayavanhu ***	✓	✓	✓	✓
Tariro Ndebele	✓	✓	✓	✓
Webster Rusere	✓	✓	✓	✓

The committee is responsible for the Building Society's risk management function. The committee's primary objective is to maintain oversight of the Building Society's risk and regulatory compliance processes and procedures and monitor their effectiveness. The committee keeps under review, developments and prospective changes in the regulatory environment and monitors significant risk and regulatory issues affecting the Building Society, noting any material compliance/regulatory breaches and monitoring resolution of such any breaches.

Board Credit Review

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Clemence Guta	✓	✓	✓	✓
Chipo Mafunga	✓	✓	✓	✓
Pius Rateiwa	✓	✓	✓	✓
Webster Rusere	✓	✓	✓	✓

The committee sets the Building Society's credit policy and approves credit applications above management's authorized limits. The committee is responsible for the overall quality of the Building Society's credit portfolio.

Board Loans Review

Name	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Guardiner Manikai	✓	✓	✓	✓
Edwin Chidzonga	✓	✓	✓	✓
Farai Muchena	✓	X	X	X
John Mushayavanhu ***	✓	✓	✓	✓
Tariro Ndebele	✓	✓	✓	✓

The committee is responsible for ensuring that the Building Society's loan portfolio and lending abide by the credit policies approved by the Board of Directors and are in compliance with RBZ requirements. It also ensures that non-performing loans are properly identified, classified and placed on non-accrual in accordance with the Reserve Bank of Zimbabwe guidelines. The committee also ensures that adequate provisions are made for potential losses and write-offs of losses identified are made in the correct period.

By order of the Board



T. Mabeza
Group Company Secretary

30 March 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	Audited Inflation adjusted			Unaudited historical cost*		
		31 Dec 2023	31 Dec 2022 Restated**	01 Jan 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**	01 Jan 2022 Restated**
		ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
ASSETS							
Property and equipment	2	16 709 721	9 233 215	6 097 438	16 709 721	1 921 435	369 118
Right of use asset		138 286	12 143	9 749	84 759	1 522	590
Intangible assets		-	-	-	-	-	80
Investment property	4	117 600	55 166	27 752	117 600	11 480	1 680
Deferred tax asset		-	-	-	-	-	-
Insurance contract assets	3	-	1 965 261	-	-	408 973	-
Reinsurance contract assets	3	12 946 015	3 440 304	1 690 823	12 946 015	715 928	102 357
Prepayments and other receivables		12 375 886	3 847 948	245 895	12 084 665	800 759	14 886
Current income tax asset		1 031 348	98 509	-	1 031 348	20 499	-
Financial assets:							
- At fair value through profit or loss		5 863 101	3 840 719	4 489 380	5 863 101	799 255	271 772
- At amortised cost		6 158 274	2 422 525	663 301	6 158 274	504 128	40 154
Cash and cash equivalents	4	6 448 608	2 986 432	3 594 074	6 448 608	621 477	217 573
Total assets		61 788 839	27 902 222	16 818 412	61 444 091	5 805 456	1 018 210
EQUITY AND LIABILITIES							
Capital and reserves							
Share capital		1 026	1 026	1 026	1	1	1
Share premium		2 871 352	2 871 352	2 871 352	2 800	2 800	2 800
Non distributable reserves		90 005	90 005	90 005	88	88	88
Revaluation reserve		10 939 152	5 311 400	2 867 719	12 662 580	1 477 887	308 665
Accumulated profit		3 404 513	287 683	(1 151 798)	2 369 710	82 909	(66 700)
Total equity		17 306 048	8 561 466	4 678 304	15 035 179	1 563 685	244 854
Liabilities							
Insurance liabilities:-							
- Insurance contract Liabilities	3	15 789 692	3 688 385	4 063 760	15 789 692	767 554	246 006
- Reinsurance contract Liabilities	3	9 246 112	7 518 740	2 323 814	9 246 112	1 564 652	140 676
Other payables		12 540 696	4 971 103	4 508 480	12 540 696	1 034 488	272 928
Provisions		1 035 119	312 863	36 929	1 035 119	65 107	2 236
Lease liability		206 667	22 955	12 446	206 667	4 777	754
Deferred tax liabilities		5 664 505	2 826 710	916 605	7 590 626	805 193	93 923
Current income tax liabilities		-	-	278 074	-	-	16 833
Total liabilities		44 482 791	19 340 756	12 140 108	46 408 912	4 241 771	773 356
Total equity and liabilities		61 788 839	27 902 222	16 818 412	61 444 091	5 805 456	1 018 210

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	Audited Inflation adjusted		Unaudited historical cost*	
		31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
		ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
INCOME STATEMENT					
Insurance contracts revenue		66 383 076	24 213 597	31 341 050	3 519 073
Insurance service expenses		(47 502 215)	(18 478 908)	(28 147 982)	(3 139 634)
Net (expenses)/revenue from reinsurance contracts held		(6 995 078)	(73 304)	(307 096)	398 398
Insurance service result		11 885 783	5 661 385	2 885 972	777 837
Investment income		1 892 840	345 748	1 217 064	64 485
Net fair value gains on financial assets					
- at fair value through profit or loss		5 063 846	2 484 959	5 063 846	517 121
Rental income		30 752	1 766	18 035	234
Other operating income		12 254 293	5 692 942	11 492 728	1 167 733
Net income		31 127 514	14 186 800	20 677 645	2 527 410
Expenses for marketing and administration		(28 582 813)	(11 730 801)	(15 609 423)	(2 006 839)
Impairment losses on financial assets		(63 556)	(10 081)	(63 556)	(2 098)
Finance costs		(101 652)	(2 654 596)	(34 726)	(78 869)
Net monetary gain		1 399 993	2 576 422	-	-
Profit before income tax		3 779 486	2 367 744	4 969 940	439 604
Income tax expense		(662 656)	(928 263)	(2 683 139)	(289 995)
Profit for the year		3 116 830	1 439 481	2 286 801	149 609
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss:					
Fair value gains on property and equipment		7 579 464	3 246 123	15 063 560	1 553 164
- Income tax relating to components of other comprehensive income		(1 951 712)	(802 442)	(3 878 867)	(383 942)
		5 627 752	2 443 681	11 184 693	1 169 222
Total comprehensive income for the year		8 744 582	3 883 162	13 471 494	1 318 831

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital ZWL ('000)	Share premium ZWL ('000)	Non-distributable reserves ZWL ('000)	Revaluation reserve ZWL ('000)	Accumulated profit ZWL ('000)	Total ZWL ('000)
Audited Inflation adjusted						
Balance as at 1 January 2021	1 026	2 871 352	90 005	1 779 052	791 471	5 532 906
Profit for the year	-	-	-	-	1 536 213	1 536 213
Other comprehensive income for the year						
Revaluation reserve	-	-	-	1 088 667	-	1 088 667
Total comprehensive income for the year				1 088 667	(1 943 269)	(854 602)
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2021 restated	1 026	2 871 352	90 005	2 867 719	(1 151 798)	4 678 304
Balance as at 1 January 2022 restated	1 026	2 871 352	90 005	2 867 719	(1 151 798)	4 678 304
Profit for the year	-	-	-	-	1 439 481	1 439 481
Adjustment on initial application of IFRS 17, net of tax	-	-	-	-	(3 479 482)	(3 479 482)
Other comprehensive income for the year						
Revaluation reserve	-	-	-	2 443 681	-	2 443 681
Total comprehensive income for the year				2 443 681	1 439 481	3 883 162
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2022 restated	1 026	2 871 352	90 005	5 311 400	287 683	8 561 466
Balance as at 1 January 2023	1 026	2 871 352	90 005	5 311 400	287 683	8 561 466
Profit for the year	-	-	-	-	3 116 830	3 116 830
Other comprehensive income for the year						
Revaluation reserve	-	-	-	5 627 752	-	5 627 752
Total comprehensive income for the year				5 627 752	3 116 830	8 744 582
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2023	1 026	2 871 352	90 005	10 939 152	3 404 513	17 306 048

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital ZWL ('000)	Share premium ZWL ('000)	Non-distributable reserves ZWL ('000)	Revaluation reserve ZWL ('000)	Accumulated profit ZWL ('000)	Total ZWL ('000)
Unaudited historical cost*						
Balance as at 1 January 2021	1	2 800	88	162 694	45 465	211 048
Profit for the year	-	-	-	-	18 878	18 878
Other comprehensive income for the year						
Revaluation reserve	-	-	-	145 971	-	145 971
Total comprehensive income for the year				145 971	(112 165)	33 806
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2021 restated	1	2 800	88	308 665	(66 700)	244 854
Balance as at 1 January 2022 restated	1	2 800	88	308 665	(66 700)	244 854
Profit for the year	-	-	-	-	149 609	149 609
Adjustment on initial application of IFRS 17, net of tax	-	-	-	-	(131 043)	(131 043)
Other comprehensive income for the year						
Revaluation reserve	-	-	-	1 169 222	-	1 169 222
Total comprehensive income for the year				1 169 222	149 609	1 318 831
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2022 restated	1	2 800	88	1 477 887	82 909	1 563 685
Balance as at 1 January 2023 restated	1	2 800	88	1 477 887	82 909	1 563 685
Profit for the year	-	-	-	-	2 286 801	2 286 801
Other comprehensive income for the year						
Revaluation reserve	-	-	-	11 184 693	-	11 184 693
Total comprehensive income for the year				11 184 693	2 286 801	13 471 494
Transactions with shareholders						
Dividend declared and paid	-	-	-	-	-	-
Balance as at 31 December 2023	1	2 800	88	12 662 580	2 369 710	15 035 179

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	Audited Inflation adjusted		Unaudited historical cost*	
		31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
		ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax		3 779 486	2 367 744	4 969 940	439 604
Adjustment for non-cash items					
Depreciation	2	365 690	290 240	446 349	36 805
Amortisation		-	-	-	80
Interest received		(1 659 155)	(322 127)	(1 058 434)	(61 572)
Lease Interest		27 757	13 674	16 152	2 273
Finance costs		73 895	2 640 922	18 574	76 596
Profit on disposal of property, plant and equipment		18 105	(15 342)	3 768	(5 489)
Right of use asset depreciation		28 396	18 912	18 947	2 970
Net fair value gains on revaluation of investment property		(62 434)	(27 414)	(108 120)	(9 800)
Exchange loss on lease liability		127 613	-	127 613	-
Net unrealised exchange gains and losses		(9 654 491)	(1 288 846)	(9 654 491)	(801 387)
IFRS 9 adjustment		63 556	10 081	63 556	2 098
Assets transfer		13 209	-	2 749	-
Net fair value gains on financial assets at fair value through profit or loss		(5 063 846)	(2 484 959)	(5 063 846)	(517 121)
Operating cash flows before working capital changes		(11 942 219)	1 202 885	(10 215 243)	(834 943)
Changes in working capital:					
Decrease / (increase) in insurance contract assets		1 965 261	(2 349 739)	408 973	(432 246)
Increase in reinsurance contract assets		(9 505 711)	(1 749 481)	(12 230 086)	(613 572)
(Increase) / decrease in other receivables		(8 527 938)	(3 602 053)	(11 283 906)	(785 874)
Decrease /					

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
 For the year ended 31 December 2023

	Office Building ZWL ('000)	Motor vehicles ZWL ('000)	Equipment furniture and fittings ZWL ('000)	Total ZWL ('000)
2 PROPERTY AND EQUIPMENT				
Unaudited historical cost*				
Net book amount as at 1 January 2022	333 980	10 510	24 628	369 118
Additions	-	23 964	12 937	36 901
Revaluation	1 398 904	56 084	98 175	1 553 163
Disposals	-	(942)	-	(942)
Depreciation charge	(19 084)	(9 620)	(8 101)	(36 805)
Net book amount as at 31 December 2022	1 713 800	79 996	127 639	1 921 435
As at 31 December 2022				
Gross carrying amount	1 732 884	89 616	135 740	1 958 240
Accumulated depreciation	(19 084)	(9 620)	(8 101)	(36 805)
Accumulated impairment	-	-	-	-
Net book amount	1 713 800	79 996	127 639	1 921 435
Net book amount as at 1 January 2023	1 713 800	79 996	127 639	1 921 435
Additions	-	-	177 592	177 592
Revaluation	13 892 263	425 594	745 703	15 063 560
Disposals	-	(3 768)	(2 749)	(6 517)
Depreciation charge	(209 143)	(35 340)	(201 866)	(446 349)
Net book amount as at 31 December 2023	15 396 920	466 482	846 319	16 709 721
As at 31 December 2023				
Gross carrying amount	15 606 063	501 822	1 048 185	17 156 070
Accumulated depreciation	(209 143)	(35 340)	(201 866)	(446 349)
Accumulated impairment	-	-	-	-
Net book amount	15 396 920	466 482	846 319	16 709 722

3 INSURANCE AND REINSURANCE CONTRACTS
 31 Dec 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2022	31 Dec 2023 Restated**	31 Dec 2022	31 Dec 2023 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
Insurance contracts				
Insurance contract liabilities				
- Insurance contract balances	15 789 692	3 688 385	15 789 692	767 554
	15 789 692	3 688 385	15 789 692	767 554
- Assets for insurance acquisition cash flows	-	-	-	-
Net Insurance contract liabilities	15 789 692	3 688 385	15 789 692	767 554
Insurance contract assets				
- Insurance contract balances	-	1 965 261	-	408 971
	-	1 965 261	-	408 971
- Assets for insurance acquisition cash flows	-	-	-	-
Net Insurance contract assets	-	1 965 261	-	408 971
Reinsurance contracts				
Reinsurance contract assets	12 946 015	3 440 304	12 946 015	715 928
	12 946 015	3 440 304	12 946 015	715 928
Reinsurance contract liabilities	9 246 112	7 518 740	9 246 112	1 564 652
	9 246 112	7 518 740	9 246 112	1 564 652

The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

3.1 Movement in insurance and reinsurance contract balances
 December 2023
 Non-life

Analysis by remaining coverage and incurred claims	Audited Inflation Adjusted				
	Liability for incurred claims				
	Liability for remaining coverage excluding loss component ZWL ('000)	Contracts under PAA			Total ZWL ('000)
Loss component ZWL ('000)		Estimates of present value of future cash flows ZWL ('000)	Risk adjustment for non-financial risk ZWL ('000)		
Opening liabilities	(568 456)	2 043 920	-	247 660	1 723 124
Net opening balance	(568 456)	2 043 920	-	247 660	1 723 124
Changes in the statement of profit or loss and OCI					
Insurance revenue	66 383 076	-	-	-	66 383 076
	66 383 076	-	-	-	66 383 076
Insurance service expense					
Incurring claims and other insurance service expenses	-	-	(24 467 951)	-	(24 467 951)
Amortisation of insurance acquisition cash flows	(13 856 333)	-	-	-	(13 856 333)
Losses and reversals of losses on onerous contracts	(7 052 080)	-	-	-	(7 052 080)
Adjustment to liabilities for incurred claims	(20 908 413)	1 870 564	(4 181 588)	185 175	(47 502 213)
Premium refunds	-	-	-	-	-
Insurance service result	45 474 662	1 870 564	(28 649 539)	185 175	18 880 862
Net finance expenses from insurance contracts					
Effect of movement in exchange rates	(35 119 797)	-	-	-	(35 119 797)
Total changes in the statement of profit or loss and OCI	10 354 865	1 870 564	(28 649 539)	185 175	(16 238 935)
Cash flows					
Premiums received	(39 598 165)	-	-	-	(39 598 165)
Claims and other insurance service expenses	-	-	24 467 951	-	24 467 951
Insurance acquisition cash flows	13 856 333	-	-	-	13 856 333
Total cash flows	(25 741 832)	-	24 467 951	-	(1 273 881)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	(15 955 423)	3 914 484	(4 181 588)	432 835	(15 789 692)
Net closing balance	(15 955 423)	3 914 484	(4 181 588)	432 835	(15 789 692)

NOTES TO THE FINANCIAL RESULTS (CONTINUED)
 For the year ended 31 December 2023

December 2022 Restated** Non-life	Audited Inflation Adjusted				
	Liability for incurred claims				
	Liability for remaining coverage excluding loss component ZWL ('000)	Loss component ZWL ('000)	Contracts under PAA		Total ZWL ('000)
Estimates of present value of future cash flows ZWL ('000)			Risk adjustment for non-financial risk ZWL ('000)		
Analysis by remaining coverage and incurred claims					
Opening liabilities	3 760 774	268 391	-	34 595	4 063 760
Net opening balance	3 760 774	268 391	-	34 595	4 063 760
Changes in the statement of profit or loss and OCI					
Insurance revenue	24 213 597	-	-	-	24 213 597
	24 213 597	-	-	-	24 213 597
Insurance service expense					
Incurring claims and other insurance service expenses	-	-	(11 795 454)	-	(11 795 454)
Amortisation of insurance acquisition cash flows	(3 690 151)	-	-	-	(3 690 151)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	(3 690 151)	369 488	(3 407 130)	44 339	(2 993 303)
	(3 690 151)	369 488	(15 202 584)	44 339	(18 478 908)
Premium refunds	-	-	-	-	-
Insurance service result	20 523 446	369 488	(15 202 584)	44 339	5 734 689
Net finance expenses from insurance contracts					
Effect of movement in exchange rates	(6 514 841)	-	-	-	(6 514 841)
Total changes in the statement of profit or loss and OCI	14 008 605	369 488	(15 202 584)	44 339	(780 152)
Cash flows					
Premiums received	(6 994 723)	-	-	-	(6 994 723)
Claims and other insurance service expenses	-	-	1 731 838	-	1 731 838
Insurance acquisition cash flows	256 153	-	-	-	256 153
Total cash flows	(6 738 570)	-	1 731 838	-	(5 006 732)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	(11 030 809)	637 879	(13 470 746)	78 934	(1 723 124)
Net closing balance	(11 030 809)	637 879	(13 470 746)	78 934	(1 723 124)

3.1 Movement in insurance and reinsurance contract balances (continued)
 December 2023
 Non-life

Analysis by remaining coverage and incurred claims	Unaudited Historical Cost*				
	Liability for incurred claims				
	Liability for remaining coverage excluding loss component ZWL ('000)	Loss component ZWL ('000)	Contracts under PAA		Total ZWL ('000)
Estimates of present value of future cash flows ZWL ('000)			Risk adjustment for non-financial risk ZWL ('000)		
Opening liabilities	(118 296)	425 340	-	51 538	358 582
Net opening balance	(118 296)	425 340	-	51 538	358 582
Changes in the statement of profit or loss and OCI					
Insurance revenue	31 341 050	-	-	-	31 341 050
	31 341 050	-	-	-	31 341 050
Insurance service expense					
Incurring claims and other insurance service expenses	-	-	(13 750 153)	-	(13 750 153)
Amortisation of insurance acquisition cash flows	(5 353 573)	-	-	-	(5 353 573)
Losses and reversals of losses on onerous contracts	(7 052 080)	-	-	-	(7 052 080)
Adjustment to liabilities for incurred claims	(12 405 653)	3 489 143	(5 862 615)	381 296	(28 147 982)
Premium refunds	-	-	-	-	-
Insurance service result	18 935 397	3 489 143	(19 612 768)	381 296	3 193 068
Net finance expenses from insurance contracts					
Effect of movement in exchange rates	3 268 993	-	-	-	3 268 993
Total changes in the statement of profit or loss and OCI	22 204 390	3 489 143	(19 612 768)	381 296	6 462 063
Cash flows					
Premiums received	(39 598 165)	-	-	-	(39 598 165)
Claims and other insurance service expenses	-	-	13 626 285	-	13 626 285
Insurance acquisition cash flows	3 361 543	-	-	-	3 361 543
Total cash flows	(36 236 622)	-	13 626 285	-	(22 610 337)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	(14 150 528)	3 914 483	(5 986 483)	432 834	(15 689 692)
Net closing balance	(14 150 528)	3 914 483	(5 986 483)	432 834	(15 689 692)

December 2022 Restated
Non-life**

Analysis by remaining coverage and incurred claims	Unaudited Historical Cost*				
	Liability for incurred claims				
	Liability for remaining coverage excluding loss component ZWL ('000)	Loss component ZWL ('000)	Contracts under PAA		Total ZWL ('000)
Estimates of present value of future cash flows ZWL ('000)			Risk adjustment for non-financial risk ZWL ('000)		
Opening liabilities	182 955	55 852	-	7 199	246 006
Net opening balance	182 955	55 852	-	7 199	246 006
Changes in the statement of profit or loss and OCI					
Insurance revenue	3 519 073	-	-	-	3 519 073
	3 519 073	-	-	-	3 519 073
Insurance service expense					
Incurring claims and other insurance service expenses	-	-	(1 954 901)	-	(1 954 901)
Amortisation of insurance acquisition cash flows	(649 746)	-	-	-	(649 746)
Losses and reversals of losses on onerous contracts	-	-	-	-	-
Adjustment to liabilities for incurred claims	(649 746)	369 488	(948 814)	44 339	(534 987)
	(649 746)	369 488	(2 903 715)	44 339	(3 139 634)
Premium refunds	-	-	-	-	-
Insurance service result	2 869 328	369 488	(2 903 715)	44 339	379 440
Net finance expenses from insurance contracts					
Effect of movement in exchange rates	1 392 420	-	-	-	1 392 420
Total changes in the statement of profit or loss and OCI	4 261 748	369 488	(2 903 715)	44 339	1 771 860
Cash flows					
Premiums received	(4 364 439)	-	-	-	(4 364 439)
Claims and other insurance service expenses	-	-	1 731 838	-	1 731 838
Insurance acquisition cash flows	256 153	-	-	-	256 153
Total cash flows	(4 108 286)	-	1 731 838	-	(2 376 448)
Transfer to other items in the statement of financial position					
Contracts derecognised on disposal of subsidiary	(336 417)	425 340	(1 171 877)	51 538	(358 582)
Net closing balance	(336 417)	425 340	(1 171 877)	51 538	(358 582)

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

3.1 Movement in insurance and reinsurance contract balances (continued)

December 2023 Non-Life	Audited Inflation Adjusted			Total ZWL ('000)
	Assets for remaining coverage		Asset for	
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	incurred claims ZWL ('000)	
Reinsurance contracts				
Analysis by remaining coverage and incurred claims				
Opening assets	(5 118 307)	42 528	997 343	(4 078 436)
Net opening balance	(5 118 307)	42 528	997 343	(4 078 436)
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	28 764 867	-	-	28 764 867
	28 764 867	-	-	28 764 867
Amounts recoverable from reinsurers				
Recoveries of incurred claims and -other insurance service expenses	(23 697 483)	-	-	(23 697 483)
Recoveries and reversals of recoveries -of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	(4 829 251)	1 172 085	5 584 861	1 927 695
	(28 526 734)	1 172 085	5 584 861	(21 769 788)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net expenses from reinsurance contracts	238 133	1 172 085	5 584 861	6 995 079
Net finance expenses from insurance contracts				
Effect of movement in exchange rates	11 231 383	-	-	11 231 383
Total changes in the statement of profit or loss and OCI	11 469 516	1 172 085	5 584 861	18 226 462
Cash flows				
Premiums paid	-	-	(16 621 037)	(16 621 037)
Amounts received	-	-	6 172 914	6 172 914
Total cash flows	-	-	(10 448 123)	(10 448 123)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Closing assets	6 351 209	1 214 613	(3 865 919)	3 699 903

December 2022

Restated**

Non-Life

December 2022 Restated** Non-Life	Audited Inflation Adjusted			Total ZWL ('000)
	Assets for remaining coverage		Asset for	
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	incurred claims ZWL ('000)	
Reinsurance contracts				
Analysis by remaining coverage and incurred claims				
Opening assets	527 996	12 857	92 138	632 991
Net opening balance	527 996	12 857	92 138	632 991
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	7 644 448	-	-	7 644 448
	7 644 448	-	-	7 644 448
Amounts recoverable from reinsurers				
Recoveries of incurred claims and -other insurance service expenses	(6 329 385)	-	-	(6 329 385)
Recoveries and reversals of recoveries -of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	(1 436 306)	6 175	188 373	(1 241 758)
	(7 765 691)	6 175	188 373	(7 571 143)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net expenses from reinsurance contracts	(121 244)	6 175	188 373	73 304
Net finance expenses from insurance contracts				
Effect of movement in exchange rates	(1 565 773)	-	-	(1 565 773)
Total changes in the statement of profit or loss and OCI	(1 687 017)	6 175	188 373	(1 492 469)
Cash flows				
Premiums paid	-	-	(7 005 075)	(7 005 075)
Amounts received	-	-	3 786 117	3 786 117
Total cash flows	-	-	(3 218 958)	(3 218 958)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Closing assets	(1 159 021)	19 032	(2 938 447)	(4 078 436)

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

3.1 Movement in insurance and reinsurance contract balances (continued)

December 2023 Non-Life	Unaudited Historical Cost*			Total ZWL ('000)
	Assets for remaining coverage		Asset for	
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	incurred claims ZWL ('000)	
Reinsurance contracts				
Analysis by remaining coverage and incurred claims				
Opening assets	(1 065 121)	8 850	207 547	(848 724)
Net opening balance	(1 065 121)	8 850	207 547	(848 724)
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	13 477 465	-	-	13 477 465
	13 477 465	-	-	13 477 465
Amounts recoverable from reinsurers				
Recoveries of incurred claims and -other insurance service expenses	(14 132 744)	-	-	(14 132 744)
Recoveries and reversals of recoveries -of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	(5 794 570)	1 172 085	5 584 861	962 376
	(19 927 314)	1 172 085	5 584 861	(13 170 368)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net expenses from reinsurance contracts	(6 449 849)	1 172 085	5 584 861	307 097
Net finance expenses from insurance contracts				
Effect of movement in exchange rates	8 583 203	-	-	8 583 203
Total changes in the statement of profit or loss and OCI	2 133 354	1 172 085	5 584 861	8 890 300
Cash flows				
Premiums paid	-	-	(6 695 084)	(6 695 084)
Amounts received	-	-	2 353 410	2 353 410
Total cash flows	-	-	(4 341 674)	(4 341 674)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Closing assets	1 068 233	1 180 935	1 450 734	3 699 902

December 2022

Restated**

Non-Life

December 2022 Restated** Non-Life	Unaudited Historical Cost*			Total ZWL ('000)
	Assets for remaining coverage		Asset for	
	Excluding Loss recovery component ZWL ('000)	Loss recovery component ZWL ('000)	incurred claims ZWL ('000)	
Reinsurance contracts				
Analysis by remaining coverage and incurred claims				
Opening assets	16 470	2 675	19 174	38 319
Net opening balance	16 470	2 675	19 174	38 319
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	1 125 273	-	-	1 125 273
	1 125 273	-	-	1 125 273
Amounts recoverable from reinsurers				
Recoveries of incurred claims and -other insurance service expenses	(1 270 009)	-	-	(1 270 009)
Recoveries and reversals of recoveries -of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	(448 210)	6 175	188 373	(253 662)
	(1 718 219)	6 175	188 373	(1 523 671)
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Net expenses from reinsurance contracts	(592 946)	6 175	188 373	(398 398)
Net finance expenses from insurance contracts				
Effect of movement in exchange rates	(119 795)	-	-	(119 795)
Total changes in the statement of profit or loss and OCI	(712 741)	6 175	188 373	(518 193)
Cash flows				
Premiums paid	-	-	(802 688)	(802 688)
Amounts received	-	-	433 839	433 839
Total cash flows	-	-	(368 849)	(368 849)
Contracts derecognised on disposal of subsidiary	-	-	-	-
Closing assets	(696 271)	8 850	(161 302)	(848 723)

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NOTES TO THE FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
4 INVESTMENT PROPERTY				
Balance at 1 January	55 166	27 752	11 480	1 680
Fair value adjustment	62 434	27 414	106 120	9 800
Additions	-	-	-	-
Balance at 31 December	117 600	55 166	117 600	11 480
Current	117 600	55 166	117 600	11 480
Non-current	-	-	-	-
Total	117 600	55 166	117 600	11 480
Investment property comprises the following:				
Residential stand, Harare	117 600	55 166	117 600	11 480
5 CASH AND CASH EQUIVALENTS				
Cash and cash equivalents include the following for the purposes of the statement of cash flows:				
Cash at bank	6 448 608	2 986 432	6 448 608	621 477
Cash on hand	-	-	-	-
	6 448 608	2 986 432	6 448 608	621 477
Current	6 448 608	2 986 432	6 448 608	621 477
Non-current	-	-	-	-
Total	6 448 608	2 986 432	6 448 608	621 477

NOTES TO THE FINANCIAL RESULTS (CONTINUED)

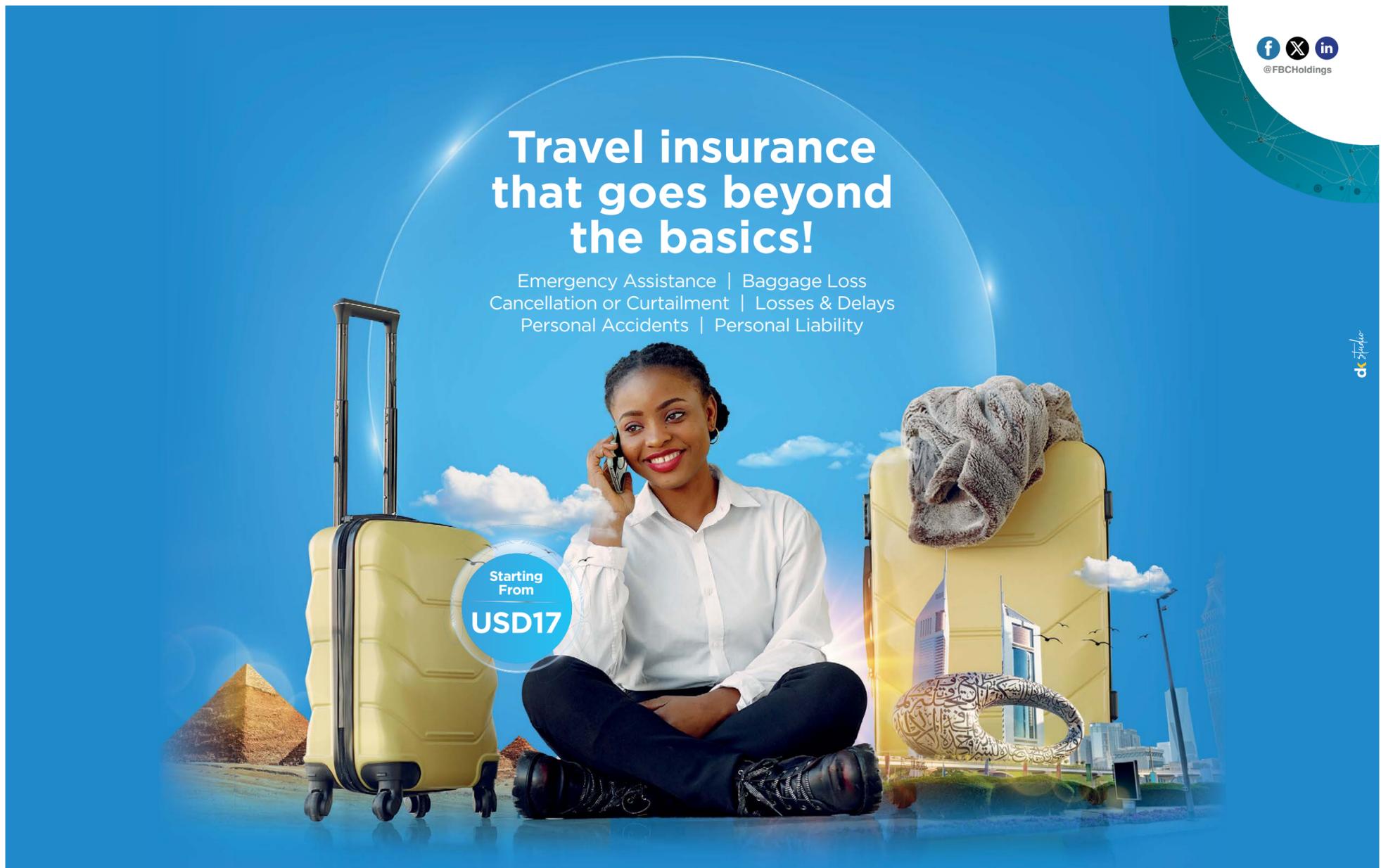
For the year ended 31 December 2023

	Audited Inflation Adjusted		Unaudited Historical Cost*	
	31 Dec 2023	31 Dec 2022 Restated**	31 Dec 2023	31 Dec 2022 Restated**
	ZWL ('000)	ZWL ('000)	ZWL ('000)	ZWL ('000)
6 INSURANCE REVENUE				
Premium revenue arising from insurance contracts issued	66 383 076	24 213 597	31 341 050	3 519 073
Insurance contract expense				
Incurred claims and other insurance service expenses	(21 901 834)	(11 795 454)	(11 184 037)	(1 954 901)
Amortisation of insurance acquisition cash flows	(13 856 333)	(3 690 151)	(5 353 573)	(649 746)
Losses and reversals of losses on onerous contracts	(7 052 080)	-	(7 052 080)	-
Adjustment to liabilities for incurred claims	(2 125 850)	(2 993 303)	(1 992 176)	(534 987)
Attributable expenses	(2 566 117)	-	(2 566 117)	-
Total insurance contract expense	(47 502 214)	(18 478 908)	(28 147 983)	(3 139 634)
Short-term reinsurance contracts:				
Gross premiums paid	28 764 867	7 644 448	13 477 465	1 125 273
Change in Asset for remaining coverage	-	-	-	-
Premium revenue ceded to reinsurers on insurance contracts issued	28 764 867	7 644 448	13 477 465	1 125 273
Reinsurance contract expense				
Recoveries of incurred claims and other -insurance service expenses	(23 697 483)	(6 329 385)	(14 132 744)	(1 270 009)
Recoveries and reversals of recoveries -of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	1 927 694	(1 241 758)	962 375	(253 662)
Net reinsurance contract expense	(21 769 789)	(7 571 143)	(13 170 369)	(1 523 671)
7 ADMINISTRATION EXPENSES				
Expenses by nature				
Audit fee:				
- current year audit	-	-	-	-
- prior year under-provision	171 591	81 407	99 812	10 186
Depreciation	365 690	290 239	446 349	36 805
Amortisation	-	-	-	80
Impairment losses:				
- accounts receivable	-	103 360	-	21 509
Directors fees:				
- services as directors	319 573	151 247	203 436	26 364
- services as management	5 436 816	1 252 823	3 132 825	260 713
Employee benefit expenses	16 310 015	5 764 497	8 573 371	680 130
Other operating expense	5 979 128	4 087 228	3 153 630	971 051
	28 582 813	11 730 801	15 609 423	2 006 838

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