Z.A.P.F.

ZIMBABWE ASSOCIATION OF PENSION FUNDS

ANNUAL GENERAL MEETING

TO BE HELD ON

16 MAY 2024

1530 HOURS

Z.A.P.F.
ZIMBABWE ASSOCIATION OF PENSION FUNDS

NOTICE OF 49TH ANNUAL GENERAL MEETING

MEETING OF THE Z.A.P.F. WILL BE HELD AT THE ELEPHANT HILLS RESORT AT 1530 HOURS ON THURSDAY 16 MAY 2024

AGENDA

1. APOLOGIES
2. APPROVAL OF MINUTES OF THE FORTY EIGHTH A.G.M. HELD ON 18 MAY 2023
3. MATTERS ARISING
4. Chairman's Annual Report
5. ANNUAL ACCOUNTS
   i) To receive and adopt Draft Audited Financial Statements for the year ending 31 December 2023
   ii) To approve the remuneration of the Auditors for the audit for the year ended 31 December 2023
   iii) To approve Councillors sitting allowances for the period 2024-2025
6. ELECTION TO COUNCIL
7. To transact any other business that may be transacted at an Annual General Meeting.

By Order of Council

SANDRA TINOTENDA MUSEVENZO
DIRECTOR GENERAL

12 APRIL 2024

ZAPF House, 3 Penn Place Close Strathaven, Harare. P.O. Box 2437, Harare, Tel: +263-4-333341-43
Email: training@zapf.co.zw, website: www.zapf.co.zw

ZIMBABWE ASSOCIATION OF PENSION FUNDS

MINUTES OF THE 48TH ANNUAL GENERAL MEETING HELD ON 18 MAY 2023 COMMENCING AT 15.30 HOURS

PRESENT:

COUNCILLORS	Rutendo Magorimbo	Chairman
	Cynthia Mugwira	
	Prisca Nyayera	
	Timothy Nherudzo	
	Benson Gasura	
	Williefaston Chibaya	
	Jubelah Magutakuona	
	Phoebe Chawasarira	
	Bright Kondo	
	Malvern Mhlanga	
	Wonder Madyambudzi	
ORDINARY MEMBERS	81	
IN ATTENDANCE	Sandra Musevenzo – Director General	
APOLOGIES	None	

1. QUORUM According to Section 11 of the Constitution, the representatives of ten ordinary members shall constitute a quorum at any general meeting. There being a quorum the Chairman called the meeting to order and welcomed all present. **2. NOTICE OF MEETING** Notice of the Forty-Eighth Annual General Meeting was circulated in terms of clause 9.2 of the ZAPF Constitution.	

The meeting agenda was sent out on 17 April 2022 and was taken as read without amendments.

3. APPROVAL OF THE PREVIOUS MEETING

The minutes of the 47th AGM were approved as a correct record of the meeting.

4. MATTERS ARISING FROM THE PREVIOUS MEETING

a. Suspension of the Old Mutual Limited Share and PPC from the ZSE

PPC and Old Mutual remain suspended from trading. The Association continues to lobby with the relevant authorities.

b. Co-existence of NSSA and Occupational Pensions

Engagements continue with relevant stakeholders.

c. Circular 4 of 2021 – Compensation for Pensioners

Refer to minute 5.1 below.

d. Commission of Inquiry – Draft Regulations

It was reported that the draft regulations were circulated to members for review and input. IPEC was working on the regulations which were due to be promulgated during the course of the year.

5. CHAIRMAN'S REPORT

The Chairman welcomed all members present and thanked them for attending the 48th Annual General Meeting, which came at a challenging time whilst rebuilding from the COVID-19 economic strains in an environment that reflects unprecedented macroeconomic imbalances, rising income inequality and gross uncertainty. Not forgetting the 2023 harmonized general elections which were due to be held during the course of the year.

She highlighted that the past year had been difficult for business as well as for the Association but despite the challenges we had been able to transform, adapt and grow our relevance and voice in the industry while creating value for members.

During the past 12 months, Council operated with thirteen Councilors and its four standing committees: the Legislation Committee, Education Committee, Investments Committee, and the Executive Committee. Mr. Benson Gasura held the post of Vice Chairman during that period.

The Association had active engagements with our key stakeholders, IPEC and the Ministry of Finance on issues affecting our sector. The following were the key highlights of the issues deliberated:

5.1 CIRCULAR 4 OF 2021- USD$75M COMPENSATION FOR PENSIONERS

IPEC was at about 90 % disbursement before they could move to the second batch of payouts. It was noted that some beneficiaries were not reachable as their contact details were not available on the IPEC database.

5.2 INDUSTRY UPDATE

The industry made submissions on errors to the Act and areas that require.

interpretation, some of which were noted as follows,

- Board member definition.
- Conflict of interest
- Term of office for board members
- Appointment of Auditors and Custodial Services and if it affects Asset Managers as some specialize in limited areas of investments.
- Dependents – order of payment of benefits which was not clear compared to statutory instrument 232 of 1991.
- Minimum Benefits – This provision was a material change in the legislation and imposes obligations on Funds to both pay members certain benefits and increase pensions. It would then imply that all Funds have a defined benefit element. Clarity was sought from the Regulator.
- Submission of returns – 31 March, the assessment done had shown that the deadline was tight, however, IPEC highlighted that presenting the previous year's financials after June of the following year was rather too late and would not make any economic sense.

- Sub-accounts were creating confusion in the industry and the industry was seeking clarity from IPEC.

5.3 TRUSTEES' CONFLICT OF INTEREST STATUTORY INSTRUMENT 80 OF 2017 SECTION 5 (A) – CONFLICT OF INTEREST FOR TRUSTEES

A paper was submitted to IPEC, and the industry was waiting for a response from the Regulator. The submission was done through the review of the new Pensions Act as this was no longer an Statutory Instrument but part of the new Act.

5.4 PRESCRIBED ASSETS (PA)

Numerous projects had been accorded PA status. The Association continues to circulate an updated list to members from time to time. The industry was urged to invest in PA when there is paper on the market for compliance purposes and to avoid the stiff penalties coming with the promulgation of the new Pensions Act. The following projects were accorded PA status.

- Agriculture - Financing winter cropping season
- Proganic - Mushroom Project to establish a button mushroom plant.
- AFC - Agriculture financing
- Frontier Real Estate - To finance the development of commercial real estate properties.
- Heka Bond Harare-Kanyemba Road rehabilitation
- Agrowth - Summer contract farming
- Par Value - Solar Energy Project
- Fairview - Servicing stands and construction of housing units.

5.5 ZAPF COLLABORATION WITH UNIVERSITIES AND TERTIARY INSTITUTIONS

Following a meeting held on the 27th of October 2022, Harare Institute of Technology (HIT) and University of Zimbabwe (UZ), had submitted their Memorandum of

Understandings (MOU) which were due to be reviewed. The Association was engaging other Universities to join the subcommittee. It was noted that there was a need for third-party legal counsel to review the MOUs to avoid legal complications in the future.

5.6 SUBMISSION OF RETURNS

IPEC expressed dissatisfaction with the delay in the submission of annual returns by the industry. The Association would continue to advise members to submit IPEC returns on time. Members who had challenges meeting IPEC deadlines should approach IPEC well before the deadline and seek for exemption.

5.7 MODULES - WRITING AND REVIEWING

The following modules were written and reviewed;

- Certified Principal Officer
- Pension Fund Management
- Pension Fund Accounting
- Pension Fund Investments
- Pension Fund Corporate Governance
- The module were expected to be launched in January 2023. However, the Association was not able to accredit the diploma program and was now working in partnership with HIT to ensure accreditation of the new modules. ZAPF was in the process of engaging licensed institutions to collaborate with on the academic space. The Association continues to offer the COP in Trusteeship and the next examination was due to be held in July of 2023.

5.8 IPHC UPDATE

a) The IPHC 2016-2021 audited accounts were finalized.

b) The 2022 audit was underway.

c) The IPHC Board instructed the Administrator to sell the stands, but this had taken taking longer than anticipated. ZAPF was given the mandate to sell the stands, and this was work in progress. Funds raised would be used to clear accumulated short-term debt.

d) The Board agreed to appoint a consultant to work on the debt-to-equity conversion.

e) It was reported that the IPHC board was now meeting regularly and hopefully a lot of traction would be achieved.

5.9 REPLACEMENT OF COUNCILLOR GONYE

Councilor Malvern Mhlanga replaced the late Councilor Elson Gonye.

5.10 ACTUARIAL BILL

It was noted that the draft Actuarial Bill had been circulated for comments. The Association submitted its review before the deadline to the Actuarial Society of Zimbabwe.

5.11 INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

Zimbabwe was due to host the IOPS from 17-20 October 2023 in Victoria Falls. IPEC had requested from the industry nominations of speakers and topics to be discussed at the event. Suggestions and contributions were forwarded to IPEC.

5.12 TRAINING CENTRE

Council agreed to construct cluster homes as opposed to the Training Centre which was costly and the return on investment would take time. The Association was engaging Engineers for site visit at the Strathaven property and submit their recommendation on the change of use to the Association.

5.13 INNOVATIVE IDEAS FOR PENSION BENEFIT OFFERING

The proposed operation was a cost-of-living adjustment strategy for Zimbabwean pensioners with the possibility of collaborative efforts with the National Social Security Association, Life Offices Association and the Insurance and Pensions Commission (hereinafter NSSA, LOA and IPEC). The program seeks to reinforce service provision for pensioners by plotting cost Subsidization options and closing the accessibility gap between the pensioners and the service provider. The Association intends to counter implementation in health care services, transport and commodities purchase cost. The approach and beneficiaries would need to be specific. It would be better to adopt a means tested approach so that the cost related to the subsidies is minimized.

The approach was to be implemented on the following areas of interest:

- Resourcing existing local clinics to provide affordable medical services to pensioners.
- having mobile clinics for pensioners
- discounts for pensioners at pharmacies, clinics, etc.
- discounts for pensioners at supermarkets
- discounts or free service to pensioners when using ZUPCO.

The program would also involve other partnering bodies for the Subsidization process particularly pension funds, international wellness organizations (WHO, CARE etc.), Ministry of Health and Childcare, Public Service, selected retail outlets, Ministry of Transport, and voluntary donors.

The following were proposed sources of funding:

- Private sector through the respective Associations, ZAPF, and LOA
- Utilizing the US$175 million which was to be contributed by the government to partly cover for the loss of value suffered as reported in the Compensation Framework.

5.14 Medical Outreach

a. The Association in conjunction with IPEC, ICZ, NSSA, Zimnat, Minerva, First Mutual and Old Mutual had the following medical outreach.
   Eligible Beneficiaries – 55 years and road accident victims.
   September 2022
b. Dzivarasekwa, Kambuzuma, Glen Norah, Mbare and Hatcliffe
   March 2023
c. Gwanda and the following areas were covered.
   Gwanda town - Nare Business Centre and Jahunda Bus Terminus
   Ntepe Business Centre
   Nkashe ward centre
   Mapisha Growth point

6 TO RECEIVE AND ADOPT DRAFT AUDITED ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

The financial statements were approved without any amendments.

7 TO APPROVE THE REMUNERATION OF THE AUDITORS FOR THE AUDIT FOR THE YEAR ENDED 31 DECEMBER 2022

The remuneration of auditors was approved without any amendments.

8 TO APPROVE COUNCILLORS SITTING ALLOWANCES FOR THE PERIOD 2023-2024

- Council Fees for 2023-2024 was approved as follows,
- For full council meeting, Chairman US$150, Councillors US$100
- For sub-committees Chairman US$75, Councillors US$50; payable at the prevailing interbank rate.

9 ELECTION TO COUNCIL

The meeting was advised that Councillor Nherudzo's two terms of office had come to an end and would be stepping down from Council.
Councillor Chawasarira and Councillor Kondo had served one term and were seeking re-election to Council. The Association had received four nominations for Thomas Takawira, Takaedza Matambo, Josephine Macheka and Sikhumbuzo Mate. Due to the six (6) nominations, members went to vote via ballot. The following were voted into Council; Councillor Macheka, Councillor Chawasarira and Councillor Kondo.

There being no further business, the Chairman closed the meeting at 16:40 hours.

Minutes confirmed as a correct record on this……….day of ………………………………2024

CHAIRMAN

Zimbabwe Association Of Pension Funds

Financial Statements for the year ended 31 December 2023

Cardinal Chartered Accountants (Zimbabwe)

PRINCIPAL ACTIVITIES

Zimbabwe Association of Pension Funds is a voluntary and not for profit organisation that is involved in representing and protecting the interests of the pensions industry in Zimbabwe. The Association promotes the interest of private and public sector pensioners by providing a medium for collective action.

ZIMBABWE ASSOCIATION OF PENSION FUNDS
LIST OF COUNCILORS: 2023-2024

Patience Dhliwayo	(Chairman)
Williefaston Chibaya	(Vice Chairman)
Prisca Nyayera	(Honorary Treasurer)
Sandra T Musevenzo	(Director General)
Cynthia Mugwira -Jowa	
Josephine Macheka	
Rutendo Magorimbo	
Bright Kondo	
Wonder Madyambudzi	
Evans Doba	
Malvern Mhlanga	
Phoebe Z Chawasarira	
Benson Gasura	
Farai Gwaka	

EXECUTIVE COMMITTEE:

Patience Dhliwayo	(Chairman)
Williefaston Chibaya	(Vice Chairman)
Prisca Nyayera	(Honorary Treasurer)
Cynthia Mugwira -Jowa	
Wonder Madyambudzi	
Phoebe Z Chawasarira	

INVESTMENTS COMMITTEE:

Phoebe Z Chawasarira	(Chairman)
Prisca Nyayera	
Benson Gasura	
Farai Gwaka	

EDUCATION COMMITTEE:

Wonder Madyambudzi	(Chairman)
Williefaston Chibaya	
Evans Doba	
Josephine Macheka	

LEGISLATION COMMITTEE:

Cynthia Mugwira -Jowa	(Chairman)
Bright Kondo	
Malvern Mhlanga	
Rutendo Magorimbo	

PRINCIPAL ACTIVITIES

ASSOCIATION INFORMATION

Bankers
Standard Chartered Bank Zimbabwe
Africa Unity Square Branch
HARARE

Registered Office
3 Penn Place Close
Strathaven
Harare

Auditors
Cardinal Chartered Accountants (Zimbabwe)
155 Prince Edward Road
Kensington
Harare

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

The Council is required to ensure that the Association maintains adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Association as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards.

The Council acknowledges that it is ultimately responsible for the system of internal financial control established by the Association and place considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, the Association sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Association and all employees are required to maintain the highest ethical standards in ensuring the Association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Association is on identifying, assessing, managing and monitoring all known forms of risk across the Association. While operating risk cannot be fully eliminated, the Association endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

In preparing the financial statements, Council is responsible for assessing the Association's ability to continue operating as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so. The Council has assessed the ability of the Association to continue operating as a going concern and believe that the preparation of the financial statements on a going concern basis is appropriate.

The external auditors are responsible for independently auditing and reporting on the financial statements. The financial statements and related notes have been audited by the Association's external auditors and their report is presented on pages 4 to 7.

These financial statements were prepared under the supervision of Sandra Musevenzo, the Director General of the Association.

The audited annual financial statements set out on pages 8 to 28, were approved by the Council on 15 May 2024 and were signed on its behalf by:

…………………………………………….	………………………………………………..
Patience Dhliwayo	Prisca Nyayera
Chairman	***Honorary Treasurer***

Date: 15 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Zimbabwe Association of Pension Funds
Report on the Audit of the inflation adjusted Financial Statements

Qualified Opinion

We have audited the inflation adjusted financial statements of Zimbabwe Association of Pension Funds (the Association), as set out on pages 8 to 28, which comprise the statement of financial position as at 31 December 2023 and the related statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and explanatory notes.

In our opinion, because of the significance of the matters discussed in the Basis for Qualified Opinion section of our report, the accompanying inflation adjusted financial statements do not present fairly the financial position of the Association as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for qualified opinion

Matter 1: Valuation of property and equipment

The association had property and equipment with carrying amount of ZWL1,719,004,281(2022: ZWL776,848,346) as at 31 December 2023. The association engaged an external valuer to value its property and equipment in the current and the prior year using the market approach. The valuer performed the valuation in United States Dollars (USD) using USD denominated inputs and translated the USD values to ZWL using the Reserve Bank of Zimbabwe closing auction exchange rate. In our view the translation may not give a reasonable indication of fair value as defined by International Financial Reporting Standard 13, "Fair Value Measurement", (IFRS 13) IFRS 13 paragraph 2 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In the current environment, it is not likely that the ZWL price derived from translating the USD value at the Reserve Bank of Zimbabwe interbank exchange rate would be the price at which a ZWL denominated transaction would occur.

We were therefore unable to obtain sufficient appropriate evidence to support the appropriateness of applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of property and equipment, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of property and equipment in ZWL.

Accordingly, we were unable to determine whether adjustments to the carrying amounts of property and equipment and revaluation reserve were appropriate in these circumstances.

Matter 2: Valuation of investment property

The association had investment property with fair value of ZWL793,613 938 (2022: ZWL367,018,770) as at 31 December 2023. The association engaged an external valuer to value its investment property in the current and the prior year using the market approach. The valuer performed the valuation in United States Dollars (USD) using USD denominated inputs and translated the USD values to ZWL using the Reserve Bank of Zimbabwe closing auction exchange rate. In our view the translation may not give a reasonable indication of fair value as defined by International Financial Reporting Standard 13, "Fair Value Measurement", (IFRS 13). IFRS 13 paragraph 2 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In the current environment, it is not likely that the ZWL price derived from translating the USD value at the Reserve Bank of Zimbabwe auction exchange rate would be the price at which a ZWL denominated transaction would occur.

We were therefore unable to obtain sufficient appropriate evidence to support the appropriateness of applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of investment property, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of property and equipment in ZWL.

Accordingly, we were unable to determine whether adjustments to the fair value of investment property and and fair value adjustment were appropriate in these circumstances.

Matter 3: Non-compliance with International Financial Reporting Standards IAS 21 - 'The effects of Changes in Foreign Exchange Rates' in current and prior period and consequential impact on IAS 29 - Financial Reporting in Hyperin-flationary Economies

Management has not restated the opening balances as it is impracticable to do so. Some corresponding numbers on the inflation adjusted statement of ¬financial position remain misstated. As a result some closing balances as stated on the inflation adjusted Statement of Financial Position remain misstated as they contain amounts from prior periods:

The effects of the above departures from IFRS are material and not pervasive to the inflation adjusted ¬financial statements. Furthermore, notwithstanding that IAS 29 has been applied correctly, it is noted that its application was based on prior and current periods' financial information which was not in compliance with IAS 21 / IAS 8 as described above. Consequently, IAS 29 adjustments made to PPE and Revaluation reserve result in a misstated IAS 29 number. The use of incorrect base numbers for IAS 29 inflation adjustment purposes is recurring as the opening balances have been hyperinflated. Had the correct base numbers been used, the above specified elements would have been materially different. The prior year audit report was also modified as a result of this matter.

The effects of the above departures from IFRS are material and not pervasive to the inflation adjusted financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Except for matters described in the Basis of Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Responsibilities of the Council for the inflation adjusted Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal controls as the Council determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the inflation adjusted Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Association's audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the members as follows:

Section 193(1)(a) Except for the matters described in the Basis for Qualified Opinion section of our report, the inflation adjusted financial statements of the Association are properly drawn up in accordance with the Act and give a true and fair view of the state of the Association's affairs as at 31 December 2023.

Section 193(2) We have no further matters to report in respect of Section 193(2) requirements of the Act, in addition to those already covered in the Basis for Qualified Opinion section of our report. The engagement partner on the audit resulting in this independent auditor's report is Philemon Tendai Mangena.

The engagement partner on the audit reality in this independent auditor's report is Mr. Philemon Tendai Mangena. (PAAB Practicing Certificate Number 0415).

Cardinal Chartered Accountants (Zimbabwe)
155 Prince Edward Street
Kensington
Harare

Date: 15 May 2024

Statement of financial position
As at 31 December 2023

	Notes	Inflation Adjusted 2023 ZWL$	Inflation Adjusted 2022 ZWL$	Historical 2023 ZWL$	Historical 2022 ZWL$
Non-Current Assets					
Property and equipment	16	1 719 064 281	776 848 346	1 653 127 774	143 610 991
Investment property	17	793 613 938	367 018 770	793 613 938	76 376 729
Total non-current assets		**2 512 678 219**	**1 143 867 116**	**2 446 741 712**	**219 987 720**
Current Assets					
Financial instruments	20	621 633 490	263 469 773	621 633 490	54 828 148
Trade & other receivables	18	89 224 002	55 975 467	89 224 002	11 648 513
Cash and cash equivalents	19	163 035 519	10 741 838	163 035 519	2 235 380
Total current assets		**873 893 011**	**330 187 078**	**873 893 011**	**68 712 041**
Total assets		**3 386 571 230**	**1 474 054 194**	**3 320 634 723**	**288 699 761**
Equity and Liabilities					
Equity					
Accumulated fund		1 774 438 262	941 270 730	1 466 571 781	119 029 009
Revaluation reserve		1 415 580 967	395 213 536	1 657 510 941	141 042 405
Total equity		**3 190 019 229**	**1 336 484 266**	**3 124 082 722**	**260 071 414**
Current Liabilities					
Trade and other payables	21	196 552 001	137 569 928	196 552 001	28 628 347
Total current liabilities		**196 552 001**	**137 569 928**	**196 552 001**	**28 628 347**
Total equity and Liabilities		**3 386 571 230**	**1 474 054 194**	**3 320 634 723**	**288 699 761**

Patience Dhliwayo
Chairman

Date: 15 May 2024

Prisca Nyayera
Honorary Treasurer

Statement of profit or loss and other comprehensive income
For the year ended 31 December 2023

	Notes	Inflation Adjusted 2023 ZWL $	Inflation Adjusted 2022 ZWL$	Historical 2023 ZWL $	Historical 2022 ZWL $
INCOME					
Congress fees		4 483 204 263	2 958 883 610	1 276 016 123	300 156 574
Principal Officers Convention		1 847 051 829	619 952 160	1 357 682 223	126 060 034
Exchange gains		1 190 315 937	28 952 395	517 495 426	3 243 979
Membership subscriptions		529 833 769	369 055 720	113 089 530	25 157 827
Gain on investment property		426 595 168	69 677 692	717 237 209	58 376 729
COP trusteeship		85 574 173	45 273 791	76 928 004	9 007 890
Gain on disposal of investments		68 716 488	69 483 737	44 621 096	12 153 735
Other income	22	52 203 211	22 979 584	33 133 088	3 691 355
Training income		-	35 848 362	-	2 628 000
Congress and AGM donations		-	21 696 760	-	2 200 000
		8 683 494 838	**4 241 803 810**	**4 136 202 699**	**542 676 123**
EXPENSES					
Annual general congress		3 965 442 673	2 555 256 177	1 133 927 554	259 010 637
Principal officers convention		1 111 857 245	364 996 433	832 961 746	72 850 771
Staff expenses		961 291 680	426 673 792	631 693 620	67 218 628
Intermediate money transfer tax		125 872 344	91 230 824	44 589 904	10 916 378
Investments fair value adjustment		119 443 109	475 140 759	(217 981 678)	7 336 016
Council		105 334 166	23 807 650	72 011 198 expenses	3 839 979
Depreciation		91 694 227	78 350 931	9 808 869	3 188 372
Motor vehicle expenses		56 859 279	34 103 703	32 682 672	4 968 235
ZAPF academy charges		47 373 126	84 807 917	30 690 663	14 217 512
Bank charges		46 607 626	9 511 023	20 014 953	1 271 056
Property repairs & maintenance		40 965 029	6 421 052	9 685 531	489 741
Internet expenses		40 833 870	11 914 272	21 674 985	1 571 902
Insurance & licences		40 735 998	32 632 624	19 969 712	4 594 023
Motor vehicle repairs & maintenance		39 390 079	12 799 417	21 934 219	1 912 291
CSR wellness expenses		34 214 178	291 859	17 801 050	48 565
Strategy		26 790 923	-	26 790 923	-
Audit fees		24 418 890	17 718 693	24 418 890	3 687 266
Travel & accommodation		22 883 447	3 156 674	17 214 519	533 058
Office expenses		20 870 256	10 888 882	11 571 563	1 524 504
Printing & stationery		17 136 408	9 598 649	4 523 610	1 127 940
Chairman’s expenses		7 454 311	6 060 202	7 454 311	1 199 354
Rent & rates		6 173 085	2 583 643	4 672 949	440 650
Telephone expenses		5 969 828	2 671 442	3 342 003	391 935
Security services		5 950 065	1 777 811	3 264 275	267 150
Membership costs		5 613 487	3 537 616	1 181 350	236 360
Consultancy		3 296 949	1 904 677	700 000	128 000
Staff training		2 800 871	2 563 917	1 703 034	398 747
Training costs		1 696 056	53 076 053	357 502	7 830 728
Advertising & promotion		-	3 102 811	-	411 200
		6 978 969 205	**4 326 579 503**	**2 788 659 927**	**471 610 998**
Surplus for the year		**1 704 525 633**	**(84 775 693)**	**1 347 542 772**	**71 065 125**
Monetary gain/(loss)		(871 358 101)	(134 036 843)	-	-
Total surplus/(deficit) for the year		**833 167 532**	**(218 812 536)**	**1 347 542 772**	**71 065 125**
Other comprehensive income:					
Surplus on property revaluation		1 020 367 431	200 323 407	1 516 468 536	110 366 780
Total comprehensive income for the year		**1 853 534 963**	**(18 489 129)**	**2 864 011 308**	**181 431 905**

Statement of changes in equity
For the year ended 31 December 2023

Inflation Adjusted

	Accumulated Fund	Revaluation Reserve	Total Equity
	ZWL $	ZWL $	ZWL $
Balance at 1 January 2022	1 160 083 266	194 890 129	1 354 973 395
Profit for the year	(218 812 536)	-	(218 812 536)
Other comprehensive income	-	200 323 407	200 323 407
Balance at 31 December 2022	**941 270 730**	**395 213 536**	**1 336 484 266**
Profit for the year	833 167 532	-	833 167 532
Revaluation gain	-	1 020 367 431	1 020 367 431
Balance at 31 December 2023	**1 774 438 262**	**1 415 580 967**	**3 190 019 229**

Historical

	Accumulated Fund	Revaluation Reserve	Total Equity
	ZWL $	ZWL $	ZWL $
Balance at 1 January 2022	47 963 884	30 675 625	78 639 509
Profit for the year	71 065 125	-	71 065 125
Other comprehensive income	-	110 366 780	110 366 780
Balance at 31 December 2022	**119 029 009**	**141 042 405**	**260 071 414**
Profit for the year	1 347 542 772	-	1 347 542 772
Revaluation gain	-	1 516 468 536	1 516 468 536
Balance at 31 December 2023	**1 466 571 781**	**1 657 510 941**	**3 124 082 722**

Statement of cashflows
For the year ended 31 December 2023

	Notes	Inflation Adjusted 2023 ZWL $	Inflation Adjusted 2022 ZWL $	Historical 2023 ZWL $	Historical 2022 ZWL $
OPERATING ACTIVITIES					
Surplus for the year		1 704 525 633	(84 775 693)	1 347 542 772	71 065 125
Adjustments for:					
Depreciation	16	91 694 227	78 350 931	9 808 869	3 188 372
Money market income	20	(7 300 338)	-	(6 202 568)	-
Investments FV adjustment	20	119 443 109	475 140 759	(217 981 678)	7 336 016
Gain on disposal of investments		68 716 488	(58 403 246)	(44 621 096)	(12 153 735)
Fair Value gain on investment property	17	(426 595 168)	(69 677 692)	(717 237 209)	(58 376 729)
Effects of IAS 29		(871 358 101)	(134 036 843)	-	-
Operating cash flow before working capital changes		**541 692 872**	**206 598 216**	**371 309 090**	**11 059 049**
Decrease/ (Increase) in trade receivables		(33 248 533)	(3 449 331)	(77 575 489)	(8 468 763)
Increase in trade & other payables		58 982 073	77 769 438	167 923 654	25 008 233
Net cash flow from operating		**567 426 412**	**280 918 323**	**461 657 255**	**27 598 519**
INVESTING ACTIVITIES					
Purchase of property & equipment	16	(13 542 731)	(25 555 528)	(2 857 116)	(1 721 600)
Investment in equities	20	(486 290 000)	(520 830 166)	(353 000 000)	(68 954 812)
Proceeds from sale of investments	20	84 700 000	243 383 390	55 000 000	43 326 111
Net cash flow from investing		**(415 132 731)**	**(303 002 304)**	**(300 857 116)**	**(27 350 301)**
Net increase/(decrease) in cash and cash equivalents		152 293 681	(22 083 981)	160 800 139	248 218
Cash and cash equivalents at beginning of year		10 741 838	32 825 819	2 235 380	1 987 162
Cash and cash equivalents at end of the year	19	**163 035 519**	**10 741 838**	**163 035 519**	**2 235 380**

IAS 29 discourages the publication of historical cost results as the inflation adjusted results are the primary financial results. However, the historical cost results are included as supplementary information to meet other user requirements. As a result, the auditors have not expressed an opinion on this historical cost information.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Policy Note	IFRS/IAS Reference	Content
1	IAS 1 (Revised)	Presentation of financial statements: General information & functional currency
2	IAS 1 (Revised)	Basis of preparation
3	IAS 8	Changes in accounting policy, adoption of new and revised standards
4	IAS 21	Effects of changes in foreign exchange rates
5	IAS 16	Property, plant and equipment
6	IAS 40	Investment property
7	IAS 36	Impairment of non financial assets
8	IFRS 16	Fair value measurement
9	IFRS 9, IFRS 7	Financial instruments
10	IAS 1 (Revised)	Current versus non-current classification
11	IAS 7	Cash and cash equivalents
12	IFRS 15	Income
13	IAS 12	Taxation
14	IAS 19	Employee benefits
15	IAS 37	Provisions

1. GENERAL INFORMATION

1.1 Nature of operations
This is a voluntary and not for profit organisation that is involved in representing and protecting the interests of the pensions industry in Zimbabwe. The Association promotes the interests of private and public sector pensioners by providing a medium for collective action.

1.2 Presentation currency
These financial statements are presented in Zimbabwean Dollars being the functional and reporting currency of the primary economic environment in which the Association operates. All the financial information presented has been rounded to the nearest dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange rates and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2. BASIS OF PREPARATION

2.1 Statement of compliance
These financial statements are prepared in conformity with International Financial Reporting Standards promulgated by the International Accounting Standards Boards (IASB). International Financial Reporting Standards (IFRSs) include standards and interpretations approved by the IASB as well as International Accounting Standards (IASs) and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

2.2 Application of IAS 29 - Financial Reporting in Hyperinflationary Economies
The Public Accountants and Auditors Board (PAAB) issued a pronouncement in October 2019 prescribing application of inflation accounting for reporting periods ended on or after 1 July 2019. The pronouncement was issued pursuant to a broad market consensus within the accounting and auditing professions that the Zimbabwe economy had met the characteristics of a hyperinflationary economy.

Consequently, these financial statements have been prepared in accordance with IAS 29 as if the economy had been hyperinflationary from 1 October 2018 as prescribed by the PAAB.

IAS 29 discourages the publication of historical results as the inflation adjusted results are the primary financial results. However, the historical cost results are included as supplementary information to meet other user requirements. As a result, the auditors have not expressed an opinion on this historical information.

In order to account for the rapid loss in the purchasing power of the local currency, hyperinflation accounting principles require transactions and balances to be stated in terms of the measuring unit current at the end of the reporting period.

The Association adopted CPI indices provided by the Institute of Chartered Accountants of Zimbabwe to restate transactions and balances as appropriate. The conversion factors used to restate the financial statements for the year ended 31 December 2023 are as follows:

	Indices	*Conversion Factor*
31 December 2022	13 672.91	4.81
31 December 2023	65 703.44	1
Average CPI 2022	35 114.22	
Average CPI 2023	9 198.69	

Non-monetary assets and liabilities carried at historic cost have been restated to reflect the change in the general price index from 1 October 2018 to the end of the reporting period. Monetary assets and liabilities; and non-monetary assets and liabilities carried at revalued amounts have not been restated as they are presented at the measuring unit current at the end of the reporting period. Items recognised in the statement of profit or loss have been restated by applying the change in the general price index from the dates when the transactions were initially earned or incurred. A net monetary adjustment was recognised in the statement of profit or loss. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

2.3 Use of estimates and judgements

The Association's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgement, which have to be made in the course of the preparation of the financial statements. Accounting policies and management's judgements for certain items are especially critical for the Association's results and financial situation due to their materiality. The key estimates and judgements that were made during the preparation of the financial statements were as follows:

- Useful life of assets, depreciation rates and residual values;
- Consumer price was judged to be the most appropriate index to be applied for inflation accounting;
- Revaluation of property, plant and equipment & investment property

2.4 Compliance with legal and regulatory requirements

These financial statements have been prepared in accordance with the accounting policies set out below.

3. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

In the current year, the Association has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

3.1 New and amended IFRSs that are effective for the current year

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements -

Disclosure of Accounting Policies

The Association has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The Association has adopted the amendments to IAS 1 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)
The Association has adopted IFRS 17 and the related amendments for the first time in the current year. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

The Association does not have any contracts that meet the definition of an insurance contract under IFRS 17.

3.2 New and amended IFRSs in issue but not yet effective
At the date of authorisation of these financial statements, the Association has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

The Councilors of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods.

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants
The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024. Earlier application of the amendments is permitted. If an entity applies the amendments for an earlier period, it is also required to apply the 2020 amendments early.

The Councillors of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures— Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term supplier finance arrangements is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements;
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements;
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers;
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement;
- Liquidity risk information.

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments is yet to be set by the Council; however, earlier application of the amendments is permitted. The Councillors of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods should such transactions arise.

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a re-measurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If a seller-lessee applies the amendments for an earlier period, it is required to disclose that fact.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

4. FOREIGN CURRENCY TRANSACTIONS & BALANCES

The financial statements are presented in Zimbabwe dollars (ZW$), which is the currency of the primary economic environment in which it operates (its functional currency). The results and the financial position are expressed in Zimbabwe dollar (ZW$) the functional currency of the Association, and the presentation currency for the financial statements.

Transactions in currencies other than Association's functional currency (foreign currencies) are initially recorded by the Association's at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on re-translation of non-monetary items is treated in line with the recognition of the gain or loss on change in fair value of the item i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss.

5. PROPERTY, PLANT & EQUIPMENT

5.1 Recognition and measurement

An item of property, plant and equipment is initially recorded at cost and this includes all costs necessary to bring the asset to working condition for its intended use. Cost includes original purchase price, cost of site preparation, delivery and handling, installation, related professional fees for architects and engineers and the estimated cost of dismantling and removing the asset and restoring the site.

Subsequent to initial recognition, IAS 16 provides entities with the option of accounting for its property, plant and equipment using the cost model or the revaluation model. Using the cost model, the asset is carried at cost less accumulated depreciation and impairment whereas using the revaluation model, the asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of the revaluation, the accumulated depreciation of the asset is eliminated against its gross carrying amount. The revaluation model is a fair value based model within the scope of IFRS 13. IAS 16, paragraph 34 still allows the Association to continue with the policy of determining revalued amounts at regular intervals even after adoption of IFRS 13. The Association is only required to apply IFRS 13 if the fair value of a revalued asset differs materially from its carrying amount. The Association's items of property, plant and equipment are carried at a revalued amount less accumulated depreciation and accumulated impairment losses.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property, plant and equipment, and is recognized in the statement of profit or loss and other comprehensive income.

5.2 Depreciation

Items of property, plant and equipment are depreciated using the straight-line method, so as to write off the assets over the anticipated useful lives. The depreciation methods, useful lives and residual values of assets are reviewed and adjusted if appropriate at each reporting date with the effect of any changes in accounting estimate accounted for on a prospective basis. The useful life of the different categories of property, plant and equipment is estimated as follows:

Asset Class	Years
Buildings	20 years
Computer equipment	3 years
Motor vehicles	5 years
Office equipment	10 years
Other equipment	10 years

5.3 Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss and other Comprehensive Income.

6. INVESTMENT PROPERTY

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. The Association has property it holds to collect rentals. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition. Transfers are made to / (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.
Rent receivable is recognised on a straight-line basis over the period of the lease.

7. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Association at each reporting date assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing is required the Association estimates the recoverable amount. Recoverable amount being the higher of fair value less costs to sell and the value in use of the asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount and that reduction is an impairment loss.

An impairment loss shall be recognized immediately in profit or loss unless the asset is carried at revalued amount. An impairment loss of a revalued amount is treated as a revaluation decrease. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

8. FAIR VALUE MEASUREMENT

The Association measures financial instruments such as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss and non-financial assets such as property, plant and equipment and investment properties at fair value at each statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Association. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When one is available, the Association measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Association uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy,

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Council through management determines the policies and procedures for both recurring fair value measurement, such as property, plant and equipment, investment properties and financial assets, where applicable.
Independent external valuers are involved for valuation of significant assets, such as property, plant and equipment and investment properties. Involvement of external valuers is decided upon annually by the Council. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained.

9. FINANCIAL INSTRUMENTS

In accordance with transitional provisions in IFRS 9 (7.2.15) and (7.2.26), comparative figures were not restated.

9.1 Financial asset

Initial recognition

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets held by the Association include balances with banks and cash, and loans and advances, deposits and sundry receivables. The Association's financial assets in the scope of IFRS 9 are classified at initial recognition and subsequently measured at amortised cost.

The Association initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at individual instrument level. The Association's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For subsequent measurement, the Association's financial assets are classified at amortised cost. The Association's financial assets are subsequently measured at amortised cost if they meet the following criteria:

- SPPI contractual cash flow characteristics test as the contractual cash flows of the financial asset have to give rise to cash flows on the principal amount outstanding on a specified date.
- Hold to collect business model test. The assets are held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows. Financial assets do not always have to be held to maturity in order to comply with the test.

Derecognition

Derecognition of a financial asset occurs when:

- The rights to receive cash flows from the asset have expired;
- The Association has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full to a third party.

9.2 Financial liability

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Association's financial liabilities include trade and other payables, loans and borrowings, and deposits and are all classified at amortised cost.

Subsequent measurement

After initial recognition, interest bearing loans, other borrowings and deposits are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest income in the statement of comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified; such an exchange or modification is treated as a derecognition of the initial liability and the recognition of a new liability.

9.3 Allowance for credit losses

The Association assesses at each reporting date on a forward-looking basis, the expected credit losses ("ECL") associated with a financial asset or a group of financial assets. At each reporting date the Association also assesses whether the credit risk of its financial assets has increased significantly since initial recognition. Whether credit risk has significantly increased or not is determined by changes in default risk. Evidence of change in default risk may include indications that the debtors or a group of debtors is experiencing significant difficulty in interest or principal payments and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The various staging considerations are as follows;

- Stage 1 - As soon as a financial instrument is originated or purchased, 12 months expected credit losses are recognised in profit or loss and a loss allowance is established. The allowance serves as a proxy for the initial expectation of expected loss.
- Stage 2 - If the credit risk increases significantly and the resulting credit quality is not considered to be low risk, full lifetime expected credit losses are recognised. Lifetime expected credit losses are only recognised if the credit risk increases significantly from when the entity originated the financial asset.
- Stage 3 - If the credit risk of a financial asset increases to a point that it is considered credit impaired. Lifetime expected credit losses are still recognised on these financial assets.

The carrying amount of financial assets in the statement of financial position is reduced by the loss allowance for ECLs. The Association recognises 12 months expected credit loss as loss allowance when there is no significant increase in the credit risk of the financial asset since initial recognition. When there is significant increase in credit risk since initial recognition, lifetime expected credit losses for the remaining life of financial assets are recognised. The amount of the credit loss expense is measured as the present value of all cash shortfalls discounted at the financial asset's original effective interest rate. Credit loss is recognised even if the Association expects to be paid in full but later than when contractually due. The Association recognises in profit or loss on expected credit loss gain or loss reflecting the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised.

10. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Association presents assets and liabilities in the statement of financial position based on current or non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle; or
- held primarily for the purpose of trading; or
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Association classifies all other assets that do not meet the definition above as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle; or
- it is held primarily for the purpose of trading; or
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Association classifies all other liabilities that do not meet the definition above as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

11. CASH & CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

12. INCOME

Congress fees, principal officer conventions and training fees are recognised over time as the Association performs its obligations. This is usually at a point in time as there is usually no significant delay in rendering the services to the customers. The amount of revenue earned is determined from fixed price contract/lists for the respective services. Donations income, which the Association has no obligations tied to earning such income, is recognised on a receipt basis.

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities at fair value through profit or loss.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other income in profit or loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

13. INCOME TAX

The Association is not liable to corporate tax as it is exempt in terms of the Third schedule of the Income Tax Act (Chapter 23:06).

14. EMPLOYMENT BENEFITS

Employee benefits are all forms of consideration given by the Association in exchange for service rendered by employees or for the termination of employment.

14.1 Short term employee benefits

Employee benefits other than termination benefits that are expected to be settled wholly before twelve months after the year end of the annual reporting period in which the employees render the related service. The short term benefits comprise remuneration in the form of salaries, wages, bonuses, employee entitlement to leave pay and medical aid. When an employee has rendered service during an accounting period the Association shall recognize the undiscounted amount of the short term benefits expected to be paid in exchange for that service as an expense or as a liability (accrued expense).

14.2 Post-employment benefits

Employee benefits other than termination benefits and short term benefits that are payable after the completion of service. Post-employment benefits comprise retirement benefits that are provided for Association employees through an independently administered defined contribution fund and by the National Social Security Authority (NSSA), which is also a defined contribution fund from the Association's perspective. Payments to the defined contribution fund and to the NSSA scheme are recognised as expenses when they fall due, which is when the employee renders the service. The Association has no liability for post-employment retirement benefit funds once the current contributions have been paid at the time the employees render service.

14.3 Termination benefits

Employee benefits provided in exchange for the termination of an employee's employment as a result of either an Association's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment. The Association recognizes a liability and expense at the earlier of when the Association can no longer withdraw the offer of those benefits and when the Association recognizes costs for restructuring that is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits. Termination benefits are measured according to the terms of the termination contract.

15. PROVISIONS

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

16. PROPERTY AND EQUIPMENT

	Land & Buildings ZWL$	Motor Vehicles ZWL$	Computer Equipment ZWL$	Office Furniture ZWL$	Furniture & Fittings ZWL$	TOTAL ZWL$
INFLATION ADJUSTED						
Net carrying amount 31/12/21	**495 568 462**	**105 827 062**	**14 539 170**	**1 648 839**	**11 736 809**	**629 320 342**
Gross carrying amount – Cost	587 660 280	136 855 080	32 451 246	3 211 600	24 076 449	784 254 655
Accumulated depreciation	(92 091 818)	(31 028 018)	(17 912 076)	(1 562 761)	(12 339 640)	(154 934 313)
Additions	-	-	9 924 962	15 630 566	-	25 555 528
Revaluation	200 323 407	-	-	-	-	200 323 407
Depreciation	(28 585 014)	(27 337 438)	(14 050 242)	(3 723 896)	(4 654 341)	(78 350 931)
Net carrying amount 31/12/22	**667 306 855**	**78 489 624**	**10 413 890**	**13 555 509**	**7 082 468**	**776 848 346**
Gross carrying amount - Cost	787 983 687	136 855 080	42 376 208	18 842 166	24 076 449	1 010 133 590
Accumulated depreciation	(120 676 832)	(58 365 456)	(31 962 318)	(5 286 657)	(16 993 981)	(233 285 244)
Additions	-	-	13 542 731	-	-	13 542 731
Revaluation	1 020 367 431	-	-	-	-	1 020 367 431
Depreciation	(39 399 184)	(27 236 697)	(17 471 359)	(3 737 391)	(3 849 596)	(91 694 227)
Net carrying amount 31/12/23	**1 648 275 102**	**51 252 927**	**6 485 262**	**9 818 118**	**3 232 872**	**1 719 064 281**
Gross carrying amount – Cost	1 808 351 118	136 855 080	55 918 939	18 842 166	24 076 449	2 044 043 752
Accumulated depreciation	(160 076 016)	(85 602 153)	(49 433 677)	(9 024 048)	(20 843 577)	(324 979 471)

	Land & Buildings ZWL $	Motor Vehicles ZWL $	Computer Equipment ZWL $	Office Furniture ZWL $	Furniture & Fittings ZWL $	TOTAL ZWL $
HISTORICAL COST						
Net carrying amount 31/12/21	**30 000 000**	**4 143 675**	**524 715**	**35 512**	**7 081**	**34 710 983**
Gross carrying amount – Cost	30 837 500	4 992 500	743 814	70 625	13 119	36 657 558
Accumulated depreciation	837 500	848 825	219 099	35 113	6 038	1 946 575
Additions	-	-	655 100	1 066 500		1 721 600
Revaluation	110 366 780	-	-	-	-	110 366 780
Depreciation	(1 500 000)	(997 275)	(463 824)	(224 737)	(2 536)	(3 188 372)
Net carrying amount 31/12/22	**138 866 780**	**3 146 400**	**715 991**	**877 275**	**4 545**	**143 610 991**
Gross carrying amount - Cost	141 204 280	4 992 500	1 398 914	1 137 125	13 119	148 745 938
Accumulated depreciation	2 337 500	1 846 100	682 923	259 850	8 574	(5 134 947)
Additions	-	-	2 857 116	-	-	2 857 116
Revaluation	1 516 468 536	-	-	-	-	1 516 468 536
Depreciation	(7 060 214)	(993 600)	(1 527 297)	(225 660)	(2 098)	(9 808 869)
Net carrying amount 31/12/23	**1 648 275 102**	**2 152 800**	**2 045 810**	**651 615**	**2 447**	**1 653 127 774**
Gross carrying amount - Cost	1 657 672 816	4 992 500	4 256 030	1 137 125	13 119	1 668 071 590
Accumulated depreciation	9 397 714	2 839 700	2 210 220	485 510	10 672	14 943 816

A revaluation exercise was carried out for the property only at the end of the financial period. The effective date of the revaluation of the property is 31 December 2023. An independent valuer (Southbay Real Estate (Private) Limited) was contracted to perform the revaluation. A revaluation surplus of ZW$ 1 516 468 536 was recorded in the current year (2022: ZW$ 110 366 780). Had the cost model been maintained, the carrying amount of the property would have been ZW$ 123 619 (2022: ZW$ 133 049).

All property and equipment are insured and unencumbered.

17. INVESTMENT PROPERTY

	Inflation Adjusted 2023 ZW $	Inflation Adjusted 2022 ZW $	Historical 2023 ZW $	Historical 2022 ZW $
Opening Balance	367 018 770	297 341 078	76 376 729	18 000 000
Additions	-	-	-	-
Disposal	-	-	-	-
Fair value adjustment	426 595 168	69 677 692	717 237 209	58 376 729
Closing balance	**793 613 938**	**367 018 770**	**793 613 938**	**76 376 729**

17.1 Fair value hierarchy

The following table shows an analysis of fair values of investment property recognised in the statement of financial position by level of their fair value hierarchy.

Audited Inflation Adjusted

All amounts in ZWL	Level 1	Level 2	Level 3		Total in the period of profit or loss
31 December 2023					
Residential	-	-	793 613 938	793 613 938	426 595 168
Other	-	-	-	-	-
Total	**-**	**-**	**793 613 938**	**793 613 938**	**426 595 168**
31 December 2022					
Residential	-	-	367 018 770	367 018 770	69 677 692
Other	-	-	-	-	-
Total	**-**	**-**	**367 018 770**	**367 018 770**	**69 677 692**

Historical

All amounts in ZWL	Level 1	Level 2	Level 3		Total in the period of profit or loss
31 December 2023					
Residential	-	-	793 613 938	793 613 938	717 237 209
Other	-	-	-	-	-
Total	**-**	**-**	**793 613 938**	**793 613 938**	**717 237 209**
31 December 2022					
Residential	-	-	76 376 729	76 376 729	58 376 729
Other	-	-	-	-	-
Total	**-**	**-**	**76 376 729**	**76 376 729**	**58 376 729**

The Association's investment properties were valued by an independent professional valuer (Southbay Real Estate (Private) Limited) at 31 December 2023 on the basis of open market value.

Investment property pertains to commercial and residential properties leased to third parties. Amounts generated from these arrangements are presented in Note 22 in the line item 'Rental income'.

Gains and losses recorded in profit or loss for recurring fair value measurements categorised within level 3 of the fair value hierarchy are presented in the statement of profit or loss in the line item 'Gain on investment property'.

All investment properties are insured and unencumbered.

17.2 Valuation techniques used to derive level 3 fair values below presents the following for the investment property:

- the fair value hierarchy at the end of the reporting period;
- the level of the fair value hierarchy (in this case level 3) within which the fair value measurements are categorised in their entirety;
- a description of the valuation techniques applied;
- the inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
- level 3 fair value measurements, qualitative information about the significant observable inputs used in the fair value measurement.

18. TRADE & OTHER RECEIVABLES

	Inflation Adjusted		Historical	
	2023 ZWL$	2022 ZWL$	2023 ZWL$	2022 ZWL$
Staff debtors	89 062 506	42 578 096	89 062 506	8 860 516
Prepayments	-	4 541 492	-	945 086
Other receivables	161 496	8 855 879	161 496	1 842 911
	89 224 002	**55 975 467**	**89 224 002**	**11 648 513**

19. CASH & CASH EQUIVALENTS

	Inflation Adjusted		Historical	
	2023 ZWL$	2022 ZWL$	2023 ZWL$	2022 ZWL$
Bank ZWL	57 762 098	4 724 159	57 762 098	983 099
Bank: Petty cash ZWL	2 616 101	485 074	2 616 101	100 944
Bank: foreign currency (USD)	24 211 635	5 532 605	24 211 635	1 151 337
Cash on hand (USD)	78 445 685	-	78 445 685	-
	163 035 519	**10 741 838**	**163 035 519**	**2 235 380**

All bank accounts are held with Standard Chartered Bank Zimbabwe.

The bank foreign currency balance is USD$3,966.05 (2022: USD$1,682.42) the balance has been converted to ZWL$ using the official RBZ interbank rate of $6,104.72 as at 31 December 2023 ($684.33 as at 31 December 2022).

The cash on hand balance is USD$12,850.00 the balance has been converted to ZWL$ using the official RBZ interbank rate of $6,104.72 as at 31 December 2023.

20. FINANCIAL INSTRUMENTS

	Inflation Adjusted 2023 ZWL $	2022 ZWL $	Historical 2023 ZWL $	2022 ZWL $
Opening Balance	263 469 773	402 760 501	54 828 148	24 381 727
Additions	486 290 000	520 830 166	353 000 000	68 954 812
Disposals	(15 983 512)	(184 980 135)	(10 378 904)	(31 172 375)
Interest	7 300 338	-	6 202 568	-
Fair value adjustment	(119 443 109)	(475 140 759)	217 981 678	(7 336 016)
Closing balance	**621 633 490**	**263 469 773**	**621 633 490**	**54 828 148**

Financial instruments pertain to investments in equities. Amounts generated from these investments are presented in Note 22 in the line item 'Money market income' and 'Dividend income'.

Gains and losses recorded in profit or loss for recurring fair value measurements are presented in the statement of profit or loss in the line item 'Investments fair value adjustment'.

21. TRADE & OTHER PAYABLES

	Inflation Adjusted 2023 ZWL $	2022 ZWL $	Historical 2023 ZWL $	2022 ZWL $
Other payables	21 967 293	18 076 136	21 967 293	3 761 650
Accruals	37 201 650	56 353 125	37 201 650	11 727 103
Prepaid revenue - 2024 subscriptions	112 964 168	45 421 974	112 964 168	9 452 328
Provision for audit fees	24 418 890	17 718 693	24 418 890	3 687 266
	196 552 001	**137 569 928**	**196 552 001**	**28 628 347**

22. OTHER INCOME

	Inflation Adjusted 2023 ZWL $	2022 ZWL $	Historical 2023 ZWL $	2022 ZWL $
Rental income	38 479 497	13 586 004	22 076 798	2 195 375
Money market income	7 300 338	-	6 202 568	-
Sundry income	4 420 278	-	3 851 768	-
Dividend income	2 003 098	8 938 828	1 001 954	1 467 050
Advertising & printing income	-	454 752	-	29 000
Donations	-	-	-	-
Independent trustees	-	-	-	-
	52 203 211	**22 979 584**	**33 133 088**	**3 691 425**

23. GOING CONCERN

The prevailing macro-economic conditions within the country's economy have negatively affected the business operating environment. The adverse conditions, which include; shortages of foreign currency; continued weakening of the local currency and price instability will continue to have a bearing on the performance of the Association.

The Council has assessed the ability of the entity to continue as a going concern and believe that the preparation of the financial statements on a going concern basis is still appropriate. Going concern assessment was performed taking into account the current economic conditions, forecasts and resources that are available for the entity to manage the financial and operational risks and adapting its strategy to economic changes.

24. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2023, on 5 April 2024, through the 2024 Monetary Policy Statement, the Reserve Bank of Zimbabwe (RBZ) (Central Bank) introduced a structured currency which is generally defined as a currency that is pegged to a specific exchange rate or currency basket and backed by a bundle of foreign exchange assets (potentially including gold). This means that the Central Bank can only issue domestic notes and coins when fully backed by a foreign "reserve" currency or foreign exchange assets and that the currency is fully convertible into the reserve currency on demand. The structured currency introduced is anchored by a composite basket of foreign currency and precious metals (mainly gold) held as reserves by the Reserve Bank of Zimbabwe.

With effect from 5 April 2024, Banks were required to convert the Zimbabwe Dollar (ZWL$) balances into the new currency called Zimbabwe Gold (ZiG). The new currency is co-circulating with other foreign currencies in the economy. The swap rate on 5 April 2024 was guided by the closing interbank exchange rate and the price of gold as at that date. The swap rate was used to make legitimate conversions of all ZWL$ balances into ZiG; these included deposits, loans and advances made by the sector; ZWL$ treasury bills; outstanding auction allotments; export surrender obligations.

On conversion of all current ZWL$ balances, banks were directed to rename all the current ZWL$ accounts as ZiG accounts. Gold-backed Digital Token (GBDT) accounts will no longer be called ZiG accounts but will be known as GBDT accounts. All ZWL$ notes and coins held by account holders will be credited into their ZiG accounts using the applicable conversion factor. Banks were directed to continue accepting ZWL$ deposits for a period of 21 days after 5 April 2024.

The Council assessed the implications of the introduction of the new currency in line with the requirements of IAS 10, Events After the Reporting Period and concluded that the introduction of the structured currency is a non-adjusting event on the inflation adjusted financial statements for the year ended 31 December 2023. However, the Association complied with the requirements of the Monetary Policy Statement with effect from 5 April 2024.

25. CONTINGENT LIABILITIES

The Association did not have any contingent liabilities at year end.

26. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Council and authorised for issue on 15 May 2024.

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Cardinal Chartered Accountants (Zimbabwe)

DESIGNED BY **TRANSVISION MEDIA 0784 745 972; 0717 227 687**

Z.A.P.F.
ZIMBABWE ASSOCIATION OF PENSION FUNDS

ELECTION TO COUNCIL

The following Councillors shall retire by rotation and have opted for re–election. The Councillors are eligible for re-election without being nominated and seconded in terms of the Constitution:

- Ms. Prisca Nyayera
- Mr Wonder Madyambudzi

The following Councillor served on Council for two consecutive terms and shall retire from Council in terms of Section 6 (d) of the ZAPF Constitution:

- Mr Benson Gasura

The following Councillor served on Council for one term, and she resigned from Council in terms of Section 6(g)(vii) of the ZAPF Constitution:

- Mrs Patience Dhliwayo

Members are invited to nominate candidates for election to Council using the attached nomination form. Kindly submit the nomination form, curriculum vitae and passport size photograph to **training@zapf.co.zw** by **26 April 2024**. Please take note of the criteria /guidelines for selecting nominees.

Councillor Nominee Selection Criteria

- One person per organisation / company / fund can be nominated and elected.
- Candidates must be from an organization/company/fund that is a ZAPF fully paid up member.
- Nominees should not be undergoing any investigation or have committed any fraudulent activities or have been convicted for a crime in terms of Zimbabwe legislation.
- Councillorship is voluntary.

General Criteria for Nomination to the ZAPF Council

1. Councillors should have a reputation for integrity and abiding by exemplary standards of business and professional conduct.

2. In selecting Council nominees, the Council seeks candidates with the commitment and ability to devote the time and attention necessary to fulfil their duties and responsibilities to ZAPF and its members.
3. Councillors should be highly accomplished in their respective field, with leadership experience in organisational structures like ZAPF.
4. Councillors should have the ability to evaluate business issues and exercise sound business judgement to provide advice and guidance to the Director General and staff.
5. Councillors should have skills and ability to work effectively and on a collegial manner with other Councillors on the ZAPF Council and be responsive to the needs of the Association.
6. In addition, when considering Councillors for re-nomination, ZAPF Council will consider, among other factors, the attendance, preparedness, participation and candour of the Councillor with respect to Council and its Committees' meetings and interactions.

Diversity of Skills

The Council will seek candidates with a broad and complementary range of backgrounds, perspective, viewpoints, skills and experiences relevant to the ZAPF business. In this regard, the Association will consider factors such as experience in: -
(a) risk management, (b) regulatory compliance, (c) corporate governance, (d) marketing and sales, (e) government relations and public policy, (f) business leadership, (g) international business, (h) business operations, legal and human resources expertise (i) such areas of expertise that would be useful to the oversight of ZAPF's business.
It is not expected that any one Councillor will possess experience in all these areas.

Z.A.P.F.
ZIMBABWE ASSOCIATION OF PENSION FUNDS

The Director General
Zimbabwe Association of Pension Funds
3 Penn Place Close
Strathaven
HARARE

Dear Madam

NOMINATION OF CANDIDATE FOR ELECTION TO THE ASSOCIATION'S COUNCIL

In accordance with Section 20 of the Rules of the Zimbabwe Association of Pension Funds, we the undersigned do hereby nominate

MR/MRS/MISS/DR ……………………………………………………………………………

of ……………………………………………………………………………………………….

(address or telephone number) for the office of Councilor of the Zimbabwe Association of Pension Funds.

Name of Proposer ………………………………………………………………………..………

Name of Fund ……………………………………………………………………….…………...

Signature ……………………………………………Date ………………………………………

Name of Seconder ……………………………………………………………………..………

Name of Fund ………………………………………………………………………….………..

Signature ……………………………………………………………………………..………..

Date …………………………………………………………………………………….……..

I ………………………………………………………………… hereby consent to my nomination as a candidate for election to the Council of the Zimbabwe Association of Pension Funds.

Signature of nominee ………………………………………Date …………………………………

IMPORTANT

- *There are four (4) vacant seats on the ZAPF Council.*
- *The proposer, the seconder and nominee(s) must be members of ZAPF*
- *The nominee must submit a brief curriculum vitae and colour passport size photograph.*
- *A separate form must be used for each nomination.*
- *Completed nomination forms should be returned to ZAPF Secretariat (training@zapf.co.zw) on or before **26 April 2023.***

Voting

The Principal Officer or the nominated proxy, votes on behalf of the fund. Proxy forms should reach ZAPF offices 5 working days before the Annual General Meeting.

The weight of the votes per member fund is determined by the quantum of the subscription remitted as shown below:

ANNUAL SUBSCRIPTIONS FOR 2024

BAND	**USD**	**Voting Powers**
Not more than 100 million - incl Associate Members	US$650	1 vote
More than 100 million but less than 200 million	US$800	2 votes
More than 200 million but less than 500 million	US$900	3 votes
More than 500 million but less than 1 billion	US$1,080	4 votes
More than 1 billion but less than 5 billion	US$1,320	5 votes
More than 5 billion but less than 10 billion	US$1,550	6 votes
More than 10 billion	US$1,680	7 votes

ELECTION NOMINEES - PROFILES

Prisca Nyayera

Prisca is the Deputy Principal Officer (DPO) responsible for Finance and Investments for the Mining Industry Pension Fund. She has 15 years' experience in the pensions industry gained with Mining Industry Pension Fund where she rose through the ranks to Finance Manager in 2010, a position she held for eight years. In March 2018, she was elevated to DPO-Finance and Investments. She is well versed in pension fund accounting, risk management, budgeting and budgetary control and investments portfolio management. Prisca holds a Bachelor of Commerce (Honours) degree in Accounting from the National University of Science and Technology (NUST). She is a fellow of the Association of Certified Accountants (ACCA) (UK) and has been a member in good standing since May 2013. She recently completed her MSc in Professional Accountancy with the University of London.

Wonder Madyambudzi

Wonder is the Business Development and Investment Executive: Zimnat Life (Group Business) with over 18 years of experience in the pensions industry, Wonder is a professional with a diverse background of both theoretical and practical experience in Employee Benefits Marketing and Administration. He Holds an MBA from MANCOSA (SA), a BBA (Marketing) and IMM Diploma from the Graduate School of Marketing in South Africa. He also holds a Postgraduate Diploma in Financial Planning from the University of Free State (SA). Wonder has held various Pension fund management positions with Fidelity Life Assurance and First Mutual Life.

Alfred Mandirahwe

Deputy Principal Officer – National Railways of Zimbabwe Contributory Pension Fund

Alfred joined NRZ Contributory Pension Fund in 2011 as the Pensions Officer and was promoted to the position of Deputy Principal Officer Pensions and Administration in 2018. He has 16 years of working experience in the pensions industry garnering experience in Employee Benefits Consulting, Pensions Management, Investments, Client Relationship Management, Strategic Management, and Human Resources Management. He has worked for Local Authorities Pension Fund, Minerva Risk Advisors (formerly Aon Zimbabwe) and Comarton Consultants.

Alfred holds a Msc degree in Strategic Management from Great Zimbabwe University, a BCom Honors degree in Risk Management Finance from NUST, a Diploma in Pensions Management from Harare Polytechnic, Diploma in Human Resources Management from the Insurance Institute of Zimbabwe, Associateship from the Insurance Institute of Zimbabwe and a Certificate of Proficiency (COP) in Trusteeship (ZAPF).

Name	**CEDRIC SHINGIRAI CHUDU**
Date of Birth	18 December 1992
Contact details	Cell: 0773382685, Email: cedricchudu@gmail.com
Profile Summary	Cedric has 10 years working experience in the Pensions industry. He is experienced in relations management, business development, compliance and risk management, investment advisory, and administration of pension and employee health benefits. Has covered all disciplines in pensions operations which include back-office operations, client relations management (CRM), and payroll management.
Qualifications	**Master of Business Administration (Strategic Leadership)** – University of Zimbabwe **B. Comm Risk Management & Insurance –** National University of Science & Technology **Certificate in Retirement planning** – Insurance Institute of Zimbabwe
Organisations & Positions held	**Current Position**: Account Executive: **BRIGHT Employee Benefits** **Previous Positions:** ❖ Client relations officer: Marsh ❖ Pensions administrator: Marsh ❖ Pension administrator: Minerva Risk Advisors ❖ Trainee pensions administrator: Minerva Risk Advisors