



NICOZDIAMOND INSURANCE LIMITED

You never know what will happen

a member of FIRST MUTUAL HOLDINGS LIMITED

Abridged Audited Financial Results For the year ended 31 December 2022

With you, for you



An A+ future needs A+ learning

With a market leading partner, your future is highly rated and fully covered.

CHAIRMAN STATEMENT

ECONOMIC OVERVIEW

According to the Ministry of Finance, Zimbabwe was expected to record a 5.5% growth in Gross Domestic Product ("GDP") for 2022 (2021: 8.5%) on the back of a good 2021/2022 agriculture season and complemented by the recovery of the mining sector following the increase in international commodity prices. Money market interest rates on Zimbabwe Dollar ("ZWL") investments averaged 80% in 2022 whilst those in United States Dollar ("USD") averaged 5%. Year on year inflation closed the year at 243.8% compared to a 60.7% in 2021 driven by money supply growth. To reduce the inflationary pressures, the government increased the interest rate and introduced gold coins as a measure to mop out excess liquidity in the market. The Zimbabwe Stock Exchange ("ZSE") all share index recorded 80.1% gains from December 2021 to December 2022 to close at 19,493.9 points (2021: 10,822.4 points). The Victoria Falls Stock Exchange ("VFX"), which opened in December 2021, gained momentum in 2022 and closed the year with a number of high-profile companies listed on the USD bourse.

MONETARY DEVELOPMENTS

The economy continued to operate in a multiple currency environment throughout the year.

HYPERINFLATIONARY REPORTING

The economy continued to operate in a hyperinflationary environment and as a result, the pronouncement issued by the Public Accountants and Auditors Board ("PAAB") in 2019 continued to apply. As a result, International Accounting Standard ("IAS") 29 - Financial Reporting in Hyperinflationary Economies was used in the preparation of the Group and the Company's financial statements. The financial statements prepared in line with this requirement are the inflation adjusted financial statements. The historical financial statements have been provided for information purposes.

SUSTAINABILITY

NicozDiamond perceives sustainability not only as a risk management imperative but also as potential growth area. The objective to create sustainable economic value relies on the core principle of our corporate strategy. In order to achieve the above, there is a systematic allowance for environmental, social and governance ("ESG"). This process applies to both our internal underwriting processes as well as our products and services. The Group also ensures that the impact of sustainability is not only limited to core insurance operations but also stretches to other areas of the business such as the investment philosophy as exemplified by the investment into the First Mutual Park solar plant for clean energy.

COMMUNITY

The Group's Corporate Social Responsibility ("CSR") focus spans across several areas including education, health and support for children and the elderly in the communities in which the business operates. In 2022 the Company assisted Entembeni old people's home in Bulawayo through a donation of medical supplies required to help the elderly to live comfortably. In addition, a donation of footwear was made to Fairfield children's home in Mutare to aid the alleviation of winter discomfort. NicozDiamond is a long-time key partner of the Traffic Safety Council Zimbabwe ("TSCZ") in strengthening national efforts to reduce road accidents. The Company sponsored various initiatives whose aim was to raise funds for charitable causes.

LEGISLATIVE AND REGULATORY DEVELOPMENTS

During 2022, various legislations through statutory instruments were enacted and issued by the regulators, particularly the Zimbabwe Revenue Authority (ZIMRA), Insurance and Pensions Commission ("IPEC") and Reserve Bank of Zimbabwe (RBZ). Key legislative pronouncements that the business is in the process of implementing include, IFRS 17, Zimbabwe Integrated Capital and Risk Programme (ZICARP) and new minimum capital requirements. As a business, we have established various systems to manage compliance through Group Legal, Risk & Compliance teams. The business continues to observe and comply with laws, regulations and directives which are vital for sustainable business continuity.

COVID-19 UPDATE

I am pleased to announce that most of the staff were vaccinated against the COVID-19 virus. Due to efforts by the Government of Zimbabwe, the pandemic is no longer as pertinent a risk as it was in prior years. The Group will continue to observe all COVID-19 protocols as announced by the Ministry of Health and Child Welfare, as well as the World Health Organisation for the well-being of all our stakeholders.

DIRECTORATE

There were no changes to the Board in 2022.

DIVIDEND

The Board declared a final dividend of USD427 000. This brings the total dividend paid for the year to USD667 500 after USD240 500 was paid as interim dividend during the year. The final dividend is payable in respect of the financial year ended 31 December 2022. The Directors also reconfirmed the declaration of a dividend in specie in the form of 20 Diamond Villas housing units. The units were declared as dividends in 2020, 2021 and 2022 but the transfer had not been effected.

OUTLOOK

The business's focus is now on strengthening the Group's position as a market leader and increasing our regional footprint. Growth is expected from agriculture, mining, construction and other sectors of the economy.

The Group will maintain sound relationships with all stakeholders. The warranted stance taken by both fiscal and monetary authorities will assist in stabilising the economy although some of the measures may dampen demand in the short term. This position taken by authorities helps to counter arbitrage gap which will have positive effects on the entire economy. The Group, however, maintains a positive long-term view and will continue to seek opportunities to preserve and grow stakeholder value. With the current strong balance sheet, the Group's business operations are well set to weather the challenging operating environment across all its operating regions.

APPRECIATION

I express my sincere gratitude to the Board of Directors, executives, management and staff for their ongoing efforts during the year under review. Their commitment, despite the challenging operating environment, is greatly appreciated. I also take this opportunity to thank the Group's valued customers, suppliers and other stakeholders for their continued support and trust.



Elisha K. Moyo

Chairman

10 March 2023

CHIEF EXECUTIVE OFFICER REVIEW OF FINANCIAL PERFORMANCE AND OPERATIONS

The NicozDiamond Group's strategic ambition is to be a leader in its chosen markets. On the strength of an entrenched Zimbabwe position the business aims to grow its regional contribution and meet the expectations of its diverse stakeholder universe through keeping promises, fulfilling obligations outlined in our strategic pillars, and providing economic dignity to clients and communities.

FINANCIAL PERFORMANCE

*The financial commentary below is based on inflation adjusted numbers.

COMPREHENSIVE INCOME HIGHLIGHTS

	Group			
	Inflation adjusted		Historic	
	2022	2021	2022	2021
	ZWL000,000	ZWL000,000	ZWL000,000	ZWL000,000
Gross premium	23 042	15 255	16 165	3 538
Net premium written	10 564	7 664	6 879	1 747
Earned premium	12 353	6 749	5 459	1 540
Net benefits and claims	(3 998)	(2 385)	(2 735)	(544)
Commission and acquisition expenses	(3 517)	(2 622)	(2 528)	(653)
Underwriting result	6 839	3 300	1 681	735
Investment return	2 677	3 202	7 406	1 327
Profit/(loss) before income tax	4 046	1 736	5 911	1 321
Profit/ (Loss) for the year	3 230	655	3 720	841

FINANCIAL POSITION HIGHLIGHTS

	Group			
	Inflation adjusted		Historic	
	2022	2021	2022	2021
	ZWL000,000	ZWL000,000	ZWL000,000	ZWL000,000
Total assets	19 137	14 448	17 903	3 905
Cash generated/(utilised) from operations	523	1 221	8 178	(172)

Statement of Comprehensive Income

The Group achieved gross premium income of \$23 billion, a 51% increase compared to the same period last year driven mainly by new business and organic growth. The Group had an overall investment return of \$2.7 billion driven by money market returns, fair value adjustment on listed equities and investment property. A major contributor to the increase was the 68% increase in claims costs. An independent valuation of properties was carried out by Knight Frank. Demand for office space remains weak, resulting in low rentals and high vacancies especially within the Central Business District. The Group's profit after tax stood at \$3.2 billion compared to \$655 million in 2021, largely as a result of business growth and a positive investment outturn

Statement of Financial Position

The Group's total assets grew by 32% to \$19.1 billion largely due to an increase in cash and balances with banks, investment property revaluation and growth in the value of listed equities. The Group's total cash and cash equivalents at 31 December 2022 were \$1.2 billion made up of short-term money market investments and bank balances with various financial institutions.

OPERATIONS REVIEW

*The review of Zimbabwe operations below is based on Inflation adjusted numbers while Mozambique operations are based on historic numbers.

Zimbabwe operations

The business experienced strong growth in Gross Premium Written of 49% driven by an increase in foreign denominated business, organic growth and premium reviews by the government on statutory covers.

Net claims expense grew by 62% compared to 2021. The growth in claims is attributed to the increase in economic activity. In the previous period, the COVID-19 lockdown contributed to lower motor claims due to movement restrictions.

Administration expenses went up 68% driven mainly by the general increase in the price of goods and services due to inflation.

The Company improved its compliance on prescribed asset requirements from 4% in 2021 to 8% in 2022. This was achieved through acquisition of gold coins, value preserving alternative investments in agriculture related instruments, student accommodation and other bonds.

The Company achieved an underwriting result of \$6.5 billion for the year compared to \$2.3 billion in the previous period.

Overall, the Company had a profit after tax of \$2 billion compared to \$591 million in 2021.

Mozambique operations (Diamond Seguros)

The Company's Gross Premium Written grew by 21% when compared to last year. The strong growth was driven by new business and organic growth. Since NicozDiamond assumed control of the entity, the business has enjoyed increased confidence from the market.

Claims incurred during the year increased by 22% as a result of the business growth and significant claims reported in the year.

The Company achieved an underwriting result of MZN66 million against prior year figure of MZN58 million representing a 13% growth.

REGULATORY CAPITAL ADEQUACY AND SOLVENCY ASSESSMENT CAPITAL ADEQUACY

IFRS Basis

The Group had a historic IFRS capital of \$6.9 billion (2021: \$1.8 billion) as at 31 December 2022 compared to the required \$1.02 billion (2021: \$37.5 million) representing 6.76 times cover (2021: 48.29 times cover).

SI 95 Basis

The Company had a regulatory capital of \$4 billion (2021: \$529 million) as at 31 December 2022 compared to the required \$1.02 billion (2021: \$37.5 million) representing 4 times cover (2021: 14.1 times cover).

SOLVENCY POSITION

As at 31 December 2022, the Company had a solvency ratio of 70% (2021: 33%) based on the requirements of Statutory Instrument 95 of 2017 ("SI95"). This is above Insurance and Pensions Commission's ("IPEC") minimum solvency ratio requirement of 25%.

PRESCRIBED ASSETS

The Company's prescribed assets ratio as at 31 December stood at 8% compared to 4% at the end of 2021. The Company will continue to invest in prescribed asset to meet the minimum required 10%.

GLOBAL CREDIT RATING

The business maintained its national scale financial strength rating of A+(ZW) with a positive outlook.

APPRECIATION

Many thanks to our clients for their custom and their continued confidence in the business. Also, special thanks goes to my colleagues for their commitment in steering the Group throughout the year. Special thanks also goes to our Regulators, Board of Directors and diverse partners.



David Nyabadza

Chief Executive Officer

10 March 2023

DECLARATION BY GENERAL MANAGER FINANCE

The audited financial statements which should be read in conjunction with a complete set of financial statements for the year ended 31 December 2022 were prepared under the supervision of the General Manager Finance, Tendai D. Madziwa, a member of the Institute of Chartered Accountants of Zimbabwe and registered with the Public Accountants and Auditors Board, as a public accountant, member number 0934.



Tendai D. Madziwa

General Manager Finance

10 March 2023

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

ASSETS	Note	Group				Company			
		Inflation adjusted		Historic		Inflation adjusted		Historic	
		2022	2021	2022	2021	2022	2021	2022	2021
		ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000
Non-current assets									
Property and equipment	4	456	264	130	18	341	229	81	10
Right-of-use-assets		16	9	5	-	288	183	65	7
Investment properties	5	7 756	5 844	7 756	1 700	3 752	3 084	3 752	897
Intangible assets		44	57	7	4	44	57	7	4
Investment in subsidiaries		-	-	-	-	391	391	81	81
Investment in associates	6	1 459	1 195	923	211	473	473	1	1
Goodwill		151	84	151	24	-	-	-	-
Financial assets at fair value through profit or loss	7	1 324	1 005	1 324	292	1 324	1 005	1 324	292
Investment in gold coins		122	-	122	-	122	-	122	-
		11 329	8 458	10 418	2 249	6 735	5 422	5 432	1 292
Current assets									
Inventories		37	25	17	6	32	22	12	5
Non-current asset held for distribution		-	633	-	184	-	633	-	184
Deferred acquisition costs		649	493	338	58	643	284	332	57
Insurance receivables	8	3 166	2 667	3 166	776	2 635	2 119	2 635	617
Amounts due from related parties	16	124	59	124	17	196	93	196	27
Current income tax assets		3	2	3	1	-	-	-	-
Other receivables and prepayments		793	548	793	159	769	492	769	143
Debt securities investments at amortised cost	9	1 850	637	1 850	185	631	177	631	52
Cash and cash equivalents	10	1 186	926	1 186	270	733	570	733	166
		7 808	5 990	7 478	1 656	5 640	4 390	5 309	1 251
Total assets		19 137	14 448	17 896	3 905	12 374	9 812	10 741	2 542
EQUITY AND LIABILITIES									
EQUITY									
Share capital		744	744	29	29	744	744	29	29
Share premium		1 278	1 278	5	5	1 278	1 278	5	5
Retained earnings/(accumulated losses)		3 859	502	5 209	1 534	480	(1 221)	1 675	882
Foreign currency translation reserve		758	1 023	758	192	-	-	-	-
Total equity		6 639	3 547	6 001	1 760	2 502	801	1 709	916
Non-controlling interest		301	178	301	52	-	-	-	-
		6 940	3 725	6 302	1 812	2 502	801	1 709	916
LIABILITIES									
Non-current liabilities									
Lease liabilities		4	2	4	-	54	40	54	12
Deferred tax liabilities	11	2 451	1 805	2 722	553	1 714	1 200	1 705	303
Share based payment liabilities		24	106	24	31	24	106	24	31
		2 478	1 913	2 750	584	1 792	1 347	1 626	346
Current liabilities									
Insurance liabilities	12	8 317	7 735	7 486	1 198	6 741	6 636	5 911	982
Amounts due to related parties	16	117	43	72	12	117	43	117	12
Other payables and accruals		1 246	758	1 246	220	1 166	701	1 166	204
Lease liabilities		1	1	1	-	18	13	18	4
Share based payment liabilities		12	53	12	15	12	53	12	15
Current income tax liabilities		27	219	27	64	37	220	27	64
		9 719	8 809	8 844	1 510	8 081	7 666	7 250	1 282
Total liabilities		12 198	10 723	11 594	2 093	9 872	9 011	9 032	1 627
Total equity and liabilities		19 137	14 448	17 896	3 905	12 374	9 812	10 741	2 542

The above consolidated and separate statements of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

Income	Note	Group				Company			
		Inflation adjusted		Historic		Inflation adjusted		Historic	
		2022	2021	2022	2021	2022	2021	2022	2021
		ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000
Income									
Gross premium		23 042	15 255	16 165	3 538	21 099	14 130	15 486	3 282
Premium ceded		(12 479)	(7 591)	(9 285)	(1 791)	(11 294)	(7 031)	(8 948)	(1 663)
Net premium written		10 564	7 664	6 879	1 747	9 805	7 099	6 538	1 619
Movement in the unearned premium reserve		1 779	(915)	(1 420)	(208)	1 733	(893)	(1 390)	(202)
Earned premium		12 343	6 749	5 459	1 540	11 538	6 206	5 148	1 417
Brokerage commission and fees		2 000	1 531	1 485	393	1 847	1 531	1 401	361
Management fees		-	-	-	-	-	-	-	-
Other income		781	323	493	87	625	372	488	88
Total income		15 123	8 604	7 437	2 019	14 011	8 109	7 038	1 866
Net benefits and claims	13	(3 913)	(2 385)	(2 808)	(544)	(3 510)	(2 168)	(2 688)	(505)
Commission and acquisition expenses		(3 517)	(2 622)	(2 528)	(653)	(3 321)	(2 600)	(2 420)	(616)
Operating and administrative expenses		(5 616)	(3 349)	(3 487)	(781)	(5 044)	(2 949)	(3 184)	(684)
Expected credit loss allowances		(418)	(252)	(418)	(73)	(409)	(231)	(409)	(67)
Monetary losses		(685)	(1 580)	-	-	(389)	(1 018)	-	-
Operating profit/(loss)		974	(1 584)	(1 804)	(33)	1 338	(856)	(1 663)	(6)
Other net gains		2 173	2 994	7 124	1 274	928	2 088	3 922	803
Investment income	14	504	208	282	53	144	104	103	25
Finance income	14	455	39	267	9	378	39	267	9
Profit before share of profit/(loss) of associates		4 105	1 657	5 870	1 303	2 788	1 375	2 630	831
Share of profit of associates accounted for using the equity method		(59)	78	(32)	18	-	-	-	-
Profit before income tax		4 046	1 736	5 838	1 321	2 788	1 375	2 630	831
Income tax expense		(817)	(1 081)	(2 341)	(480)	(825)	(765)	(1 573)	(277)
Profit for the year		3 230	655	3 497	841	1 963	610	1 057	550

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

Year ended 31 December 2021	Inflation adjusted						
	Group						
	Share capital ZWL0,000,000	Share premium ZWL0,000,000	Retained earnings ZWL0,000,000	Foreign currency translation reserve ZWL0,000,000	Total equity for parent ZWL0,000,000	Non controlling interest ZWL0,000,000	Total equity ZWL0,000,000
Balance as at 1 January 2021	634	1 278	198	949	3 058	196	3 254
Total comprehensive loss for the year	-	-	718	23	741	26	767
Loss for the year	-	-	669	-	669	(15)	654
Other comprehensive income / (loss) for the year	-	-	49	23	72	41	113
Dividend declared	-	-	(431)	-	(431)	-	(431)
Transactions with owners in their capacity as owners:	-	-	17	51	68	(68)	-
Issue of shares	110	-	-	-	110	24	134
Balance as at 31 December 2021	744	1 278	502	1 023	3 547	178	3 725
Year ended 31 December 2022							
Balance as at 1 January 2022	744	1 278	502	1 023	3 547	178	3 725
Total comprehensive loss for the year	-	-	3 620	(265)	3 355	123	3 478
Profit/(Loss) for the year	-	-	3 230	-	3 230	2 049	5 279
Other comprehensive income / (loss) for the year	-	-	390	(265)	125	(1 927)	(1 801)
Dividend paid	-	-	(263)	-	(263)	-	(263)
Issue of shares to Non-controlling interests in Diamond Seguros	-	-	-	-	-	-	-
Acquisition of Non-controlling interests in Diamond Seguros	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
Balance as at 31 December 2022	744	1 278	3 859	758	6 639	301	6 940
Year ended 31 December 2021							
Balance as at 1 January 2021	3	5	766	172	946	35	981
Total comprehensive income/(loss) for the year	-	-	829	7	835	28	863
Profit for the year	-	-	814	-	814	(3)	811
Other comprehensive income / (loss) for the year	-	-	15	7	21	31	52
Dividend declared	-	-	(95)	-	(95)	-	(95)
Issue of shares	26	-	-	-	26	5	31
Acquisition of subsidiary	-	-	4	13	16	(16)	-
Balance as at 31 December 2021	29	5	1 504	192	1 729	52	1 781
Year ended 31 December 2022							
Balance as at 1 January 2022	29	5	1 504	192	1 729	52	1 781
Total comprehensive income/(loss) for the year	-	-	3 968	566	4 535	249	4 784
Profit for the year	-	-	3 497	-	3 497	1 613	5 110
Other comprehensive income / (loss) for the year	-	-	471	566	1 038	(1 365)	(327)
Dividend declared	-	-	(263)	-	(263)	-	(263)
Issue of shares to Non-controlling interests in Diamond Seguros	-	-	-	-	-	-	-
Acquisition of Non-controlling interests in Diamond Seguros	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
Balance as at 31 December 2022	29	5	5 209	758	6 001	301	6 302

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

Cash flows from operating activities	Group			
	Inflation adjusted		Historic	
	2022	2021	2022	2021
	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000	ZWL0,000,000
Tax paid	3 312	1 649	9 714	(116)
Net cash generated from operating activities	523	1 221	8 178	(172)
Cash flows from investing activities	(3 5			

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

2.1 Inflation adjustment

IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the statement of financial position date, and that corresponding figures for previous periods be stated in the same terms to the latest statement of financial position date. The restatement has been calculated by means of conversion factors derived from the month-on-month consumer price index ("CPI") prepared by the Zimbabwe Statistical Agency. The conversion factors used to restate the financial statements at 31 December 2022 are as follows:

Date	CPI	Conversion factor
31-Dec-21	3978	3,44
31-Dec-22		1

3 Audit opinion

The abridged audited inflation adjusted financial results should be read in conjunction with the complete set of financial statements for the year ended 31 December 2022, which have been audited by Ernst & Young Chartered Accountants (Zimbabwe). A qualified opinion has been issued thereon in respect of the material residual impact of non-compliance with the requirements of International Accounting Standard 40 (IAS 40) "investment property" in prior year numbers. The auditors' report on the inflation adjusted consolidated financial statements is available for inspection at the Company's registered office. The engagement partner on the audit is Fungai Kuipa (PAAB Number 335).

Foreign currency transactions

The Company was exposed to different exchange rates in 2022. The official rate determined by the Reserve Bank of Zimbabwe and the rate determined by the market. On April 20, 2021, the IASB published an Exposure Draft, Lack of Exchangeability (Proposed amendments to IAS 21) that contains proposed guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. IASB has not yet finalised the guidance on the date of preparation and issue of the financial statements. The Company applied the interbank rate in the 2022 financial statements. The foreign currency revenue is disclosed below.

2022	Group			Company		
	USD ZWL000,000	ZAR ZWL000,000	MZN ZWL000,000	USD ZWL000,000	ZAR ZWL000,000	MZN ZWL000,000
GPW	23	2	232	23	2	-

2021	USD	ZAR	MZN	USD	ZAR	MZN
	ZWL000,000	ZWL000,000	ZWL000,000	ZWL000,000	ZWL000,000	ZWL000,000
GPW	16	1	168	16	1	-

4 Property, plant and equipment

Year ended 31 December 2022	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
Opening net book amount	264	229	18	9	229	215	10	6
Additions	210	41	127	11	121	22	78	5
Depreciation charge	(17)	(7)	(15)	(2)	(9)	(7)	(7)	(2)
As at 31 December	456	264	130	18	341	229	81	10

5 Investment properties

As at 1 January	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
As at 1 January	5 844	4 162	1 700	753	3 084	2 279	897	413
Additions	-	-	-	-	-	-	-	-
Disposals	(201)	-	(128)	-	(201)	-	(128)	-
Reclassification to NCAHFD	-	(526)	-	(153)	-	(526)	-	(153)
Fair value adjustments	2 113	2 208	6 184	1 100	869	1 330	2 983	637
As at 31 December	7 756	5 844	7 756	1 700	3 752	3 084	3 752	897

6 Investment in associates

As at 1 January	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
As at 1 January	1 195	2 881	211	168	473	473	1	1
Share of profit for the year	(59)	112	(32)	18	-	-	-	-
Share of other comprehensive income for the year	292	51	135	14	-	-	-	-
Foreign exchange differences on translation of foreign operations	31	(1 849)	609	11	-	-	-	-
As at 31 December	1 459	1 195	923	211	473	473	1	1

7 Financial assets at fair value through profit or loss

As at 1 January	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
As at 1 January	1 005	1 624	292	137	1 005	1 624	292	137
Additions	215	221	119	37	215	221	119	37
Disposals	(594)	(82)	327	(13)	(594)	(82)	327	(13)
Fair value adjustments realised in profit or loss (note 10)	697	(758)	586	132	597	(758)	586	132
As at 31 December	1 324	1 005	670	292	1 324	1 005	1 324	292

8 Insurance receivables

Due from policyholders (direct clients)	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
Due from policyholders (direct clients)	24	136	24	40	(4)	40	(4)	12
Due from reinsurers	1 058	762	1 058	306	915	270	915	163
Due from brokers, agents and intermediaries	2 606	1 849	2 606	538	2 226	1 849	2 226	541
Due from insurers	6	-	6	-	6	-	6	-
Expected credit loss allowances	(529)	(381)	(529)	(111)	(508)	(339)	(508)	(99)
Net insurance receivables	3 166	2 667	3 166	776	2 635	2 119	2 635	617

9 Debt securities at amortised cost

As at 1 January	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
As at 1 January	637	763	185	138	177	248	52	46
Additions	2 340	404	2 377	65	368	152	1 291	24
Interest income	(485)	(56)	(33)	(9)	(485)	(56)	(33)	(9)
Accrued interest	9	2	9	-	9	2	9	-
Realised on maturity of investments	1 153	(57)	(688)	(57)	1 153	(57)	(688)	(9)
Effects of IAS 29	(1 803)	(419)	-	-	(591)	(111)	-	-
As at 31 December	1 850	637	1 850	185	631	177	631	52

10 Cash and cash equivalents

Cash on hand and balances with banks	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
Cash on hand and balances with banks	1 186	926	1 186	270	733	570	733	166
Cash on hand	48	34	48	10	48	34	48	10
Cash at bank	1 138	892	1 138	260	685	537	685	156
As at 31 December	1 186	926	1 186	270	733	570	733	166

11 Deferred income tax

As at 1 January	Group				Company			
	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000	Inflation adjusted 2022 ZWL000,000	Historic 2021 ZWL000,000
As at 1 January	1 805	1 015	553	157	1 200	722	303	110
Deferred tax charge for the year in profit or loss	646	790	2 169	396	514	478	1 402	193
As at 31 December	2 451	1 805	2 722	553	1 714	1 200	1 705	303

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

	Group				Company			
	Inflation adjusted		Historic		Inflation adjusted		Historic	
	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000

12 Insurance liabilities

Amounts due to policyholders, reinsurers	3 521	1 684	3 521	490	2 247	1 188	2 247	346
Outstanding claims liabilities	1 086	763	1 086	222	977	359	977	113
Claims incurred but not reported	548	463	527	135	525	456	525	132
Unearned premium reserve	2 663	4 418	1 853	233	2 493	4 226	1 663	273
Commission payable	499	407	499	118	499	407	499	118
As at 31 December	8 317	7 735	7 486	1 198	6 741	6 636	5 911	982

13 Net benefits and claims

Gross benefits and claims paid	5 448	4 328	3 794	992	5 066	3 908	3 623	925
Claims recovered from reinsurers	(2 288)	(2 441)	(1 770)	(594)	(2 288)	(2 178)	(1 698)	(548)
Gross change in insurance contract liabilities	753	498	784	145	732	437	762	127
Movement in outstanding claims liabilities	360	242	391	70	339	181	369	53
Movement in claims incurred but not reported	393	256	393	74	393	256	393	74
As at 31 December	3 913	2 385	2 808	544	3 510	2 168	2 688	505

14 Investment income

Net rental income	162	238	59	32	88	61	53	13
Dividend income	326	(30)	207	21	40	43	34	12
Investment income in gold coins	16	-	16	-	16	-	16	-
As at 31 December	504	208	282	53	144	104	103	25

Finance income

Interest income from money market investments	455	39	267	9	378	39	267	9
As at 31 December	455	39	267	9	378	39	267	9

15 Operating expenses

Staff costs	2 811	1 767	1 548	424	2 811	1 659	33	9
Directors' fees and emoluments	69	63	52	15	69	48	52	11
Depreciation of property, plant and equipment	17	7	15	2	9	7	7	2
Audit fees	67	46	33	11	67	41	33	9

16 Related Parties

	Group				Company			
	Inflation adjusted		Historic		Inflation adjusted		Historic	
	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000	2022 ZWL000,000	2021 ZWL000,000
Amounts due from related parties								
First Mutual Holdings Limited (shareholder)	-	5 964	-	1 735	-	5 964	-	1 735
First Mutual Health Company (Private) Limited	-	-	-	-	-	-	-	-
First Mutual Reinsurance Company Limited	22 318	36 910	22 318	10 737	22 318	36 910	22 318	10 737
First Mutual Wealth (Private) Limited	17 782	3 075	17 782	895	17 782	3 075	17 782	895
First Mutual Properties Limited	-	11 148	-	3 243	-	11 148	-	3 243
FMRE Property and Casualty (Proprietary) Limited	53 296	110	53 296	32	53 296	110	53 296	32
First Mutual Funeral Services (Private) Limited	3 376	1 899	3 376	552	3 376	1 899	3 376	552
First Mutual Microfinance (Private) Limited	26 555	-	26 555	-	26 555	-	26 555	-
Thirty Samora Machel (Private) Limited (subsidiary)	-	-	-	-	-	18 546		

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Liquidity risks

	Inflation adjusted				
	Group				
	On demand and up to 6 months ZWL	6 months to 1 year ZWL	1 year to 3 years ZWL	Over 3 years ZWL	Total ZWL
As at 31 December 2022					
Financial assets					
Financial assets at fair value through profit or loss	-	-	1 324	-	1 324
Other receivables (excluding prepayments and statutory receivables)	447	-	-	-	447
Insurance receivables	467	2 699	-	-	3 166
Amounts due from related parties	124	-	-	-	124
Debt securities investments at amortised cost	-	1 850	-	-	1 850
Cash and cash equivalents	1 186	-	-	-	1 186
	2 224	4 550	1 324	-	8 097
Financial liabilities					
Lease liabilities (undiscounted amounts)	1	-	3	1	5
Insurance liabilities (excluding insurance provisions)	5 107	-	-	-	5 107
Amounts due to related parties	117	-	-	-	117
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	803	-	-	-	803
	6 027	-	2	1	6 031
Liquidity gap	(3 803)	4 549	1 322	(1)	2 066
Cumulative liquidity gap	(3 803)	4 545	5 866	5 865	-
	On demand and up to 6 months ZWL	6 months to 1 year ZWL	1 year to 3 years ZWL	Over 3 years ZWL	Total ZWL
As at 31 December 2021					
Financial assets at fair value through profit or loss	-	-	1 005	-	1 005
Other receivables (excluding prepayments and statutory receivables)	382	-	-	-	382
Insurance receivables	2 193	474	-	-	2 667
Amounts due from related parties	59	-	-	-	59
Debt securities investments at amortised cost	-	637	-	-	637
Cash and cash equivalents	926	-	-	-	926
	3 560	1 111	1 005	-	5 677
Financial liabilities					
Lease liabilities (undiscounted amounts)	-	-	1	1	2
Insurance liabilities (excluding insurance provisions)	2 854	-	-	-	2 854
Amounts due to related parties	43	-	-	-	43
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	519	-	-	-	519
	3 416	-	1	1	3 418
Liquidity gap	145	1 111	1 004	(1)	2 259
Cumulative liquidity gap	145	1 255	2 260	2 259	-
	Historical cost				
	Group				
	On demand and up to 6 months ZWL	6 months to 1 year ZWL	1 year to 3 years ZWL	Over 3 years ZWL	Total ZWL
As at 31 December 2022					
Financial assets					
Financial assets at fair value through profit or loss	-	-	1 324	-	1 324
Other receivables (excluding prepayments and statutory receivables)	447	-	-	-	447
Insurance receivables	467	2 699	-	-	3 166
Amounts due from related parties	124	-	-	-	124
Debt securities investments at amortised cost	-	1 850	-	-	1 850
Cash and cash equivalents	1 186	-	-	-	1 186
	2 225	4 549	1 324	-	8 098
Financial liabilities					
Lease liabilities (undiscounted amounts)	1	-	3	1	5
Insurance liabilities (excluding insurance provisions)	5 107	-	-	-	5 107
Amounts due to related parties	117	-	-	-	117
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	803	-	-	-	803
	6 027	-	2	1	6 031
Liquidity gap	(3 802)	4 549	1 322	(1)	2 067
Cumulative liquidity gap	(3 802)	747	2 069	2 068	-
As at 31 December 2021					
Financial assets					
Financial assets at fair value through profit or loss	-	-	292	-	292
Other receivables (excluding prepayments and statutory receivables)	111	-	-	-	111
Insurance receivables	638	138	-	-	776
Amounts due from related parties	17	-	-	-	17
Debt securities investments at amortised cost	-	185	-	-	185
Cash and cash equivalents	270	-	-	-	270
	1 036	323	292	-	1 651
Financial liabilities					
Lease liabilities (undiscounted amounts)	-	-	-	-	1
Insurance liabilities (excluding insurance provisions)	830	-	-	-	830
Amounts due to related parties	12	-	-	-	12
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	151	-	-	-	151
	994	-	-	-	994
Liquidity gap	42	323	292	-	657
Cumulative liquidity gap	42	365	657	657	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

	Inflation adjusted				
	Company				
	On demand and up to 6 months ZWL	6 months to 1 year ZWL	1 year to 3 years ZWL	Over 3 years ZWL	Total ZWL
As at 31 December 2022					
Financial assets					
Financial assets at fair value through profit or loss	-	-	1 324	-	1 324
Other receivables (excluding prepayments and statutory receivables)	423	-	-	-	423
Insurance receivables	(64)	2 699	-	-	2 635
Amounts due from related parties	196	-	-	-	196
Debt securities investments at amortised cost	-	631	-	-	631
Cash and cash equivalents	733	-	-	-	733
	1 289	3 330	1 324	-	5 942
Financial liabilities					
Lease liabilities	14	4	37	17	72
Insurance liabilities (excluding insurance provisions)	3 723	-	-	-	3 723
Amounts due to related parties	117	-	-	-	117
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	727	-	-	-	727
	4 581	4	37	17	4 638
Liquidity gap	(3 292)	3 326	1 286	(17)	1 304
Cumulative liquidity gap	(3 292)	35	1 321	1 305	-
As at 31 December 2021					
Financial assets					
Financial assets at fair value through profit or loss	-	-	1 005	-	1 005
Other receivables (excluding prepayments and statutory receivables)	327	-	-	-	327
Insurance receivables	1 645	474	-	-	2 119
Amounts due from related parties	93	-	-	-	93
Debt securities investments at amortised cost	-	177	-	-	177
Cash and cash equivalents	570	-	-	-	570
	2 636	651	1 005	-	4 293
Financial liabilities					
Lease liabilities	13	13	16	10	54
Insurance liabilities (excluding insurance provisions)	1 954	-	-	-	1 954
Amounts due to related parties	43	-	-	-	43
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	487	-	-	-	487
	2 497	13	16	10	2 538
Liquidity gap	139	638	989	(10)	1 755
Cumulative liquidity gap	139	777	1 765	1 755	-
	Historical cost				
	Company				
	On demand and up to 6 months ZWL	6 months to 1 year ZWL	1 year to 3 years ZWL	Over 3 years ZWL	Total ZWL
As at 31 December 2022					
Financial assets					
Financial assets at fair value through profit or loss	-	-	1 324	-	1 324
Other receivables (excluding prepayments and statutory receivables)	423	-	-	-	423
Insurance receivables	(64)	2 699	-	-	2 635
Amounts due from related parties	196	-	-	-	196
Debt securities investments at amortised cost	-	631	-	-	631
Cash and cash equivalents	733	-	-	-	733
	1 289	3 330	1 324	-	5 942
Financial liabilities					
Lease liabilities	18	4	37	17	76
Insurance liabilities (excluding insurance provisions)	3 723	-	-	-	3 723
Amounts due to related parties	117	-	-	-	117
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	727	-	-	-	727
	4 584	4	37	17	4 642
Liquidity gap	(3 296)	3 326	1 286	(17)	1 300
Cumulative liquidity gap	(3 296)	30	1 317	1 300	-
As at 31 December 2021					
Financial assets					
Financial assets at fair value through profit or loss	-	-	137	-	137
Other receivables (excluding prepayments and statutory receivables)	95	-	-	-	95
Insurance receivables	479	138	-	-	617
Amounts due from related parties	27	-	-	-	27
Debt securities investments at amortised cost	-	52	-	-	52
Cash and cash equivalents	166	-	-	-	166
	767	189	137	-	1 094
Financial liabilities					
Lease liabilities	4	4	5	3	16
Insurance liabilities (excluding insurance provisions)	517	-	-	-	517
Amounts due to related parties	13	-	-	-	13
Other payables and accruals (excluding statutory liabilities, provisions and deferred revenue)	66	-	-	-	66
	600	4	5	3	611
Liquidity gap	167	186	133	(3)	482
Cumulative liquidity gap	167	353	485	482	-