Deposit Protection Corporation

20th ANNIVERSARY

Annual Report 2022

Deposit Protection Corporation

Protecting Your Deposits

Celebrating 20 years of protecting your deposits and promoting financial stability.

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Vision, Mission and Values

VISION
“Distinguished deposit protection contributing to financial system stability by 2025”

MISSION
“To protect depositors, enhance public confidence and stability in the financial system by promoting sound business practices and speedy resolution of failed contributory institutions.”

VALUES

Accountability

We are answerable for our actions as we dutifully carry out our mandate as enshrined in the Deposit Protection Corporation Act [Chapter 24:29]

Innovation

We approach and embrace the demands of our fast-changing environment with an open mind, maintaining a high level of awareness and sensitivity to the need to embrace change in the manner we conduct our business.

Teaming

We are cooperative. We are open to different views, and we value diversity. We listen and share ideas. We recognize and work with partners to accomplish our goals. We continually raise our interpersonal skills and positively interact to deliver breakthrough results

Transparency

We hold ourselves to the highest level of openness in whatever we do and will disseminate all information necessary to enable our stakeholders to make informed decisions in their dealings with us.

Integrity

Truthfulness, honesty and reliability defines our work ethic so as to deliver on our mandate

Excellence

We are exemplary and model the way in our business. We exceed expectations. We are committed and always give our best. We develop a reputation for excellence in all we do. In this endeavour, mediocrity is not tolerated.

Board of Directors

S. Pilime
Board Member

A. Moyo
Chairperson

J. Rusike
Board Member

J. Mafararikwa
Board Member

V. Nyemba
Board Member

A. Manzai
Board Member

Executive Management

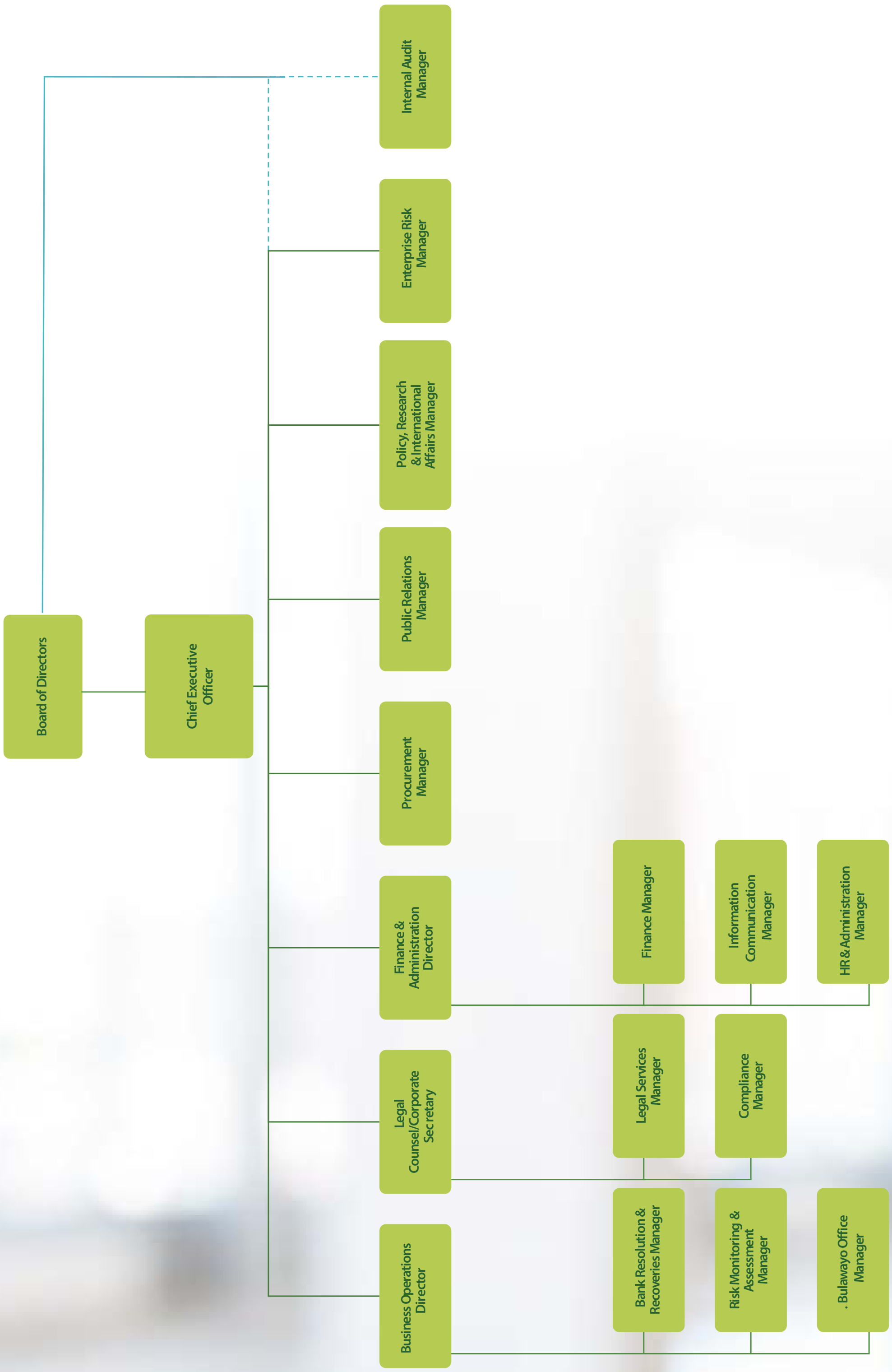
K. Zawanda
Corporate Secretary/
Legal Counsel

G. Chirozva
Acting CEO

C. Phiri
Finance & Administration
Director

Mr. Hopewell Zinyau
Incoming Chief Executive
Officer

DPC Organogram



Corporate Information

REGISTERED OFFICES

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P.O. Box 7390
Harare, ZIMBABWE

CONTACTS

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Fax: +263 242 252336
Website: www.dpcorp.co.zw
E-mail: info@dpcorp.co.zw
Twitter: @DpcZW
Facebook: www.facebook.com/dpczw

NATURE OF BUSINESS

Deposit Protection, that is, compensating depositors on insolvency and/or failure of a contributory institution and contributing towards the stability of Zimbabwe's financial system.

AUDITORS

PKF Chartered Accountants (Zimbabwe)

ATTORNEYS

- Muvirimi Law Chambers
- Mawere Sibanda Legal Practitioners
- Muvingi & Mugadza Legal Practitioners

BANKERS

- Stanbic Bank Zimbabwe Limited
- Commercial Bank of Zimbabwe Limited

A. Moyo | Chairperson

Chairperson's Statement

It is with great pleasure that I present the DPC Annual Report for the financial year ended 2022. In its operations, the Corporation continues to be guided by the DPC Act [Chapter 24:29], the Public Entities Corporate Governance Act [Chapter 10:31], Public Entities Corporate Governance (General) Regulations, the Public Finance Management Act [Chapter 22:19], as well as the National Development Strategy 1 (2021-2025) and Vision 2030. Our vision, mission and core values continue to propel us forward as we endeavour to achieve our mandate of protecting depositors and contributing to financial stability.

Stakeholders would be aware Government is, through the Integrated Results Based Management (IRBM) system, currently inculcating into its Ministries, Departments and Agencies (MDAs) a culture of high performance and quality service delivery to clients and stakeholders, characterised by specific outcomes and outputs, rather than activities.

The three key Strategic Outcomes which will direct the Corporation's efforts until 2025 are:

(a) improved organisational efficiency and effectiveness;

(b) improved deposit protection; and

(c) improved bank resolution.

These Strategic Outcomes confirm DPC's commitment to meeting its core mandate.

The Business Landscape

The Zimbabwean economy experienced significant headwinds for the greater part of 2022 characterized by high inflation rates, rapid currency depreciation and power outages among other factors. These were compounded by the spillover effects of the Covid-19 pandemic and the Russia-Ukraine war which disrupted global supply chains, triggering shortages of key commodities like oil, gas and cereals, and sending global commodity prices spiralling, thereby reinforcing inflationary pressures already existent in many economies. However, monetary and fiscal authorities introduced a raft of measures which moderated the macro economic challenges. On a positive note, the impact of the Covid-19 pandemic was abated in 2022 as government implemented integrated and coordinated strategies on preventing the spread of the virus. This enabled a normalization of the operating environment.

"On a positive note, the impact of the Covid-19 pandemic was abated in 2022 as government implemented integrated and coordinated strategies on preventing the spread of the virus. This enabled a normalization of the operating environment.

Financial Highlights for the Year 2022

	HISTORICAL COST		INFLATION ADJUSTED	
	2022 (ZWL)	2021	2022 (ZWL)	2021
Total Income	3,137,360,180	691,345,026	4,264,874,772	2,612,297,494
Cost to Income	16%	18%	18%	21%
Surplus/(Deficit)	2,793,626,622	514,342,972	1,644,844,323	1,324,279,377
Total Assets	4,551,220,237	910,355,531	4,749,069,185	3,194,656,921
Accumulated fund	3,443,527,543	649,900,921	4,697,903,487	3,053,059,164

The Corporation recorded an inflation adjusted surplus of ZWL1,644 billion in 2022 from a surplus of ZWL1,324 billion in 2021. On a historical cost basis, the Corporation achieved a surplus of ZWL2,793 billion in 2022 up from ZWL514 million in 2021. Total income increased by 354% from ZWL691.3 million in 2021 to ZWL3,137 billion in 2022. The increase, which was driven mainly by premium income, is attributable to a significant increase in the total deposit base. The FCA premium rate was adjusted to 0.2% in the last quarter of the year up from 0.15%. Other funding sources included rental income and returns from investments. Operating expenses increased from ZWL185.5 million in 2021 to ZWL1,126 billion in 2022. Due to the positive financial performance, the Corporation was able to execute its mandate successfully.

Governance

The Corporation complied with the requisite legislative and corporate governance requirements throughout the accounting period.

20th Anniversary Celebrations

I am excited to advise that the Corporation commemorates its 20th anniversary in 2023. Established in 2003, the Corporation has had a long and insightful journey with many milestones achieved and lessons learnt from our pitfalls. The Corporation looks back at the 20 years of contributing to deposit protection and financial sector stability with great satisfaction and excitement, while looking forward with greater resolve to scale greater heights of excellence and to be among the international benchmarks in deposit insurance.

Appreciation

I would like to express my sincere gratitude to the Ministry of Finance and Economic Development, as the shareholder, for the unwavering support and guidance. I also wish to acknowledge the DPC Board, management and staff for their resilience, responsiveness and dedication to duty during the challenging period which ensured achievement of our strategic objectives in line with National Development Strategy 1 (2021-2025).

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A. Moyo

Chairperson

G. Chirozva
Acting Chief Executive Officer

Message From The Acting Chief Executive Officer

Operating Environment

The domestic macro-environment was affected by, inter alia, weakening global economic activity, high levels of inflation, power supply constraints, and a depreciated local currency. The fiscal and monetary authorities, that is, the Ministry of Finance and Economic Development and the Reserve Bank of Zimbabwe implemented tight monetary policy measures to curtail inflation and speculative activity on the parallel market. The measures include the introduction of value for money audits; the willing buyer willing seller foreign exchange system; gold coins; and increasing Bank lending rates from 80% to 200%. Annual inflation rate closed the year at 243.8% compared to 60.7% in December 2021.

Membership

Membership to the deposit protection scheme remained at 27 during the year, being 20 Contributory Banking Institutions (CBIs) and seven (7) Deposit Taking Microfinance Institutions (DTMFIs). Ndoro Microfinance Bank became a member of scheme in May, while CBZ Building Society merged with CBZ Bank as at end of September 2022.

Deposit Protection Cover Levels

Deposit protection cover levels for contributory Banking institutions were pegged at ZWL120,000 and USD 1,000 per depositor per deposit class per Bank. At these cover levels 97.4% (ZWL) and 96.3% (USD) of the depositors' accounts were covered in full. DTMFI's deposit protection cover levels were ZWL5000 and USD500 per depositor per deposit class. At these cover levels, 97.8% and 98.3% of the depositor accounts were covered in full.

Deposit Protection Funding

The main source of funding for the Deposit Protection Corporation is premium income levied on contributory institutions at a rate of 0.3% and 0.20% per annum on average eligible deposits for ZWL and FCA deposits respectively. Investment income and rentals provide additional sources of funding. Total assessed premium income for the year was ZWL1.2 billion, up 123.5% from ZWL537.5 million assessed in 2021 and USD2.5 million.

"Total assessed premium income for the year was ZWL1.2 billion, up 123.5% from ZWL537.5 million assessed in 2021 and USD2.5 million.

The FCA premium rate will gradually increase to match the ZWL being 0.30% from 31 December 2023 to comply with best practice as enshrined in the International Association of Deposit Insurers (IADI) Core Principles for Effective Deposit Insurance Systems (CPs) especially Core Principle # 8, Essential Criteria numbers 7 and 9. As a member of IADI, Zimbabwe would provide protection to both ZWL and FCA deposits at levels consistent with the deposit insurance system's public policy objectives.

Compensation of Loss of Value

Government through Kuvimba Mining House availed USD400,000 to compensate small depositors for the loss of value incurred due to the exchange rate movement as at 20 February 2019. Given the available resources, the said initial tranche was allocated to eligible depositors in DTMFIs. Due to slow up-take, the window for submission of DTMFIs claims was closed on 10 July 2022 as per guidance of the Ministry of Finance and Economic Development.

As at 20 July 2022, all eligible depositors who submitted their claims were duly compensated by their respective DTMFIs. On aggregate, the DPC processed 917 DTMFI claims worth USD 83,359 leaving a balance of about USD 316,641.

The balance was channelled to POSB under Phase 2 of the loss of value compensation exercise. The scheme was well received at POSB. As at 31 December 2022, about 9,771 claims worth USD 1,404,945 had been received against the USD316,641. About USD25 million is required to compensate POSB depositors for loss of value in full. In view of the foregoing, the Corporation is in liaison with Government for an additional tranche.

Public Awareness

Public awareness of the existence and operations of the Deposit Protection Scheme is key in enhancing confidence and stability of the financial system. As a rule, the credibility of a deposit protection scheme depends on Fund adequacy and public awareness that the Fund has what it takes to meet its promise for prompt payment in event of a Bank failure.

The Corporation, therefore, informs depositors of the extent to which deposits are protected, rights of depositors in the event of a Bank failure, benefits and limitations of deposit protection and cover limits. In that regard, the Corporation makes use of digital platforms such as social media, website, online banners; advertisements in newspapers, radio, and national television; webinars and in person workshops; exhibitions, roadshows, and expos.

Collaborative efforts included engagements with academic institutions; joint advertising efforts with other safety-net players in the National Financial Inclusion Forum; and partnership with the Chartered Governance Institute (CGI) and International Compliance Association (ICA) in the provision of the Governance, Risk and Compliance Diploma.

Risk Management

The Corporation internalised the use of Enterprise-wide Risk Management Framework. Substantial progress was made towards the implementation of ISO 9001:2015 Quality Management System (QMS). The adoption of QMS ensures standardised, robust, and benchmarked policies, procedure manuals and processes, and eventual ISO certification.

Stakeholder Engagements

The Corporation successfully hosted the IADI Africa Regional Committee Annual General Meeting and Conference in Victoria Falls from 29 August to 2 September 2022. The Conference brought together experts in deposit protection and other financial safety net players from around the world who attended both physically and virtually. The event also included the celebration of the IADI 20th Anniversary.

As a constituent part of the Financial Safety Net, the DPC is a member of the Multi-Disciplinary Financial Stability Committee (MDFSC), which includes the Reserve Bank of Zimbabwe, the Securities and Exchange Commission of Zimbabwe, and the Insurance and Pensions Commission of Zimbabwe.

The Corporation is also a member of the National Financial Inclusion Forum, which among other issues, promoted financial inclusion and literacy. To this end, the DPC flighted advertisements in vernacular languages, and translated some of its brochures into brail to drive financial inclusivity.

Regarding study tours and international benchmarking, the Corporation hosted officials of the Namibia Deposit Guarantee Authority (NDGA), and a webinar for the Central Bank of Eswatini.

During 2022, DPC engaged in the IADI Self-

Assessment Technical Assistance Program (SATAP) to gauge the Corporation's compliance with the IADI Core Principles. As at 31 December 2022, the offsite review was almost complete paving the way for the onsite review scheduled for 2023.

Outlook

The Corporation remains focused on achieving its statutory objectives in conformity with the highest standards of corporate governance, integrity, and accountability. Thus, DPC will enhance its compliance with the reporting protocol in section 18 (2) of DPC Act [24:29]; read with section 24 (3) of the Public Entities Corporate Governance Act [Chapter 10:31]; section 21 of the regulations S. I. 168/2018; and section 49 (1) (d) of the Public Finance Management Act [Chapter 22:19] regarding Annual Reports, Financial Statements, etc.

The various initiatives towards ultimate improvement in service delivery include enhancing ERM maturity capability, ISO 9001 Quality Management System certification, and adoption of a Single Customer View to enhance data integrity in the Banking sector.

Human Capital is a most important resource. DPC envisages a strategic human capital plan with talent management, leadership development, learning organisation, and employee engagement. There is need to strake a a balance among internal and external stakeholders to ensure effective performance of DPC's statutory functions.

As part of the Zimbabwe financial safety net, the Corporation will continue to engage and collaborate with fellow financial safety net players and all stakeholders towards the attainment of our national priorities.

Appreciation

In summation, I would like to express my heartfelt gratitude to our stakeholders including the Government of Zimbabwe, the Reserve Bank of Zimbabwe (RBZ), contributory institutions, depositors in general, and the International Association of Deposit Insurers (IADI) for their support and confidence in the Corporation.

Finally, I would like to extend my appreciation to the Board, Management and staff for their tireless efforts towards the attainment of the Corporation's mandate during the year under review.

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G. Chirozva
Acting Chief Executive Officer

Corporate Governance Report

K. Zawanda
Corporate Secretary/ Legal Counsel

Corporate Governance Report

The Deposit Protection Corporation has a statutory mandate of contributing towards the stability of Zimbabwe's financial system and protecting the rights of depositors in the Banking system. The Board of Directors of the Deposit Protection Corporation recognizes the importance of good corporate governance and is committed to conducting the business of the Corporation with integrity and in line with best corporate governance practices which include accountability, integrity and transparency. The Corporation continues to conform, in all material respects, to all laws and regulations governing its operations. It subscribes to principles of International Best Practice as guided by, inter alia, the International Association of Deposit Insurers (IADI) Core Principles for Effective Deposit Insurance Systems (Core Principles) and the Public Entities Corporate Governance Act (Chapter 10: 31).

DPC's Terms of Reference

The Deposit Protection Corporation derives its terms of reference directly and indirectly from the following instruments.

a) Deposit Protection Corporation Act [Chapter 24:29]
b) Banking Amendment Act [Chapter 24:20]
c) Micro Finance Act [Chapter 24:30]
d) Deposit Protection Corporation Regulations, 2013 [S.I 156/2013]

DPC Strategy

The Board of Directors is responsible for setting and reviewing the strategic direction of the Corporation, implementation of that strategy by Management, overall conduct of the Corporation's business including overseeing its governance, risk management and control frameworks. The DPC Strategy was successfully implemented within the guidelines of the National Development Strategy 1 (NDS1) during the period under review.

Governance Structure

The Board is established in terms of the provisions of the Public Entities Corporate Governance Act [Chapter 10:31] (PECGA) as read with section 6 (1) of the Deposit Protection Corporation Act [Chapter 24:29] (the Act) which provides that the operations of the Corporation shall be controlled by a Board of Directors consisting of:

a) One (1) Director to represent the Ministry of Finance

"The Board of Directors of the Deposit Protection Corporation recognizes the importance of good corporate governance and is committed to conducting the business of the Corporation with integrity and in line with best corporate governance practices which include accountability, integrity and transparency.

b) One (1) Director to represent the Reserve Bank of Zimbabwe
c) Four (4) Directors to represent contributory institutions, and
d) The Chief Executive Officer

The Chief Executive Officer is an ex-officio member of the board. The Board was fully compliant with this provision during the period under review. The members of the Board were appointed meritoriously, and in line with the Public Entities Corporate Governance Act [Chapter 10:31] for their knowledge, skills and experience that brings independent judgement to the deliberations and decisions in deposit insurance matters.

An approved Board Charter is in place clearly spelling out the roles and responsibilities of the Board, the corporate governance policies and practices, the Director attributes and the criteria for new Board members.

Board members

Name	Gender	Position	Appointment/ reappointment Date	No. of terms	Qualifications
Agmos Moyo	Male	Chair	03/09/20	2	BL. (Hons) LLB (UZ) Legal Practitioner
John Mafararikwa	Male	Member	16/12/20	1	MSc. Economics (first class) Cuba Post Graduate Diploma in Mathematical Applied Statistics Economist
Amos Manzai	Male	Member	28/05/19	1	BA (Hons) Economics –Dunelm (UK) 1978 (ACA (Z) Chartered Accountant
Sithembile P. Pilime	Female	Member	02/03/22	2	Bsc Social Science and Admin Diploma in Management Studies
Judith J. Rusike	Female	Member	03/09/20	2	Bsc Hons (Econs) UZ MBA (UZ) Economist
Vimbai Nyemba	Female	Member	03/09/20	2	LLB (Hons) (UZ) Legal Practitioner
Vusilizwe Vuma*	Male	CEO (ex-officio)	01/07/19	1	LLB (Hon) (UZ) MBA (NUST) Legal Practitioner
Gift Chirozva	Male	Acting CEO	01/04/22	1	BBS (Hons) (UZ) Master of Business (Finance) (Australia) A.I.O.B.Z. Msc Development Studies (WUA) Banker

*Resigned effective 31 March 2022

Gender balance, Regional Representation and Board Seats

In accordance with section 11(7) of the Public Entities Corporate Governance Act [Chapter 10:31], the DPC Board of Directors is composed of an equal number of males and females of which none of them sits on more than two public entity boards as provided for in section 11(4) of the Public Entities Corporate Governance Act. The members are drawn from a diversity of professional fields and possess relevant skills to enrich DPC. The membership is a fair representation of Zimbabwe's geographic regions.

Board Committees

The Board Committees continued to play a crucial role in assisting the Board in discharging its mandate. The Board has established and delegated specific roles and responsibilities to four (4) Committees which are guided by terms of reference as approved by the Board and subject to review where necessary. The Committees are chaired by non-executive Directors of the Board with Executive Management attending meetings by invitation. The Committees met quarterly in accordance with their terms of reference. The Committee Chairpersons updated the full Board on agenda items covered and the resolutions passed by their respective Committees.

Board of Directors

Audit Committee

- Reviews adequacy and effectiveness of internal controls and systems.
- Monitors and reports to the Board on integrity of financial statements.

Human Resources Committee

- Monitors and reviews Human capital strategy and policies.
- Sets the remuneration framework for the staff, including executives.
- Review performance management system and practices and
- Monitor recruitment and retention of staff.

Risk & Resolution Committee

- Assesses the risks faced by the Corporation and develops strategies to mitigate the risk.
- Monitors the enterprise – wide risk management and compliance risks.

Finance & Investments Committee

- Provides oversight of financial management, budgeting, financial reporting and investments of the Corporation.
- Provides oversight on financial risks confronting the Corporation.

Board Committee membership and meeting attendance record

The Board met four (4) times during the accounting year for quarterly meetings. The Board also met seven (7) times for special ad hoc meetings. Section 33 (4) of the Public Entities Corporate Governance Act [Chapter 10:31] requires the Board to meet the line minister twice a year. The Board held two (2) meetings with the line Minister, in line with the requirements of the PECGA. The following are the Board meetings' attendance registers for 2022:

DIRECTORS' ATTENDANCE AT MEETINGS IN 2022

Board Member	Attendance					
	Main Board	Committees				Annual General Meeting
		Audit	Finance & Investments	Risk & Resolution	Human Resources	
Number of scheduled meetings during the year	**4**	**4**	**4**	**4**	**4**	**1**
1. Mr. Agmos Moyo	4	Nm	4	4	4	1
2. Mr. John Mafararikwa	3	3	2	3	Nm	0
3. Mrs. Judith Rusike	4	Nm	3	Nm	3	1
4. Mr. Amos R. Manzai	4	4	4	3	Nm	1
5. Ms. Sithembile P. Pilime	4	Nm	4	4	4	1
6. Mrs Vimbai Nyemba	2	2	Nm	2	2	1
7. Mr. Gift Chirozva (Ex-officio)	3	Nm	3	4	4	1

Nm=non-member to the respective committee.

In addition to the scheduled board and committee meetings outlined above, the Board members also attended the Ministerial, strategy, training, and board evaluation meetings. Further, in the period under review, there were ad hoc board meetings and committee meetings to deliberate on urgent and important issues.

Retirement, resignation and appointment of Directors

1.

Mr. Vusilizwe Vuma

During the year, the Corporation's Chief Executive Officer Mr. Vusilizwe Vuma resigned on the 31st of March 2022. Mr Vuma joined the Corporation in 2003 and served the Corporation for 19 years. The Corporation appointed Mr. Gift Chirozva as the Acting Chief Executive Officer effective April 2022.

2.

Mr. Caleb Phiri

Mr. Caleb Phiri, the Finance and Administration Director resigned during the period under review. His resignation was effective 31 December 2022. Mr. C. Phiri joined the Corporation in 2007 and served the Corporation for 15 years.

3.

Mrs. Vimbai Nyemba

Mrs. Nyemba's second term as a non- executive Board Member came to an end in the fourth quarter of 2022. She diligently served the Corporation for eight years as the Chairperson of the Human Resources Committee.

4.

Mr. John Mafararikwa

Mr. John Mafararikwa's retired from the Board of Directors on the 31st of December 2022 following his retirement from his position at the Reserve bank of Zimbabwe. Mr Mafararikwa had served the Corporation for two years as the Chairperson of the Risk and Resolution Committee.

Board Training and Evaluation

Training of Board members is not only provided for by the law, but it is also of strategic importance to the Corporation. Training board members on corporate governance best practices, changes in the law, and on how to effectively discharge their duties means that the Corporation benefits from a competent, engaged and dynamic board. To this end, the board was trained on these aspects and a board evaluation exercise was also undertaken where the Board members evaluated themselves, their peers, the Committees, the CEO, the Chairman, and overall Board performance.

Remuneration and Allowances for the Board and Committees

Board fees and allowances for the period under review were paid in accordance with the remuneration framework set by the Office of the President and Cabinet Corporate Governance Unit [CGU] as advised from time to time. This is in line with Section 12 of the Public Entities Corporate Governance Act [Chapter 10:31] which provides for such framework. In addition, in accordance with the law and corporate governance best practice, no non-executive board members were awarded any loans, allowances or any kind of remuneration outside of the regulated board remuneration framework. The remuneration of all employees and senior staff members was paid within the thresholds of regulatory and budgetary approvals.

Key Corporate Governance Activities

- Submitted the reviewed Strategic Plan for 2023- 2025 to the Line Ministry.
- Performance management- The Board regularly reviewed the performance of the senior management and staff using the IRBM performance management system.
- Board evaluation- The board, it members and the Committees were evaluated by an External Consultant.
- Statutory Meetings with Minister- The board managed to have a statutory meetings with the Minister.
- Committee meetings- The Board conducted quarterly Board and Committee meetings as well as ad hoc meetings as the need arose.
- Board Charter- Reviewed the Board Charter and the Code of Ethics for the Corporation
- DPC 2022 budget- Submitted the board approved 2023 budget to the Ministry which was subsequently approved.
- Board resolutions- Submitted the Board Resolutions to the Ministry of Finance and Economic Development in line with requirements of Public Entities Corporate Governance Act.
- Quality Management System (QMS)- The Corporation commenced the journey to commissioning a QMS that anchors the existing Enterprise- wide Risk Management System (ERM). The project entailed standardising, formulation and reviewing documentation to meet the certification requirements of the ISO9001:2015 Standard.

Enterprise Risk Management

The board is fully accountable for the risk management and internal controls. To this end, the Board has instituted the enterprise–wide risk management function, compliance function and independent internal audit function. The ERM approach is based on the globally accepted COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management – Integrating with Strategy and Performance (2017).

These efforts resulted in the Corporation's ERM attaining maturity 'Level 3' during the period under review. The Corporation is pursuing the implementation of the ISO (International Organization for Standardization) Standard 9001 (2015) and robust compliance risk programs in the year 2023 and beyond which will be adapted to Corporation's requirements. for strategic planning, enhance risk management and management reporting.

DPC Budget Utilisation.

The Corporation was able to successfully carry out its mandate within the confines of its approved operational budget despite the prevailing harsh economic environment characterised by dual pricing and hyperinflation. Further, the Corporation overly succeeded in conducting procurement activities as planned and in terms of the provisions of the Public Procurement and Disposal of Public Assets Act [Chapter 22:23].

Statutory offices

Chief Executive Officer

1. Following the resignation of Mr. Vusilizwe Vuma from the position of Chief Executive Officer in March 2022, the board promptly advertised the position in national newspapers. Pursuant to the recruitment process, Mr. Hopewell Zinyau was duly selected to fill the position. Regulatory approvals for his appointment were sought and he joined the Corporation in 2023. Hopewell Zinyau holds a Master of Business Administration, Bachelor of Arts in English and Communication- both attained from the University of Zimbabwe, and a Bachelor of Laws degree from University of South Africa (UNISA). He is a certified practitioner in Personnel and Training Management with the Institute of Personnel Management of Zimbabwe (IPMZ), where he has received several accolades including Human Resources Practitioner/ Director of the year.
2. He brings with him a wealth of business leadership, public sector management and strategic planning experience from his immediate past role at TelOne (Pvt) Ltd where he served as the Corporate Services Director responsible for Human Capital Management, Corporate Strategy and TelOne Centre for Learning. Prior to this role, Hopewell served Liquid Telecoms (Pvt) Ltd and National Foods (Pvt) Ltd at the apex of the Human Resources structure.

Finance & Administration Director

The Finance and Administration Director resigned effective 31 December 2022. The Board selected a suitable candidate following a thorough recruitment and selection process. Corporation currently awaits regulatory approval of the appointment of the successful candidate.

Other Statutory Positions

During the period under review, the other statutory positions such as Corporate Secretary, positions in the Procurement Management Unit (PMU), Internal Auditor, Risk Officer and Compliance Officer were occupied by competent individuals.

Statement of Compliance

Based on the information set out in the Governance Statement, the Corporation complied with the requisite legislative and corporate governance requirements throughout the accounting period.

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K. Zawanda
Corporate Secretary/ Legal Counselor

Delegates from the global Deposit Insurance Community celebrating the IADI 20th Anniversary during the Africa Regional Committee AGM

The Chairperson, Mr. A Moyo, giving a presentation during the Africa Regional Committee AGM

The Legal Services Manager Noreen Muchena facilitating her session during the ARC AGM

Business Operations Report

Business Operations Report

I. Risk Assessment and Surveillance

1. Membership and Scope of Coverage

Members to the Deposit Protection Scheme are deposit taking institutions registered in terms of the Banking Act [Chapter 24:20], Building Societies Act [Chapter 24:02], Microfinance Act [Chapter 24:30] for Deposit-Taking Microfinance Institutions [DTMFIs], Infrastructure Development Bank of Zimbabwe Act [Chapter 24:14] and People's Own Savings Bank Act [Chapter 24:22].

Membership to the ZWL and FCA Deposit Protection Funds remained at 27 during the year. Ndoro Microfinance Bank became a member of the Deposit Protection Scheme in May, while CBZ Building Society merged with CBZ Bank as at end of September 2022. Membership is mandatory for all registered deposit-taking financial institutions to accord eligible depositors credible protection, in the event of a Bank failure. This in turn, promotes financial stability.

The architecture of membership to the Deposit Protection Scheme was as shown in the table 1 below:

2. Deposit Protection Funding

Premium levies, rentals, and investment income were the main source of funding for the Corporation's operations during the period under review.

A flat rate premium assessment system remained in use, to determine the premium levy payable by each contributory institution. Premium contribution rates were pegged at 0.3% and 0.2% of annual average deposits eligible for premium assessment for ZWL and foreign currency deposits, respectively. Following intensive consultations among the Corporation and its key stakeholders, that is, the Bankers Association of Zimbabwe (BAZ), the Reserve Bank of Zimbabwe, and the Ministry of Finance & Economic Development the premium rate applicable to foreign currency deposits will be gradually equated to the local currency rate. Accordingly, the premium rate for foreign currency deposits was reviewed from 0.15% to 0.2% during the last quarter of 2022. Total assessed premium income for the year was ZWL1.2 billion, up 123.5% from ZWL537.5 million assessed in 2021 and USD2.5 million.

Table 1: Membership to the DPC Fund as at 31 December 2022

Type of Institution	Number
Commercial Banks	13
Building Societies	4
Merchant Banks	1
Savings Bank	1
Infrastructure Development Bank	1
Deposit-Taking Micro-Finance Institutions [DTMFIs]	7
Total	**27**

3. Deposit Protection Coverage

Deposit Protection Cover Levels for Contributory Banking Institutions (CBIs)

Deposit protection cover refers to the maximum amount of compensation payable to an insured depositor in the event of a Bank failure. Deposit protection cover levels for contributory Banking institutions were pegged at ZWL120,000 and USD 1,000 per depositor per deposit class per Bank. At these cover levels 97.4% (ZWL) and 96.3% (USD) of the depositors' accounts were covered in full as reflected in the Table 2 below:

Table 2: Deposit Protection Cover for CBIs as at 31 December 2022

Item	ZWL FUND		FCA FUND	
	December 2022	Percentage	December 2022	Percentage
Total Number of Deposit Accounts	6.9m	100%	1.4m	100%
Total Number of Deposit Accounts Fully Covered.	6.7m	97.4%	1.3m	96.3%
Total Number of Deposit Accounts Partially Covered.	177.2k	2.6%	51.3k	3.7%
Value of Deposits in Fully Covered Accounts	ZWL21.7b	3.2%	USD67.2m	4.3%
Value of Deposits in Partially Covered Accounts.	ZWL647.2b	96.8%	USD1.5b	95.7%
Total Value of Insured Deposits	ZWL42.9 b	6.4%	USD118.5m	7.6%
Total value of deposits	**ZWL668.9 b**	**100%**	**USD1.6b**	**100%**

Deposit Protection Cover Levels for Deposit Taking Microfinance Institutions (DTMFIs)

Deposit protection cover levels for DTMFIs were pegged at ZWL5000 and USD500 per depositor per deposit class per DTMFI. At these cover level, 97.8% and 98.3% of the depositor accounts were covered in full as reflected in the Table 3 below.

Table 3: Deposit Protection Cover for DTMFIs as at 31 December 2022

Item	ZWL FUND		FCA FUND	
	December 2022	Percentage	December 2022	Percentage
Total Number of Deposit Accounts	279,293	100%	7,980	100%
Total Number of Deposit Accounts Fully Covered.	273,259	97.8%	7,847	98.3%
Total Number of Deposit Accounts Partially Covered.	6,035	2.2%	133	1.7%
Value of Deposits in Fully Covered Accounts	ZWL36.5m	2.1%	USD102 858	1.5%
Value of Deposits in Partially Covered Accounts.	ZWL1.7b	97.9%	USD6.6m	98.5%
Total Value of Insured Deposits	ZWL66.7m	3.9%	USD169,358	2.5%
Total Value of Deposits	**ZWL1.7b**	**100%**	**USD6,7m**	**100%**

The Deposit protection funds for DTMFIs remained segregated from that of contributory Banking institutions, in cognizance of the differences in capital requirements, risk mitigatory measures in place as well as the range of services offered.

The Corporation will continue to review the deposit protection cover levels in the Banking sector guided by the obtaining macroeconomic trends, funds size, and the Public Policy Objectives requirement that at least 90% of depositor accounts be covered in full.

4. Deposit Growth

Total deposits eligible for premium assessment increased by 193.2% from ZWL228.7 billion in 2021 to ZWL670.6 billion. Foreign currency deposits were stable at USD1.6 billion. Growth of FCA deposits was affected by foreign exchange rate volatility in the currency markets. Figure 1 & 2 below shows each sub-sector's growth of ZWL and FCA deposits eligible for premium assessment for the year ended 31 December 2022:

Figure 1: ZWL Deposit Growth by Sub- Sector

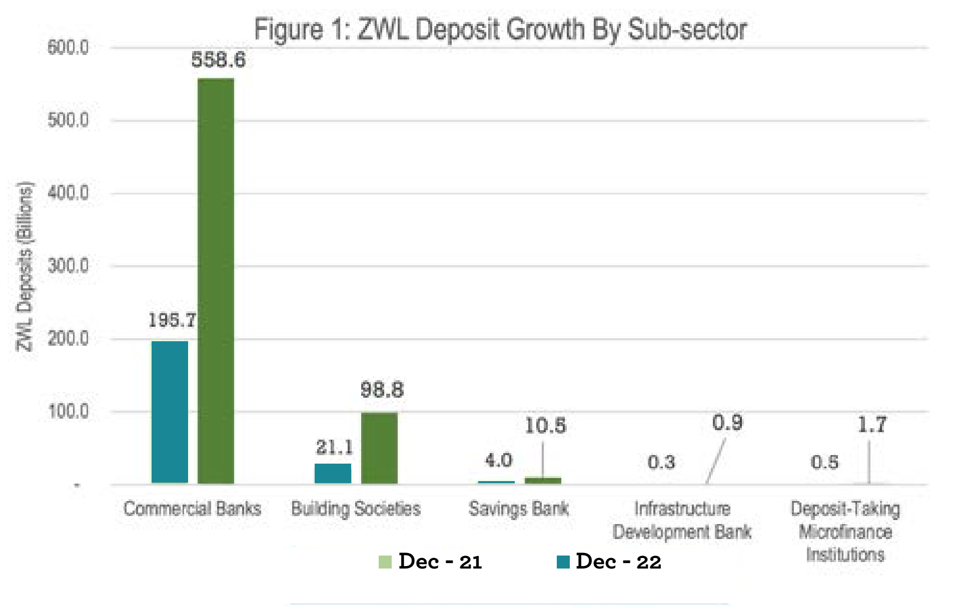
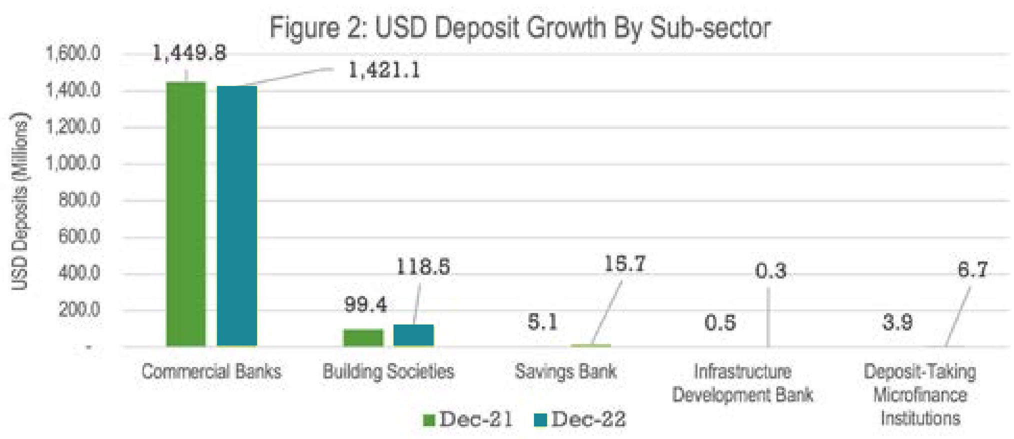


Figure 2: FCA Deposit Growth by Sub- Sector



5. Distribution and Average Deposit Sizes

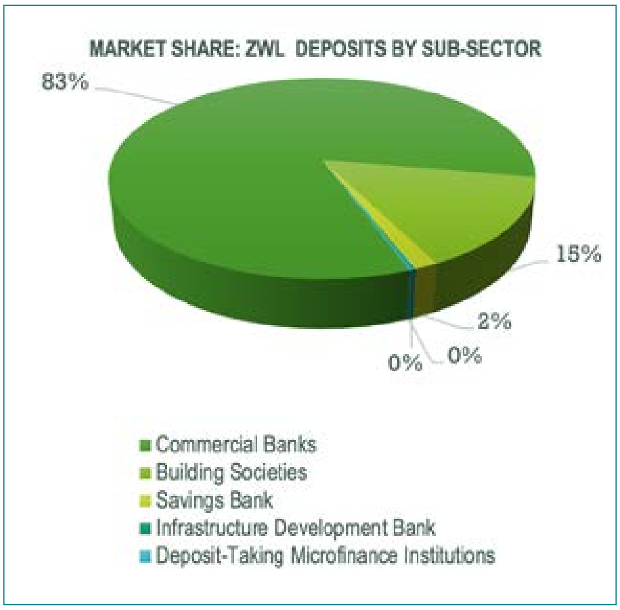
The DTMFI sector recorded the lowest average deposit size of ZWL6.3 thousand whilst Merchant & Development Banks subsector recorded the highest average deposit size of ZWL234.6 thousand. The Savings Bank had the lowest average deposit of USD91.60. Table 4 below shows the distribution and average size of deposits by sector.

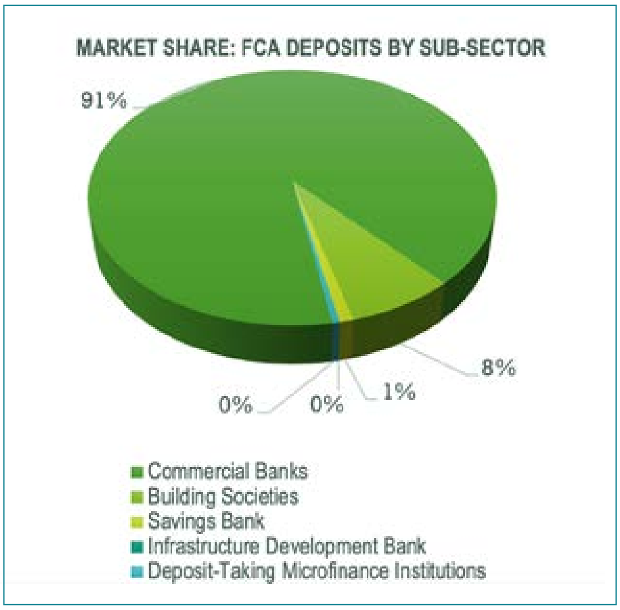
Table 4: Distribution and Average Size Deposits as at 31 December 2022

	ZWL DEPOSITS	FCA DEPOSITS
	Commercial Banks	
No. of Institutions	13	13
No. of Accounts	5.3 million	958.9 thousand
Total Deposits	ZWL558.6 billion	USD1.4 billion
Average Deposit Size	ZWL105,435.8	USD1 482
	Building Societies	
No. of Institutions	4	4
No. of Accounts	523.7 thousand	250 thousand
Total Deposits	98.8 billion	USD118.5 million
Average Deposit Size	ZWL188,766.7	USD474
	Merchant Banks & Development Banks	
No. of institutions	2	2
No. of Accounts	3.8 thousand	85
Total Deposits	ZWL884 million	USD327.3 thousand
Average Deposit Size	ZWL234,615.3	USD3 850.5
	Deposit-Taking Microfinance Institutions	
No. of institutions	7	7
No. of Accounts	279.3 thousand	8 thousand
Total Deposits	ZWL1.7 billion	USD6.7 million
Average Deposit Size	ZWL6,257.8	USD844
	Savings Bank	
No. of Institutions	1	1
No. of Accounts	1 million	171.1 thousand
Total Deposits	ZWL10.5 billion	USD15.7 million
Average Deposits Size	ZWL10,187.4	USD91.6
	Market Aggregate	
No. of institutions	27	27
No. of Accounts	6.9 million	1.4 million
Total Deposits	ZWL668.9 billion	USD1.6 billion
Average Deposit Size	ZWL97,562.9	USD1 125.6

ZWL and FCA deposits were concentrated in the commercial Bank sub-sector, which constituted 83% and 91% respectively of the total deposits. Figure 3 below shows market share of deposits by sub sector.

Figure 3: Market Share of Deposits by sub-sector as at 31 December 2022

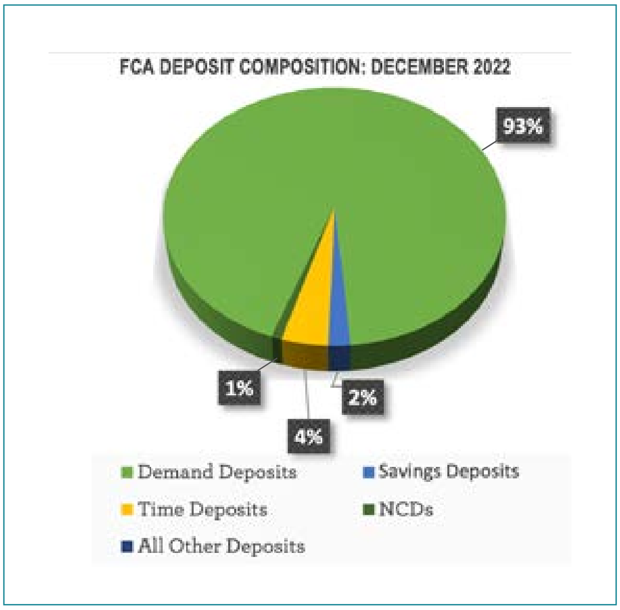




6. Deposit Composition

Deposits eligible for premium assessment were dominated by demand deposits, which accounted for 84% and 93% of total ZWL and FCA deposit bases, respectively. Time deposits were a distant 13% and 4% as illustrated in Figure 4 below.

Figure 4: Deposit Composition as at 31 December 2022



II. Bank Resolution, Recoveries & Investigations

The Corporation was appointed Liquidator of six (6) failed contributory Banking institutions (CBIs). Another failed institution, Capital Bank, was closed in June 2014 and was eventually placed under provisional liquidation on 9 October 2019 and in Final Liquidation on 31 March 2021. During the period under review, the Corporation continued its resolution of five Banks under liquidation.

The failure resolution options that the Corporation utilized during the review period were depositor reimbursements and liquidations. Furthermore, the Corporation also compensated depositors of DTMFIs and POSB for loss of value, following the availing of a USD400,00 tranche by government.

Liquidation dividends were paid out to concurrent creditors of three (3) closed Banks during the year 2022, namely, Interfin, Afrasia and Allied Banks. Among the three institutions, Afrasia and Interfin concurrent creditors were paid full interest dividends for the amounts they were owed.

1. Deposit Insurance Payments

DPC payments to depositors take place on two fronts:

- The Deposit Protection Fund(DPF) up to the maximum insurable limit;
- Liquidation dividends on a pro-rata basis depending on debt recoveries and asset realisation.

Compensation to depositors of Afrasia, Interfin, Allied and Trust Bank was terminated on 31 May 2022 in terms of section 38(5) (b) of the Deposit Protection Corporation (DPC) Act [Chapter 24:29], which limits the period within which a depositor must claim the amount of his or her protected deposit from the DPC.

A depositor has:

a. up to 90 days from the date the Corporation gave written notice to the depositor of the appointment of the Corporation as the liquidator of the failed contributory institution, by mailing a copy of the notice to the depositor's last known address appearing on the records of the failed contributory institution: or
b. 36 months from date of DPC's appointment as liquidator of a failed contributory institution, whichever is the later date.

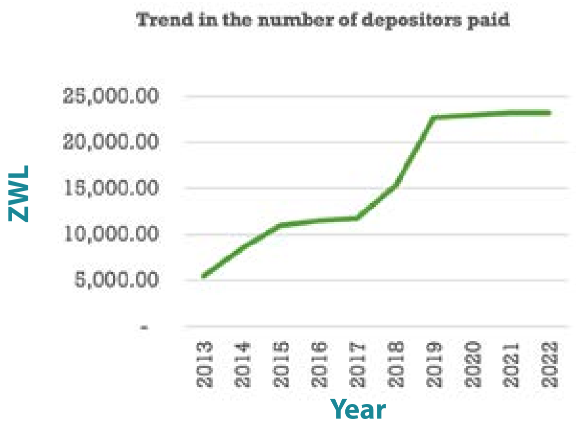
The table below provides a synopsis of deposit protection payments in respect of the failed contributory institutions.

Table 5: Deposit Insurance Payments as at 31 December 2022

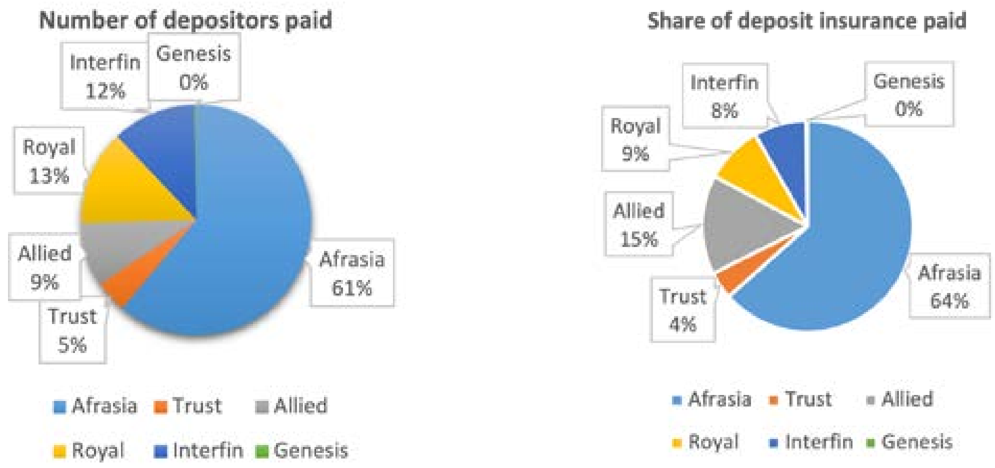
Name of Institution	Total Depositors	No. of Depositors paid	% # of Depositors paid	Exposure Deposits payable at ZWL500(ZWL)	Value of Depositors paid (ZWL)	% of Total deposits	Gross Deposits
Royal Bank	5,453	3,111	57%	472,207	358,654	76%	5,538,805
Trust Bank	2,958	1,041	35%	328,516	169,877	52%	11,482,102
Genesis	86	62	72%	11,810	8,821	75%	1,426,913
Allied Bank	9,228	2,080	23 %	1,248,307	614,433	49.22%	14,316,614
Interfin Bank	13,021	2,742	21%	918,814	326,774	35%	137,336,570
Afrasia	24,163	14,206	59%	3,439,276	2,564,947	75%	18,559,591
Total	**54,909**	**23,242**	**42%**	**6,418,930**	**4,043,506**	**63 %**	**188,660,594**

2. Reimbursement Trends

As at 31 December 2022, DPC had reimbursed 23,242 out of 54,909 depositors of the six Banks currently in liquidation, whilst in monetary terms, about ZWL4.04 million (63%) had been paid out as deposit insurance payments to depositors of the six closed Banks. The graphs below show the trends in the cumulative, number and value of deposit insurance payments from 2013 to 2022.



The charts below show the individual Banks' share of reimbursements against the total reimbursements as at 31 December 2022.



Afrasia Bank had the highest payout amount of ZWL2.6 million, which translates to 64% of the total amount paid to depositors (ZWL4.04 million) of the six Banks as at 31 December 2022.

In terms of number of depositors paid to date, Afrasia Bank also had the highest number of depositors paid of 14,206 (61%) out of the 23, 242 depositors paid for the six Banks under liquidation. Genesis Bank had the least number of depositors compensated due to its low deposit base. Poor quality of depositor records at Banks, has been a major challenge affecting the Corporation in getting depositors' contact details like addresses, phone numbers and e-mails. The Corporation is therefore working with the Central Bank to implement a Single Customer View framework which will resolve the perennial problem of incomplete depositor records and enhance payouts.

3. Liquidation of Closed Banks

During the period under review, the Corporation continued to execute its mandate as liquidator of closed Banks through the realization of assets and payment of liquidation dividends to creditors and uninsured depositors. DPC is currently undertaking the liquidation of five (5) closed Banks following the finalization of the liquidation of Genesis Investment Bank. Total recoveries in cash, treasury bills and properties were ZWL713.6 million, which translate to a 264% recovery rate as at 31 December 2022. Total dividends paid out to concurrent creditors of the six (6) failed CBIs under liquidation increased by 87% from ZWL109.4 million in

December 2021 to ZWL204.4 million in December 2022. This translates to an average dividend payout of ZWL1.08 per dollar to concurrent creditors.

The debt recovery process has reached advanced stages for most of the Banks in liquidation and the specific status of each Banking institution under resolution is discussed hereunder.

i. Royal Bank Limited: (In Final liquidation) - Closed 27 July 2012

As at 31 December 2022 about ZWL938, 275 had been paid to preferred creditors from the two dividend payouts whilst ZWL207, 931 was paid to a secured creditor. Creditors of Royal Bank are likely to be paid a dividend during the first half of 2023, following an out of Court settlement between the Corporation and Royal Bank Directors, that resulted in payment of ZWL9 ,283 ,572.84 by the Royal Bank directors, in favour of the Bank as full and final settlement of the directors' obligations. No further recoveries are anticipated from the Bank's loan book.

ii. Trust Bank Corporation (In Final Liquidation): Closed 6 Dec 2013

At report date, about ZWL1.5 million had been paid to preferred creditors whilst concurrent creditors were paid ZWL6.6 million or ZWL0.41 per dollar from the five (5) dividend payouts. Secured creditors have so far been paid a total of ZWL834, 043. Negotiations with Trust Holdings Limited (THL) to settle the Bank's obligations in exchange for the Bank's remaining assets have reached an advanced stage whereby the Corporation and THL have signed a Deed of Settlement and the transaction will be concluded subject to fulfilment of conditions precedent.

iii. Interfin Bank (In Final Liquidation): Closed 31 December 2014

As at 31 December 2022, about ZWL1.7 million had been paid out as dividend to the Bank's preferred creditors whilst concurrent creditors were paid ZWL129.2 million or ZWL1.62 per dollar from the thirteenth dividend payouts. About ZWL49.6 million, of the funds paid to concurrent creditors was interest dividend. The Corporation is in the process of disposing five (5) of the Bank's remaining immovable assets to conclude the liquidation process.

iv. Allied Bank (In Final Liquidation): Closed 8-Jan-2015

As at 31 December 2022, the Bank had paid ZWL436, 357 to secured creditors and ZWL558, 379 to preferred creditors. Following the payment of ZWL16.7 million on 16 December 2021, from Trebbo & Khays in favour of Allied Bank (In Liquidation) in full and final settlement of the Bank's claim, concurrent creditors were paid ZWL11.5 million, which translate to ZWL1.00 per every dollar owed.The Corporation continues to explore ways to facilitate the release of the USD1.1 million, which are funds blocked by the USA Office of Foreign Assets Control (OFAC).

v. Afrasia Bank Zim Limited (In Final Liquidation): Closed 24-Feb-2015

Cumulatively, the Bank's concurrent creditors have been paid ZWL53.9 million or 140 cents per dollar whilst preferred creditors have received ZWL3.5 million in ten dividend payouts. Disposal of the remaining assets, mainly the Natvest properties in Mutare, is still ongoing. Once all the assets have been disposed, any residue after settlement of liquidation expenses and conveyancing costs will be paid to the shareholders.

vi. Capital Bank (In Provisional Liquidation) - Closed: 4 June 2014

Progress in winding up the affairs of Capital Bank has been stalled due to a legal wrangle between Renaissance Financial Holdings (RFH) and the Liquidator of Capital Bank (Petwin Executor& Trust Company) over the ownership of 51,341,100 First Mutual Holdings ordinary shares. The Liquidator has since requested the intervention of the Master of High Court to determine whether the shares belong to RFH or estate of the closed Bank. Table 6 overleaf summarizes the status of Banks under resolution as at 31 December 2022:

Total recoveries in cash, treasury bills and properties were ZWL713.6 million, which translate to a 264% recovery rate as at 31 December 2022. Total dividends paid out to concurrent creditors of the six (6) failed CBIs under liquidation increased by 87% from ZWL109.4 million in December 2021 to ZWL204.4 million in December 2022. This translates to an average dividend payout of ZWL1.08 per dollar to concurrent creditors.

Table 6: Status of Banks under Resolution as at 31 December 2022

INSTITUTION	STATUS	DATE OF PROV ORDER	TOTAL ASSETS	TOTAL LIABILITIES	Net Liability Position	TOTAL RECOVERIES	VALUE OF PREFERRED CLAIMS	PAYMENTS TO PREFERRED CREDITORS	DIVIDEND PAID TO CONCURRENT CREDITORS	DIVIDEND TO SECURED CREDITORS
GENESIS Bank	Liquidation Completed 7.10.2021	4-Jul-12	2.20	5.10	(2.9 0)	8.4	0.17	0.16	3.23	0.21
ROYAL Bank	In Final Liquidation	20-Feb-13	5.30	12.6	(7.30)	12.13	2.11	0.94	Nil	0.21
TRUST Bank	In Final Liquidation	08-Oct-14	13.00	26.70	(13.70)	153.66	3.54	1.53	6.66	0.83
INTERFIN Bank	In Final Liquidation	28-Jan-15	24.30	144.20	(119.9)	362.94	2.36	1.72	129.17	18.28
ALLIED Bank	In Final Liquidation	4-Feb-15	9.5	34.5	(24.9 0)	20.84	2.40	0.56	11.50	0.44
AfrAsia Bank	In Final Liquidation	18-Mar-15	39.10	61.00	(21.90)	127.34	3.90	3.51	53.88	0.16
Tetrad PJM lifted 30.10.2018	PJM LIFTED 30.10.2018	29-Jan-15	46.00	66.00	(20.00)	28.30	0.80	N/A	N/A	N/A
TOTAL			**ZWL139m**	**ZWL350m**	**(ZWL211.06)m**	**ZWL713.6m**	**ZWL15.28m**	**ZWL8.42m**	**ZWL204m**	**ZWL9.13m**

1. Compensation Of Loss Of Value

In the 2021 National Budget Statement presented in November 2020, the Minister of Finance and Economic Development announced that the Government would compensate small and vulnerable depositors who had balances of USD1,000 and below for the loss of value incurred during the exchange rate movement from USD1:RTGS1 to USD1:RTGS2.5 as at 20 February 2019, with resources equivalent to USD75 million.

Government through Kuvimba Mining House availed USD400,000 to the DPC for the compensation of small depositors for the loss of value incurred due to the exchange rate movement. In view of the resources that were available, the Corporation allocated the initial tranche of USD400,000 to eligible depositors in Deposit Taking Microfinance Institutions. The Corporation closed the window for submission of claims for loss of value compensation to depositors of DTMFIs on 10 July 2022 as per the Ministry of Finance guidance.

As at 20 July 2022, all eligible depositors who submitted their claims were duly compensated by their respective DTMFIs. On aggregate, the Corporation had processed 917 claims for DTMFI depositors with a cumulative value of USD 83,359 leaving unclaimed balance of about USD 316,641.

Table 7: DTMFIs statistics as at 20 July 2022

Name of Institution	Exposure USD	Total # of Depositors	No. of Depositors Paide	% of Depositors paid	Amount Paid USD	% Paid to Exposure
EMPOWERBank	11,780	2,033	92	4.53%	3,832	32.53%
GETBUCKS	60,992	2,346	47	2.00%	9,429	15.46%
LION	25,654	791	158	19.97%	9,478	36.95%
ZWMB	141,734	9,664	282	2.92%	28,418	20.05%
ACL	69,646	1,069	278	26.01%	29,090	41.76%
SUCCESS	9,182	722	60	8.31%	3,112	33.89%
Total	**318,988**	**16,625**	**917**	**5.52%**	**83,359**	**26.13%**

Accordingly, the Corporation proceeded to avail USD316,641 to POSB under Phase 2 of the Loss of Value Compensation exercise. The loss of value exercise for POSB was well received. About USD25 million is required to compensate POSB depositors in full. As at 31 December 2022 POSB had received 49,318 claims worth USD5.8 million as depicted hereunder.

Table 8: POSB Loss of Value Claims as at 31 December 2022

Name of Institution	Exposure USD	Total # of Depositors	No. claims	Value of Claims Received	Total Disbursements to POSB
POSB	25,222,022	379,630	49,318	5.8 million	316,641

It is self-evident that additional funding is required to maintain the compensation for the loss of value momentum at POSB as well as the subsequent phases.

III. Bulawayo Regional Office

The Bulawayo Regional Office (hereinafter referred to as "branch") is a full-service branch whose activities include publicising the deposit protection scheme in the Midlands and Matabeleland regions, attending to queries from clients, verifying claims during periods of payouts, securing Bank assets during closure, assisting the head office with asset disposals during the liquidation process, contributing to debt recovery processes and explaining the mandate, deposit insurance/liquidation policies and procedures of the Corporation to the public. The branch also assists to advance the financial inclusion agenda and its existence dovetails with the Government's thrust of devolution in an effort to bringing services closer to the people.

The main objective of the branch during the year 2022 was to promote awareness of the deposit protection scheme in the Southern Region. In pursuit of this objective, the branch attended the 2022 edition of the Zimbabwe International Trade Fair (ZITF) as well as the 25th edition of the Mining Engineering and Transport Expo (Mine Entra). The ZITF 2022 edition was under the theme "Rethink, Reimagine, Reinvent Value Chains for Economic Development" whilst the Mine Entra's 25th edition was "Explore, Extract, Expand: Towards Sustainable Mining Value Chains".

The branch was also actively involved in the compensation of loss of value exercise for deposit-taking microfinance institutions and POSB during the year under review.

Enterprise Risk Management

Enterprise Risk Management

The board is fully accountable for the risk management and internal controls. To this end, the Board has instituted the enterprise–wide risk management function, compliance function, and independent internal audit function. The ERM approach is based on the globally accepted COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management – Integrating with Strategy and Performance (2017).

The Corporation achieved a significant milestone in embedding risk management in all its activities including the internalisation of the use of ERM policy, risk appetite statement, risk categorisation framework, Key Risk Indicators (KRIs) and Key Performance Indicators (KPIs).

In its endeavour to bring stakeholder value, the Corporation will build risk aware staff, bolster strategic risk management, enhance ERM system, inculcate strong risk culture, adopt performance management linked risk metrics, implement advanced risk measurement methodologies geared for complex risks, automate risk management processes and reinforce IT risk management systems across the whole organisation.

The off-shoots of engraining risk management into operational processes became apparent during the year. Risk management has been built-in within all the key areas of the organisation. Common risk language was inculcated across the organisation. The risk management process i.e. risk identification, risk analysis, risk evaluation and risk treatment were standardised in all functional areas. The formulation of strategic plan and performance management took cognisance of the inherent risks.

The Corporation's risk management system is anchored on Three Lines of Defense model (3 LoD) which consists of the first line (risk owners), the second line (risk control and compliance), and the third line (risk assurance). The proper structuring of 3 LoD ensure effective oversight and management of risk. The stated efforts resulted in the Corporation's ERM attaining maturity 'level 3' during the period under review.

The DPC is pursuing the implementation of the ISO (International Organization for Standardization) Standard 9001 (2015) and robust compliance risk programs to enhance strategic planning, risk management and reporting.

Substantial progress was made towards the implementation of ISO 9001 (2015) Quality Management System. The adoption of quality management system (QMS) ensure standardised, robust and benchmarked policies, procedure manuals and processes.

Internal Control And Systems

Internal Control And Systems

It is the responsibility of the Board through Senior Management to establish and maintain a system of internal control that will prevent or detect fraud and irregularities. The Internal Audit continued to play its significant role in verifying and validating whether Management has met its responsibility for the adequate design and effective operation of the system of internal control. This was carried out by evaluating controls, risk management, and governance processes as well as monitoring whether Management has implemented the agreed action plans.

Internal Audit continued their co-operation with external auditors to ensure efficiency and effectiveness of statutory audits by making available all internal audit reports.

Internal Audit continued to provide advisory and assurance services to the Board and Management through the Board Audit Committee on adequacy and effectiveness of risk management and internal controls of the Corporation. The Board Audit Committee considered Internal Audit reports on a quarterly basis. The key audit areas were:

a. Reviewed internal audit reports concerning the observations and advice in respect of the controls, systems and processes.
b. Obtained an understanding of the financial reports and monitored financial information for accuracy, reliability as well as clarity (including its financial statements and external auditors).
c. Fulfilled its responsibilities with regard to financial management oversight, including management of annual budgets and investments.
d. Understanding of the financial reports and monitored financial information for accuracy, reliability as well as clarity
e. Reviewed accounting policies and significant changes in the accounting policy for 2022.
f. Reviewed and advised the Board with respect to the annual financial statements, the external audit report and the review of the integrity of the financial reporting process.

The Board Audit Committee noted the issues raised in audit reports and Management's action to improve the systems of internal control. Otherwise, there were no major reported incidences or weaknesses or deficiencies in the adequacy and integrity of internal controls embedded in the DPC's systems, policies, practices and processes for the period to 31st December 2022.

Public Relations

Public Relations

Public awareness of the existence and operations of the Deposit Protection Scheme is key in enhancing confidence and protecting the stability of the financial system. To this end, the Corporation's communication strategies sought to raise informational awareness on the extent to which deposits are protected, rights of depositors in the event of a Bank failure, benefits and limitations of deposit protection and cover limits.

1. Publicity Events

DPC Exhibitions at ZITF

Events such as trade exhibitions, roadshows, expos and conferences provided the Corporation with a platform to interact with the public and receive instant feedback. The Corporation exhibited at the Zimbabwe International Trade Fair and also conducted countrywide roadshows in Mashonaland West, Matabeleland, Midlands, Harare, Chitungwiza, Manicaland and Mashonaland East. Collaborative opportunities with other industry players were also forged with a view to maximise brand visibility at the lowest possible cost.

Online awareness workshops were also conducted with Banks, media and Zimpost as part of our efforts to keep our stakeholders updated on the operations of the Scheme, new developments regarding cover levels and reimbursements in progress.

Presentations were made to the Financial Inclusion Forum through the two thematic committees on consumer protection and people living with disabilities.

The Corporation successfully hosted the IADI-Africa Regional Committee Conference and Annual General Meeting that was held in Victoria Falls from 29 August to 3 September 2022. The event assisted in generating a lot of publicity in all media platforms and this went a long way in driving brand visibility. The Corporation also participated for the first time at the Mine Entra in Bulawayo and the event proved to be a success. Largely a business-to-business (B2B) platform, the expo provided the Corporation with an opportunity to engage possible partners for collaborative opportunities and also network with clients in an environment that provided more scope for in-depth discussions. Advertising in media platforms also provided the Corporation with excellent brand awareness opportunities to further the visibility drive. The Corporation also exhibited at the Beitbridge Expo as part of efforts to take deposit protection to regional centers and driving public awareness of the brand and Scheme.

The Corporation managed to join other financial safety-net players and the rest of the business community in celebrating Customer Service Week that was held from 3-7 October 2022. The global event was held under the theme, "Celebrate Service." As a service-oriented entity, the Corporation continued to celebrate milestones in service delivery as evidenced by few customer complaints regarding our service quality. Our touchpoints such as physical offices, website, social media platforms, helpdesk system, toll free system, call centre facilities, among others offered customers transparent platforms to engage with the Corporation for their service needs. Efforts will continue to be invested in exploring more ways of enhancing service delivery touchpoints and delight all stakeholders.

2. Collaborations

The Corporation's partnership with the Chartered Governance Institute (CGI) and International Compliance Association (ICA) in the provision

DPC Acting CEO, Mr. G. Chirozva presenting to the University of Zimbabwe students

and delivery of the Governance, Risk and Compliance Diploma was also underway with classes progressing without any challenges. Engagements with other related stakeholders such as Bindura University of Science Education (BUSE), Great Zimbabwe University (GZU), University of Zimbabwe, National University of Science and Technology (NUST) and the Institute of Bankers Zimbabwe (IOBZ) were at various stages of implementation.

Partnerships with related stakeholders such as media practitioners provided the Corporation with opportunities to increase brand visibility at a much lower cost. Joint advertising efforts were conducted with other safety-net players in the National Financial Inclusion Forum with collaborations being done in different areas such as financial literacy, consumer protection, financial inclusion and deposit insurance.

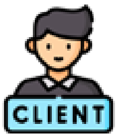
Several engagements were made with contributory institutions as part of stakeholder relations and enforcing compliance with publicity requirements as required by law for members to communicate their membership to the Scheme in all advertising messages. Webinars and public lectures were also conducted with tertiary institutions as part of efforts to increase dissemination of information on the Scheme. Such engagements helped to strengthen relationships and will help in discussions to offer deposit insurance modules in University curricula.

3. Financial Literacy and Inclusion

SME Expo

The Corporation is a member of the National Financial Inclusion Forum and presentations were made to the Forum updating on the Corporation's activities that promoted financial inclusion and literacy. As a key driver of consumer protection, the Corporation is also cognisant of its role to promote financial inclusion through increasing informational awareness on deposit protection to the financially excluded segments of the community. To this end, the Corporation flighted advertisements in vernacular languages and also increased translations of its brochures to other indigenous languages covering people living with disabilities such as the deaf and the blind. Roadshows and exhibitions were conducted in rural areas and community farms to ensure those without access to mainstream media channels also got the exposure and updates on the Scheme and payments in progress to depositors. This helped to drive financial inclusivity.

The Corporation remains resolute on its commitment to drive deposit protection, financial inclusion and financial literacy to help achieve the aspirations of the National Development Strategy 1 (NDS1) and the recently launched National Financial Inclusion Strategy II (2022-2026).



4. Client Service Delivery

The provision of fast, friendly and accurate service remained a key component of our operations, values and client service delivery charter. To achieve this, employee training and system automation assisted in ensuring delivery of quality service. Complaint management through providing clients with platforms to air grievances or suggestions also assisted in ensuring continuous improvement of our people, processes and systems. Social media platforms, corporate website (dpcorp.co.zw), WhatsApp platform, call centre and helpdesk system are some of the platforms that provided clients with real-time service provision that greatly assisted in raising our service delivery quality levels.

The Corporation did not witness any major incidences in terms of client service gaps. Claims were processed within stipulated timelines and client queries were attended to within customer charter deadlines. Customer interfacing staff continued to serve the public via different touchpoints in a way that enhanced the value of our brand. To this end, no major complaints were received regarding our service delivery. We continued to invest in staff training on customer service quality and resources such as technology tools to aid in the delivery of a memorable customer experience. Our internal helpdesk system has enabled increased average response time, engagement levels and customer service quality. All client queries from across our touch points are served from the helpdesk and this has improved our efficiencies.

5. Brand Monitoring and Risk Management

The Corporation received positive media coverage during the period under review largely due to our good working relations with media practitioners. Media articles covered new developments on new cover levels (USD and ZWL) and reimbursements to depositors. Such coverage assisted in driving publicity of the Deposit Protection Scheme. The department continued to monitor the media landscape for all positive and negative coverage through use of digital monitoring tools.

The Corporation enjoyed positive spin-offs from media coverage from various events attended as it managed to trend in both online and offline media channels. This positive coverage helped the public to learn more on the Scheme and its benefits. Brand monitoring tools assisted in ensuring the Corporation was constantly in touch with market sentiments on the brand. Collaborations and active engagements with media houses greatly assisted in ensuring the brand received positive and fair coverage. This went a long way in enhancing public confidence in the Scheme and financial system.

6. Digital Marketing

The use of digital platforms such as social media, website, online banners and e-newsletters dominated our digital strategy. This was mainly due to the ability of these platforms to engage with all stakeholders at a low cost and still receive instant feedback. Our digital footprint continued to grow with customers utilizing such platforms for enquiries and still receive assistance within customer service charter timelines.

The growth in usage of social platforms by the public provided the Corporation with a cheaper alternative to drive visibility and information dissemination of the Deposit Protection Scheme. The rise in the consumption of information via digital platforms resulted in a 34% growth in the number of visitors to the corporate website. The corporate website acts as a central repository of up to date key information and is accessible to all key stakeholders namely the public, media and safety-net players among others. Our digital platforms also allowed clients to interact with the Corporation and receive swift responses hence providing customers with seamless client service quality.

Sponsored advertisements on deposit protection and loss of value payments were flighted on social media platforms such as Facebook, Twitter, Instagram and LinkedIn. Advertisements were placed on high traffic websites such as The Herald, Newsday and The Chronicle with link backs to our website. This also contributed to increased traffic to our website and informational awareness to the public. Such platforms provided high impression and real-time analytics on the performance of each advertisement. The Corporation's Facebook and Twitter pages were used for engaging with target audiences, posting latest updates, market research, client service management, stakeholder relations, community relations and media relations. Social platforms recorded 27% growth in engagement levels as more people interacted with the brand online. Direct communication channels such as email newsletters and bulk text messages were also utilized in reaching out to the public as these yielded a high response rate. As technology evolves, we remain committed to continue investing in digital platforms to ensure we provide fast, friendly and accurate service to all our stakeholders and still drive brand visibility.

7. Traditional Advertising

Extensive publicity was carried out in newspapers, radio and national television raising awareness on new cover levels, scope of cover and reimbursements to depositors. The interest generated from the advertisements greatly assisted in driving traffic to the corporate website, social platforms and call centre.

Despite the high advertising costs, the Corporation continued to leverage on national and regional mass media channels in an effort to raise awareness of the brand and information on the Scheme as mass media channels offered greater coverage and exposure of messages to targeted audiences.

Sponsored articles were also published in the national newspapers as part of our campaign efforts to deepen knowledge on deposit protection and financial inclusion. These articles were also shared on our social platforms and on the corporate website and this helped to raise awareness of the Scheme.

As part of driving financial inclusion, the Corporation will continue to invest in mass media channels, increase local languages in all advertisements and utilize more community radio stations as they provide cheaper and more targeted advertising platforms.

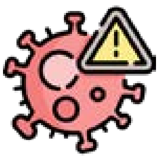
8. Going Forward

The Corporation will continue to drive public awareness of the Deposit Protection Scheme in rural and urban areas as this will help promote public confidence and stability of the financial system the fulfilment of national aspirations in NDS1.

Human Capital Management

Human Capital Management

Human Capital has remained at the core of the Corporation's priorities as it is the foundation for the Corporation to thrive. The Human Resources function continues to create a positive work environment for talent to thrive. Developing and fostering a positive business culture has remained a fundamental and integral ethos for DPC. Critical focus areas for the period under review are shown below.



1. Covid 19 Pandemic

The country experienced a decline in COVID-19 fatalities and the government relaxed some restrictions, bringing normalcy to the working environment. DPC staff continue to be encouraged to take the booster jab for the safety of all stakeholders. The Corporation will continue to refine the mechanisms for remote working should they be need. The system continues to be on high alert as the thrust remains on providing a safe working space. We continue to provide timely and accurate information about COVID-19 from reliable sources.

2. Corporation Strategy

The Corporation's Strategic Plan supports the mission to protect depositors, enhance public confidence and stability in the financial system by promoting sound business practices and speedy resolution of failed contributory institutions. The core strategic themes can be summarized into fund growth and adequacy, credible cover levels, effective resolution framework, risk management, talent management, compliance, stakeholder engagement, and digitalization.

The Integrated Results Based Management system provides the institutional structure that will support the monitoring and evaluation of performance on the Strategic Plan to hold the Corporation accountable for fulfilling its statutory mandate, responsibilities, and covenants.

3. Performance Management

The Integrated Results Based Management (IRBM) performance management system has continued to yield positive results for the Corporation. The system has built a culture of excellence required to achieve the goals set out in the strategic plan. It has also been effective in creating a strong performance culture and a healthy workplace ecosystem, supported by individual and team capabilities and accountability.

DPC Team Members participating in the National Clean-Up Day

4. Employee Nurturing & Development

There is a deliberate effort to invest in staff nurturing and development at all levels. Targeted capacity building in Bank resolution, forensic investigation, financial stability assessments will ensure that the Corporation is resourced going into the future. Focus will also remain on non-technical training as it strengthens organizational effectiveness, transform the Corporation's culture and business process optimization.

The Corporation has also put in place a vibrant mentoring programme as part of an organizational development approach to support staff in career development, on-the-job learning, knowledge-sharing and capacity-building.

5.Safety, Health and Wellness

The health and well-being of the workforce underpins the Corporation's ability to achieve its strategic goals and are essential and critical components of organizational success. Recognizing that healthy organizations achieve more, DPC, is partnering the medical health service provider to offer medical, psychological and social support to ensure a healthy work environment for all.

We strive and work to assure a safe and healthy work environment for all our employees. We continue to develop and implement programs, policies and procedures for the recognition and identification of risks and hazards. We will also ensure compliance with applicable health, safety, and environmental regulations.

DPC ladies celebrating Women's Day

Information & Communication Technology

Information And Communication Technology

Foreword and Background

The DPC ICT Function operates under the Finance and Administration Department. Its mandate is to make business more efficient and effective to meet internal and external stakeholder needs.

ICT is involved in the following:

- in-house software development
- network engineering and administration.
- technical support and service delivery

The majority 90% of the Corporation's applications run on a Windows based systems with the remainder running on either Linux or Mac OS. The ICT function supports the Organisation's operations through the provision of robust and stable systems that foster data integrity, prompt deposit compensation, and provision of timely information to stakeholders.

ICT achievements summary

The ICT is targeting to continuosly improve business operations through automation across all the departments. In 2022 three new applications, namely Yeaster Unified Communication System, FreshDesk Help-desk System and Eviews were acquired off the shelf to boost current automation by 3% to 66%.

The Corporation is currently undertaking in-house system development of the Claim Processing System and the HR Leave Application System. In addition, the acquisition of a software application for the risk analysis, premium administration and Bank surveillance functions is expected to be finalised in 2023 which will improve automation from 66% to 72% by the end of 2023.

Service delivery

The security controls in place has been resilient with no fatal security breaches. Further, there was a drop in hardware and software errors due to user awareness and the proactive maintenance of equipment by our ICT administrators.

ICT security

The Corporation continues to prioritise ICT security by using licenced software, updating network perimeter security regularly and adopting reputable enterprise-wide antivirus solutions. In addition, replacement of outmoded computing equipment such as laptops, desktops, printers and networking appliances improve the working efficiency.

In 2023, DPC plans to undertake the following projects to enhance cyber security:

i. Relocate the Disaster Recovery Site (DRS) to Bulawayo
ii. Undertake an Information Security maturity self-assessment.
iii. Conduct penetration tests to evaluate our information systems security.

Timeline to the 20th Anniversary

Harare Agricultural Show 2019: DPC uses agricultural shows to preach to gospel of Deposit insurance and assure members of the public that their bank deposits are protected.

1. Guests at the official launch of the Bulawayo Offices in February 2020.
2. Minister of Finance and Economic Development, Hon Professor Mthuli Ncube delivers a speech on the occasion of the launch of the DPC's Bulawayo office in February 2020.

Mr Evans Nhira receiving the inaugural "Employee of the year' award in 2020.

Bulawayo Offices

DPC Plays a significant role in financial literacy & financial inclusion

DPC strives to reduce its impact on the environment and this is evidenced by the commissioning of the solar power generation for the Bulawayo Office in 2021.

DPC guarantees protection of deposits of depositors of all walks of life. This protection comes at no cost to the depositors

Directors Responsibility And Approval

The directors are required in terms of the Deposit Protection Corporation Act [Chapter 24:29] to maintain adequate accounting records and are 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 company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.
The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are 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.

The directors are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.
The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 47 to 50.
The financial statements set out on pages 51 to 73 which have been prepared on the going concern basis, were approved by the directors on 22 / 06 /2023 and were signed on their behalf by:

Approval of financial statements

....

Chairman Acting CEO

....

Director

PKF
chartered accountants
& business advisers

REPORT OF THE INDEPENDENT AUDITORS ON THE AUDITED FINANCIAL STATEMENTS

To the members of the Deposit Protection Corporation

Qualified opinion

We have audited the financial statements of the Corporation set out on pages 7 to 28, which comprise the statement of financial position as at December 31, 2022, and the statement of profit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effect of the matters, as discussed in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the Deposit Protection Corporation as at December 31, 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Deposit Protection Corporation Act (Chapter 24:29).

BASIS FOR QUALIFIED OPINION

Exchange rates

As explained in the basis for preparation note to the financial statements, the financial statements are presented in Zimbabwe Dollars (ZWL). During the year, the Corporation predominantly traded in Zimbabwe Dollars. The Corporation, however, had transactions and balances that were in foreign currency. Assessment of the foreign currency transactions and balances indicated that they were material in the current year. The foreign currency transactions were recorded during the year using the respective spot rates and balances at the year-end recorded at the closing spot rate as determined by the Reserve Bank of Zimbabwe (RBZ) currency auction rate. These rates, however, are not in compliance with IAS 21 as they are not the exchange rates for immediate delivery because of the shortage of foreign currency on the market. Use of alternative market rates is not compliant with the law and as a result the directors have not attempted to estimate rates that may more fairly reflect the results and state of these transactions and balances in compliance with IAS 21. The prior year financial statements were qualified for similar reasons and the impact on the current year, if any, has not been adjusted for, for reasons set out above.

Furthermore, notwithstanding that IAS 29 has been applied correctly, it is noted that its application was based on current periods' financial information which was not in compliance with IAS 21 as described above. Consequently, the line item "monetary gain" on the inflation adjusted statement of profit and other comprehensive income is impacted.

We conducted our audit in accordance with International Standards on Auditing. 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 Corporation in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and other

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independence requirements applicable to performing audits of financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. In addition to the matters described in our basis of qualified opinion paragraph, the key audit matters are tabulated below. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in our audit
Land & buildings and investment properties are carried at fair value. The corporation engaged a professional valuer to determine the fair values of these assets. The values are significant to the financial statements.	We assessed the competence and standing of the valuers. We reviewed the professional valuers report to understand the procedures undertaken and assessed the appropriateness of the procedures undertaken with respect to the properties. We agreed the details of the properties valued to title deeds and agreed the values to the financial statements.
Premium income is a major source of funding for compensating depositors on insolvency and/or failure of a contributory institution. Receiving premiums and honouring depositors' claims are the significant business processes for the Corporation and were key in our audit as a result.	We evaluated and tested the compliance to statutory regulations of quarterly premiums collections from members. We tested the design, existence and operating effectiveness of internal controls on all income categories. We tested individual transactions by reconciling them to external records. We performed analytical procedures and assessed the reasonableness of explanations provided by management.

Other information

The directors are responsible for the other information that may be presented along with these accounts. Other

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information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Deposit Protection Corporation Act (Chapter 24:29)., and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Corporation'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 directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Corporation'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 Corporation 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.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- In terms of section 19 of the Deposit Protection Corporation Act (Chapter 24:29) we have obtained all information or explanations we required and the accounts and records have been properly kept by the Corporation.

The engagement partner on the audit resulting in this independent auditor's report is Lewis Hussein.

PKF

PKF Chartered Accountants (Zimbabwe)
Registered Auditors (Zimbabwe)
Harare
19 July 2023

Per: Lewis Hussein Engagement
Partner
Registered Public Auditor (Zimbabwe)
PAAB Practicing Number of Engagement Partner: 0347

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Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Statement of Financial Position

	Notes	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
ASSETS					
Non-current assets					
Property, vehicles and equipment	2	889,423,186	788,873,371	695,188,224	210,503,702
Investment property	3	1,806,434,924	361,665,822	1,806,434,924	105,210,000
Intangible assets	4	4,592,374	-	1,766,298	-
		2,700,450,484	1,150,539,193	2,503,389,445	315,713,702
Current assets					
Financial assets	5	626,255,800	863,222,570	626,255,800	251,114,816
Trade and other receivables	6	1,077,315,899	953,599,035	1,076,527,989	277,405,683
Cash and cash equivalents	7	345,047,002	227,296,123	345,047,002	66,121,330
Total current assets		2,048,618,701	2,044,117,728	2,047,830,791	594,641,829
Total assets		**4,749,069,185**	**3,194,656,921**	**4,551,220,237**	**910,355,531**
RESERVES AND LIABILITIES					
Reserves					
Accumulated fund		4,697,903,487	3,053,059,164	3,443,527,543	649,900,921
Non-distributable reserve		(30,223,528)	(24,860,591)	1,026,303,468	212,031,227
Total equity		**4,667,679,959**	**3,028,198,573**	**4,469,831,011**	**861,932,148**
Current liabilities					
Trade and other payables	8	78,041,506	154,950,350	78,041,506	45,075,662
Provision for protection payments	9	3,347,721	11,507,998	3,347,721	3,347,721
Total current liabilities		81,389,226	166,458,348	81,389,226	48,423,383
Total reserves and liabilities		**4,749,069,185**	**3,194,656,921**	**4,551,220,237**	**910,355,531**

The above statement of financial position should be read in conjunction with the accompanying notes. These financial statements were approved by the Board of Directors on 22 June 2023 and signed on its behalf by:

Chairman

Acting Chief Executive Officer

Director

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Statement of Profit or Loss and Other Comprehensive

	Notes	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
Revenue					
Premium income		3,109,071,851	2,151,643,414	2,305,247,623	533,838,933
Investment income	10	790,968,190	567,713,276	233,088,539	134,848,617
Fair value gain/(loss) on property		307,119,617	(149,608,356)	563,575,439	12,680,401
Other income	11	57,715,113	42,549,160	35,448,580	9,977,075
Total income		**4,264,874,772**	**2,612,297,494**	**3,137,360,180**	**691,345,026**
Expenses					
Operating expenses	12	(1,702,596,265)	(860,717,506)	(1,126,782,334)	(185,457,797)
Provision for assessed losses		(18,440,491)	-	(18,440,491)	-
Exchange gains/(losses)		1,129,556,864	29,083,903	801,489,268	8,455,743
Net monetary gain/(loss)		(2,028,550,557)	(456,384,514)	-	-
Surplus for the year		**1,644,844,323**	**1,324,279,377**	**2,793,626,622**	**514,342,972**
Other comprehensive income					
Revaluation surplus/(loss)		(5,362,937)	(50,189,880)	814,272,242	48,166,751
Total comprehensive income for the year		**1,639,481,386**	**1,274,089,497**	**3,607,898,863**	**562,509,723**

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Statement of Changes in Reserves

	Accumulated Fund ZWL	Non-distributable Reserve ZWL	Total ZWL
INFLATION ADJUSTED			
Balance at 01 January 2021	**1,728,779,787**	**25,329,289**	**1,754,109,076**
Total comprehensive income for the year	1,324,279,377	(50,189,880)	1,274,089,496
Balance at 31 December 2021	**3,053,059,164**	**(24,860,591)**	**3,028,198,573**
Total comprehensive income for the year	1,644,844,323	(5,362,937)	1,639,481,386
Balance at 31 December 2022	**4,697,903,487**	**(30,223,528)**	**4,667,679,959**
HISTORICAL COST			
Balance at 01 January 2021	**135,557,949**	**163,864,476**	**299,422,425**
Total comprehensive income for the year	514,342,972	48,166,751	562,509,723
Balance at 31 December 2021	**649,900,921**	**212,031,227**	**861,932,148**
Total comprehensive income for the year	2,793,626,622	814,272,242	3,607,898,863
Balance at 31 December 2022	**3,443,527,543**	**1,026,303,468**	**4,469,831,010**

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Statement of Cash Flows

	Notes	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
Cash flows from operating activities					
Surplus for the year		1,644,844,323	1,324,279,377	2,793,626,622	514,342,972
Adjustments for:					
Depreciation	2	70,248,067	70,488,364	11,347,181	6,248,945
(Profit)/loss on disposal of property, vehicles and equipment		(761,837)	21,650	(510,240)	190
Fair value adjustment		(307,119,617)	149,608,356	(563,575,439)	(12,680,401)
Accrued interest income on investments	5	(13,456,028)	(4,600,030)	(12,251,086)	(1,338,167)
Protection payments provision	9	-	(7,239,497)	-	(45,171)
Effects of IAS 29		1,419,438,065	-	-	-
		2,_813,192,972	1,532,558,220	2,228,637,036	506,528,368
Movements in working capital:					
(Increase)/ decrease in trade and other receivables		(123,716,865)	(688,805,080)	(799,122)	(229,483,688)
Increase in trade and other payables		(76,908,845)	131,875,004	32,965,843	40,899,525
Cash generated from operations		2,612,567,262	975,628,146	1,462,480,573	317,944,205
Net cash generated by operating activities		**2,612,567,262**	**975,628,146**	**1,462,480,573**	**317,944,205**
Cash flows from investing activities					
Property, vehicles and equipment additions: expansion	2	(515,437,212)	(254,973,934)	(19,274,236)	(66,397,678)
Intangible assets	4	(4,592,374)	-	(1,766,298)	-
Investment property	3	(800,272,873)	-	(800,272,873)	-
Investment in financial assets	5	(1,176,975,545)	(515,419,940)	(362,889,898)	(187,664,381)
Proceeds from disposal of property, vehicles and equipment		2,461,618	11,443,811	648,403	317,548
Net cash used in investing activities		**(2,494,816,385)**	**(758,950,062)**	**(1,183,554,901)**	**(253,744,511)**
Net increase/ (decrease) in cash and cash equivalents		**117,750,879**	**216,678,085**	**278,925,672**	**64,199,694**
Cash and cash equivalents at the beginning of the year		227,296,123	10,618,038	66,121,330	1,921,636
Cash and cash equivalents at the end of the year	**7**	**345,047,002**	**227,296,123**	**345,047,002**	**66,121,330**

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022
Accounting Policies (continued)

1. General Information

The Deposit Protection Corporation (the 'Corporation'/ 'DPC') was established by the Deposit Protection Act [Chapter 24:29] on behalf of the Government of Zimbabwe for the purpose of compensating depositors on insolvency and/or failure of a contributory institution, and contributing towards the stability of Zimbabwe's financial system.

The Corporation is incorporated and domiciled in Zimbabwe. The financial statements are expressed in Zimbabwe dollars (ZWL)

1.1. Statement of compliance

The DPC's financial statements have been prepared in accordance with International Financial Reporting Standards, (IFRS) and the International Financial Reporting Interpretations Committee, (IFRIC) interpretations. The financial statements are based on statutory records maintained under the historical cost convention.

1.2. Basis of preparation

The financial statements are based on statutory records that are maintained under the historical cost convention. Appropriate adjustments and reclassifications including restatement of changes in the general purchasing power of the Zimbabwean dollar for the purpose of fair presentation in compliance with International Accounting Standard 29, have been made in these financial statements to the historical cost financial information. Thus, the inflation adjusted financial statements represent the primary financial statements of the company. The historical cost financial statements have been provided by way of supplementary information.

International Accounting Standard 29 "Financial reporting in Hyperinflationary Economies" requires that the financial statements that are prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures for previous periods be restated in the same terms.

One characteristic that necessitates the application of IAS 29, is that cumulative inflation over a three- year period should be approaching or exceeding 100%. The fact has been fulfilled in the situation of Zimbabwe. The conversion factors used to restate these financial statements are based on the consumer price index published by the Reserve Bank of Zimbabwe. The indices and conversion factors used to restate the accompanying financial statements at 31 December 2022 are given below:

Dates	Index	Conversion factor
31 December 2022	13,672.5	1.0000
31 December 2021	3,977.5	3.4244
31 December 2020	2,474.5	5.5045

1.2 Basis of preparation (continued)

The main procedures applied for the above-mentioned restatements are as follows:

Financial statements prepared in the currency of a hyperinflationary economy are restated in terms of the measuring unit current at the balance sheet date, and corresponding figures for the period are restated in the same terms.

Monetary assets and liabilities that are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date.

Non-monetary assets and liabilities that are not carried at amounts current at balance sheet date and components of shareholders' equity are restated by applying the relevant quarterly conversion factors.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Zimbabwe dollars at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Zimbabwean dollars at the foreign exchange rate ruling at the date of the transaction.

Comparative financial statements are restated using general inflation indices in terms of the measuring unit, current at the latest balance sheet date.

All items in the income statement are restated by applying the relevant month, yearly average or year- end conversion factor.

The effect of inflation on the net monetary position of the company is included in the income statement as a monetary gain/(loss) adjustment.

1.3. Summary of significant accounting policies.

In preparing the annual financial statements in terms of IFRS, management is required to make certain estimates and assumptions that may materially affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period and the related disclosures. The actual results often vary from these estimates due to the inherent uncertainty involved in making estimates and assumptions concerning future events. These estimates and judgments are based on historical experience, current and expected future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

As the estimates are reviewed on a regular basis, any changes to these accounting estimates are recognized in the period in which the estimate is revised, if it impacts on only the current period. If the revision of the estimate impacts on both the current and future periods, then the change in estimate is recognized in the current and future periods.

Critical accounting judgments

The accounting policies itemized below have been identified as being particularly complex or involving subjective judgments or assessments. Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits associated with the investment property will flow to the enterprise, and the cost of the investment

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or to service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

1.3.1. Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

1.3.2 Intangible assets

Intangible assets are separately acquired software licences. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Software subscriptions are paid on an annual basis. Intangible assets are amortised over their useful economic life and assessed for impairment whenever there is an indication that intangible assets may be impaired. The rate of impairment is applied at 20% per annum.

1.3.3 Plant and Equipment

Property and equipment are tangible assets which the Corporation holds for its own use.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item. will flow to the company, and the cost of the item can be measured reliably.

Property and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Subsequent to initial recognition, property and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

When an item of property and equipment is revalued, the gross carrying amount is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current year. The decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation reserve in equity.

The revaluation reserve related to a specific item of property and equipment is transferred directly to retained income when the asset is derecognised.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Buildings	20 - 40 years
Furniture and fittings	10 years
Computers and office equipment	4 years
Vehicles	3 - 5 years
Software licenses	Annual subscriptions

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3.4 Provision for protection payments

The provision for protection payments represents the present value of the Directors best estimate ofthe future outflow of economic benefits that will be required under the Corporation's obligations as set out in the Deposit Protection Corporation Act. Management annually assesses the performance of the Banks using the CAMELS rating system. The estimate of the exposure is based on the number of depositors of distressed institutions at the end of the year.

The provision for protection payments represents the present value of the Directors best estimate of the future outflow of economic benefits that will be required under the Corporation's obligations as set out in the Deposit Protection Corporation Act. Management annually assesses the financial condition of contributory Banking institutions based on off-site surveillance financial condition indicators as well as RBZ CAMELS composite ratings. The estimate of the exposure is based on the number of depositors of distressed institutions at the end of the year. Distressed Banking institutions on the Central Bank's watch list with a CAMELS rating of 4 and above were provided for except for a government Bank that regularly gets government support to fund agriculture.

1.3.5 Recognition of subrogation fees

In terms of the DPC Act [Chapter 24:29] Section 46, the Corporation shall be subrogated up to the amount paid to depositors of failed Banking institutions. The timing of the refund is dependent on the availability of cash from disposals of failed Bank(s) assets and recoveries from the failed Bank(s) debtors. The process can be protracted. In view of this timing uncertainty, subrogated income is not accrued but recognized on date of receipt. During the year subrogation income was recognized on receipt of funds.

1.3.6 Recognition of premium from troubled Banks

The DPC Act [Chapter 24:29] Section 28 provides that all contributory institutions including those under judicial management and curatorship are liable to contribute to the DPC Fund. Managementassesses on a quarterly basis the probability of recoverability of premiums from troubled Banks and Banks under judicial management and curatorship.

1.3.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services inthe ordinary course of the Corporation's activities.

The Corporation recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met foreach of the Corporation's activities as described below.

Premium income

Premium income is recognised in the accounting period in which it accrues. Premiums are received in arrears.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Corporation reduces the carrying amount to its recoverable amount, being the estimated future

cash flow discounted at the original effective interest rate of theinstrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognized using the original effective interest rate.

Subrogation income

Subrogation income is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the Corporation has an irrevocableright to receive funds during with considerable certainty.

1.3.8 Cash and cash equivalents

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

1.3.9 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, theyare presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized costusing the effective interest method.

1.3.10 Provisions

A provision is recognised when the Corporation has a present obligation (legal or constructive) as a result of a past event for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle thepresent obligation at the end of the reporting period, taking into account the risks and uncertaintiessurrounding the obligation. When a provision

is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effectof the time value of money is material).

1.3.11 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Corporation has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1.3.11 Financial risk management

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to credit risk on loans receivable, debt instruments at fair value through other comprehensive income, trade and other receivables, contract receivables, lease receivables, cash and cash equivalents, loan commitments and financial guarantees.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The company only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties, assessments by appropriate registering and regulatory authorities as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by dealing with well-established financial institutions with high credit ratings. Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus, the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopts this approach when information relevant to the determination of credit risk is not available on an individual

instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. Thus, Management does not conduct annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

1.3.13 Taxation

The Corporation is domiciled in Zimbabwe. Under the current laws of Zimbabwe there is no income,estate, corporation, capital gains or other taxes payable by the Corporation. This is with exception ofvalue added tax ("VAT") and Corporation's employees Pay As You Earn ("PAYE") which are due and payable when applicable.

1.3.14 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

a. Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

b. Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

c. Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

d. Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

e. Loans receivable at amortised cost

Loans receivable are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

f. Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any. are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

g. Trade and other receivables

Trade and other receivables excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

h. Recognition and measurement

Trade and receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

i. Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

j. Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

1.3.15 Employee Benefits

Short-term employee benefits

Remuneration paid to employees in respect of services rendered during a reporting period is recognized as an expense in that reporting period. Accruals are made for accumulated leave and are measured at the amount that the Corporation expects to pay when the leave is used.

Termination benefits

Termination benefits are charged against income when the Corporation is demonstrably committed to terminating the employment of an employee before their normal retirement date.

Post-employment benefits

Defined contribution plans

Retirement, provident and pension fund contributions to defined contribution plans in respect of services rendered during a reporting period are recognised as an expense in that period.

1.3.16 New accounting policies adopted

Application of new and revised International Financial Reporting Standards (IFRSs) that are effective for the current year.

In the current year, the Corporation 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 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Below are the standards that were effective in the current year.

Pronouncement	Effective Date
Onerous Contracts cost of fulfilling a contact (Amendments to IAS 37)	01 Jan 2022
Annual improvements to IFRS 2018-2020	01 Jan 2022
Property, plant and equipment; Proceeds before intended use (Amendments to IAS 16)	01 Jan 2022
Reference to the Conceptual Framework (Amendments to IFRS 3	01 Jan 2022

Application of new and revised International Financial Reporting Standards (IFRSs) in issue but not effective.

A number of new standards or revised/ amended standards are effective for annual years beginning after 01 January 2023 and earlier application is permitted. The Corporation has not early adopted the new or amended standards in preparing these financial statements. The following standard(s) are expected to have no material impact on the Corporation's separate financial statements in the year of first application.

Pronouncement	Effective Date
Classification of Liabilities as Current or non-current (amendments to IAS 1)	01 January 2023
Amendments to IFRS 17	01 January 2023
Amendments to IAS 1 and IFRS practice statement	01 January 2023
Amendments to IAS 8 (Definition of accounting estimate)	01 January 2023

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements

2. PROPERTY, VEHICLES AND EQUIPMENT

2.1. Inflation Adjusted

	Vehicles ZWL	Office equipment ZWL	Computer equipment ZWL	Furniture & fittings ZWL	Land & Buildings ZWL	Total ZWL
Year ended 31 December 2022						
Carrying amount as at 1 January 2022	23,325,176	9,258,012	40,785,584	41,257,754	674,246,845	**788,873,371**
Revaluation	-	-	-	-	(5,362,937)	**(5,362,937)**
Additions	-	5,173,588	19,702,064	3,545,215	487,016,344	**515,437,212**
Disposals	-	(3,170,841)	(1,440,913)	-	-	**(4,611,754)**
Transfers	-	-	-	-	(337,576,613)	**(337,576,613)**
Depreciation charge 2022	(6,876,246)	(2,969,027)	(25,810,914)	(5,515,683)	(29,076)	**(70,248,067)**
Disposal depreciation	-	1,696,255	1,215,718	-	-	**2,911,973**
Net Book Value	**16,448,930**	**9,987,987**	**34,451,540**	**39,287,286**	**789,247,443**	**889,423,186**
As at 31 December 2022						
Cost	159,916,815	44,241,065	106,306,719	68,181,962	789,247,443	**1,167,894,004**
Accumulated depreciation	(143,467,885)	(34,253,078)	(71,855,180)	(28,894,676)	-	**(278,470,819)**
Net Book Value	**16,448,930**	**9,987,987**	**34,451,540**	**39,287,286**	**789,247,443**	**889,423,186**
Year ended 31 December 2021						
Carrying amount as at 1 January 2021	61,221,516	5,307,266	30,374,597	43,497,337	525,642,429	**666,043,145**
Revaluation	-	-	-	-	(50,189,880)	**(50,189,880)**
Additions	2,001,451	10,246,739	28,465,966	2,231,115	212,028,663	**254,973,934**
Disposals	(23,096,115)	-	(4,340,365)	-	-	**(27,436,480)**
Depreciation charge 2021	(31,706,155)	(6,295,993)	(14,781,154)	(4,470,698)	(13,234,367)	**(70,488,367)**
Disposal depreciation	14,904,479	-	1,066,540	-	-	**15,971,019**
Net Book Value	**23,325,176**	**9,258,012**	**40,785,584**	**41,257,754**	**674,246,845**	**788,873,371**
As at 31 December 2021						
Cost	159,916,815	42,238,317	88,045,568	64,636,747	674,246,845	**1,029,084,292**
Accumulated depreciation	(136,591,639)	(32,980,305)	(47,259,984)	(23,378,993)	-	**(240,210,921)**
Net Book Value	**23,325,176**	**9,258,012**	**40,785,584**	**41,257,754**	**674,246,845**	**788,873,371**

The valuation of Land and buildings was done at 31 December 2022 by ARK properties a qualified independent valuer. Land and buildings valued ZWL337,376,613 were transferred to Investment properties at 31 December 2022.

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

2. PROPERTY, VEHICLES AND EQUIPMENT (continued)

2.2. Historical Cost

	Vehicles ZWL	Office equipment ZWL	Computer equipment ZWL	Furniture & fittings ZWL	Land & Buildings ZWL	Total ZWL
Year ended 31 December 2022						
Carrying amount as at 1 January 2022	4,229,664	2,577,707	6,755,489	799,802	196,141,040	210,503,702
Revaluation	-	-	-	-	814,272,242	814,272,242
Additions	-	1,988,113	6,297,866	1,382,980	9,605,278	19,274,236
Disposal	-	(249,040)	(142,998)	-	-	(392,038)
Transfer	-	-	-	-	(337,376,613)	(337,376,613)
Depreciation charge 2022	(1,246,902)	(1,138,168)	(3,615,873)	(194,673)	(5,151,563)	(11,347,179)
Disposal depreciation	-	133,225	120,649	-	-	253,874
Net Book Value	**2,982,762**	**3,311,837**	**9,415,133**	**1,988,109**	**677,490,383**	**695,188,224**
As at 31 December 2022						
Cost	6,475,027	5,056,499	14,892,600	2,406,448	682,641,946	711,472,521
Accumulated Depreciation	(3,492,265)	(1,744,662)	(5,477,468)	(418,339)	(5,151,563)	(16,284,297)
Net Book Value	**2,982,762**	**3,311,837**	**9,415,133**	**1,988,109**	**677,490,383**	**695,188,224**
Year ended 31 December 2021						
Carrying amount as at 1 January 2021	5,171,646	755,738	2,188,732	347,921	94,041,919	102,505,956
Revaluation	-	-	-	-	48,166,751	48,166,751
Additions	395,000	2,316,461	6,298,191	522,671	56,865,355	66,397,678
Disposal	(150,000)	-	(350,717)	-	-	(500,717)
Depreciation charge 2021	(1,283,781)	(494,492)	(1,466,897)	(70,790)	(2,932,985)	(6,248,945)
Disposal depreciation	96,799	-	86,180	-	-	182,979
Net Book Value	**4,229,664**	**2,577,707**	**6,755,489**	**799,802**	**196,141,040**	**210,503,702**
As at 31 December 2021						
Cost	6,475,027	3,317,426	8,737,732	1,023,468	196,141,040	215,694,693
Accumulated Depreciation	(2,245,363)	(739,719)	(1,982,243)	(223,666)	-	(5,190,991)
Net Book Value	**4,229,664**	**2,577,707**	**6,755,489**	**799,802**	**196,141,040**	**210,503,702**

The valuation of Land and buildings was done at 31 December 2022 by ARK properties a qualified independent valuer. Land and buildings valued ZWL337,376,613 were transferred to Investment properties at 31 December 2022.

Notes to the Financial Statements (continued)

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
3. Investment property				
At 1 January	361,665,822	511,274,178	105,210,000	92,529,599
Fair value adjustment	307,119,617	(149,608,356)	563,575,439	12,680,401
Additions	800,272,873	-	800,272,873	-
Transfers	337,376,613	-	337,376,613	-
At 31 December	**1,806,434,924**	**361,665,822**	**1,806,434,924**	**105,210,000**
4. Intangible asset				
At 1 January	-	-	-	-
Additions	4,592,374	-	1,766,298	-
At 31 December	**4,592,374**	**-**	**1,766,298**	**-**
Intangible assets comprise right to use the computer licences.				
5. Financial assets				
Disposal/Additions	1,176,975,545	515,419,940	362,889,898	187,664,381
Accrued interest	13,456,028	4,600,030	12,251,086	1,338,167
Effects of IAS 29	(1,427,398,343)	-	-	-
At 31 December	**626,255,800**	**863,222,570**	**626,255,800**	**251,114,816**
Analysis of financial assets:				
Financial assets at amortized cost				
Gross money market funds (i)	425,584,308	77,946,650	425,584,308	22,674,985
Treasury bills and bonds (ii)	11,515,389	50,510,653	11,515,389	14,693,746
Equities (iii)	162,866,318	734,765,267	162,866,318	213,746,085
Gold coins	26,289,784	-	26,289,784	-
	626,255,800	**863,222,570**	**626,255,800**	**51,114,816**

i. The Corporation holds unit trusts through Old Mutual in a Money Market Gross Fund. These have been measured at amortized cost at the reporting date.

ii. The Corporation holds Treasury bills and bonds and these have been measured at cost on the reporting date.

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
6. Trade and other receivables				
Trade receivables	928,854,655	775,840,925	928,854,655	225,695,155
Other receivables	166,903,490	177,764,143	166,115,580	51,712,283
Impairment loss recognized (note 6.1)	(18,442,246)	(6,033)	(18,442,246)	(1,755)
	1,077,315,899	**953,599,035**	**1,076,527,989**	**277,405,683**
6.1 Assessed credit losses				
Balance at the beginning of the year	6,033	6,033	1,755	1,755
Impairment loss for the year	18,440,491	-	18,440,491	-
Balance at the end of the year	**18,442,246**	**6,033**	**18,442,246**	**1,755**
7. Cash and cash equivalents				
Cash on hand	2,000	177,061	2,000	51,508
Cash at bank	345,045,002	227,119,062	345,045,002	66,069,822
	345,047,002	**227,296,123**	**345,047,002**	**66,121,330**
8. Trade and other payables				
Employee accruals	78,041,506	4,672,290	78,041,506	1,359,187
Other accruals	-	29,736,124	-	8,650,355
Loss of value compensation	-	120,541,936	-	35,066,120
	78,041,506	**154,950,350**	**78,041,506**	**45,075,662**
The carrying amount of trade and other payables approximate fair value.				
9. Provision for protection payments				
Opening balance	11,507,998	18,747,495	3,347,721	3,392,892
Current year provision	-	-	-	-
Payments	-	(7,239,497)	-	(45,171)
Effects of IAS 29	(8,160,277)	-	-	-
Closing balance	**3,347,721**	**11,507,998**	**3,347,721**	**3,347,721**
10. Investment income				
Interest income:	790,968,190	567,713,276	233,088,539	134,848,617
Held to maturity investments	**790,968,190**	**567,713,276**	**233,088,539**	**134,848,617**

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
11. Other income				
Interest on staff loans	8,783,450	5,222,168	5,822,615	1,291,031
Sundry income	44,253,427	31,019,976	254,401,538	7,075,146
Profit (loss) of disposal of assets	761,837	(21,650)	510,240	(190)
Recoveries from subrogation	1,353,073	436,219	442,245	110,000
Liquidation fees	2,563,326	5,892,447	3,271,942	1,501,088
	57,715,113	**42,549,160**	**264,448,580**	**9,977,075**
12. Operating expenses				
Included in profit or loss for the year are the following items: Administration expenses:				
Utilities	15,986,592	9,636,502	12,574,818	2,250,841
Cell phone charges and internet services	12,934,631	11,094,226	9,376,888	2,493,574
Other administration expenses	671,932,323	154,740,999	489,384,233	36,281,829
Staff costs (note 12.1) Other expenses	772,337,102	538,578,369	494,562,987	120,841,623
Board fees	25,094,834	7,588,561	19,486,021	1,751,925
Audit fees	9,399,309	11,267,483	3,684,385	2,292,211
Depreciation	68,247,448	70,488,364	11,347,180	6,248,945
Consultancy fees	54,906,002	12,413,805	40,243,261	2,790,160
Foreign travel	17,160,951	5,168,686	14,185,424	1,329,776
Subscriptions to professional organizations	28,121,630	18,995,978	17,656,923	4,243,316
Repairs and maintenance	24,474,824	20,740,131	14,280,216	4,932,397
Liquidation expenses	-	4,402	-	1,200
	1,702,596,265	**860,717,506**	**1,126,782,334**	**185,457,797**
12.1 Staff costs				
Salaries and other short-term employee benefits	735,800,658	507,373,864	468,690,565	113,751,544
National Social Security Authority cost	8,218,141	4,098,578	6,111,446	962,982
Pension costs	28,318,304	27,105,927	19,760,975	6,127,096
	772,337,102	**538,578,369**	**494,562,987**	**120,841,623**

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

13. Pension fund

Contributions are made to the following funds by both employees and the Corporation:

The Deposit Protection Corporation Pension Fund

The pension fund to which all permanent employees and the Corporation contribute to is a defined contribution plan which is administered by Old Mutual Zimbabwe. This fund is subject to the Pensionand Provident Funds Act (Chapter 24:09). Contributions by the Corporation amount to 12% and thoseby employees amount to 6% of pensionable emoluments.

National Social Security Authority

The Corporation and its employees contribute to the National Social Security Authority scheme. This is a social security scheme which was promulgated under the National Social Security Authority Act (Chapter 17:04). The Corporation's obligations under the scheme are limited to specific contribution legislated from time to time.

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
14. Related party transactions				
Pension Fund	28,318,304	27,105,927	19,760,975	6,127,096
National Social Security Authority	8,218,141	4,098,578	6,111,446	962,982
	36,536,445	31,204,505	25,872,421	7,090,078
Key management compensation shown below:				
Salaries and other short-term employee benefits	173,996,199	45,489,244	110,832,161	33,328,462
Defined contribution plan	6,064,124	1,880,707	4,231,645	1,377,932
	180,060,323	47,369,951	115,063,806	34,706,394
Loans to key management	21,787,025	85,239,488	21,787,025	24,796,500
	21,787,025	85,239,488	21,787,025	24,796,500

The Corporation has provided several of its key management personnel with short-term loans at a rate of 6% per annum with the outstanding balances at year-end shown above.

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

15. Market risk

15.1. Credit risk

Potential concentrations of credit risk consist primarily of short-term cash investments and accountsreceivable. Credit risk arises from the risk that a counter party may default or not meet its obligationstimeously. The Corporation minimizes credit risk by ensuring that counterparties are banking institutions of the highest quality, that appropriate credit limits are in place for each counter party and that short-term cash investments are spread amongst a number of different counterparties. Banking counterparty limits are reviewed annually by the Board.

The carrying amount of the financial assets represents the Corporation's maximum exposure to credit risk without taking into consideration any collateral provided:

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
Maximum credit risk Financial assets and other credit exposures				
Other financial assets	626,255,800	863,222,570	626,255,800	251,114,816
Trade and other receivables	1,075,771,437	953,599,035	1,074,983,527	277,405,683
Cash and cash balance	345,047,002	227,296,123	345,047,002	66,121,330
	2,047,074,239	**2,044,117,728**	**2,046,286,329**	**594,641,829**

15.2. Interest rate risk

The Corporation is exposed to interest rate risk because the Corporation borrows funds at both fixed and floating interest rates.

The Corporation's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

15.3. Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to meet a financial commitment in any location or currency. This risk is minimized through the holding of cash balances and financial assets. In addition, detailed cash flow forecasts are regularly prepared and reviewed by management. The cash needs of the Corporation are managed according to its requirements.

The following table details the Corporation's remaining contractual maturity for its financial liabilities. The table has been compiled based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Corporation can be required to repay the liability. The cash flows include both the principal and interest payments.

Weighted average	Effective Interest Rate	Less Than 12 months	1 to 5 years	+ 5 years	Total
Non derivative financial instruments		ZWL	ZWL	ZWL	ZWL
Inflation Adjusted and Historical Cost					
2022					
Trade and other payables		65,087,540	-	-	65,087,540
		65,087,540	-	-	65,087,540
Inflation Adjusted					
2021					
Trade and other payables		154,950,350	-	-	154,950,350
		154,950,350	-	-	154,950,350
Historical Cost					
2021					
Trade and other payables		45,075,662	-	-	45,075,662
		45,075,662	-	-	45,075,662

15.4. Financial instruments

	Inflation Adjusted 2022 ZWL	Inflation Adjusted 2021 ZWL	Historical Cost 2022 ZWL	Historical Cost 2021 ZWL
Categories of financial instruments				
Financial assets				
Cash and bank balances	345,047,002	227,296,123	345,047,002	66,121,330
Gross money market funds carried at amortized cost	425,584,308	77,946,650	425,584,308	22,674,985
Equity Funds	162,866,318	50,510,653	162,866,318	14,693,746
Treasury bills and bonds	11,515,389	734,765,267	11,515,389	213,746,085
Gold coins	26,289,784	-	26,289,784	-
Loans and receivables	1,077,315,899	953,599,035	1,076,527,989	277,405,683
	2,048,618,700	2,044,117,726	2,047,830,790	594,641,829
Financial liabilities				
Trade and other payables	65,632,003	154,950,350	66,632,003	45,075,662

Deposit Protection Corporation
Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements (continued)

16. Capital commitments

There were no authorised and contracted, or authorised but uncontracted capital commitments as at 31 December 2022 (2021: ZWL nil).

17. Contingent liabilities

There were no contingent liabilities as at 31 December 2022 (2021: ZWL nil).

18. Going Concern

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

The Government (shareholder) injected $10 million in Treasury bills as capital to the entity in February 2017.

In the event that the Corporation is faced with a huge payout which is in excess of available funds, there are three options that can be pursued individually or collectively as follows:

18.1. In terms of the DPC Act [Chapter 24:29] Section 31, there is a provision to levy supplementary contributions from all banking institutions to fund the shortfall.

18.2. In terms of the DPC Act, Second Schedule Paragraph 7, the Corporation has an ancillary power to borrow moneys for the purposes of the DPC Fund.

18.3. In a systemic crisis, that is, a situation where a number of large banks fail at the same time and the fund level is inadequate even after invoking (1) and (2) above, then funding will be provided by the Ministry of Finance and Economic Development.

19. Events after reporting date

The directors are not aware of any significant event that impact the financial statement.

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Notice of Annual General Meeting

Notice is hereby given that the Fifth Annual General Meeting of the Deposit Protection Corporation (DPC/the Corporation) will be held on the 10th of August 2023 at 1000 hours, at the Holiday Inn Harare, for the purpose of transacting the following business:

AGENDA

1. Chairman's welcome remarks.

2. Adoption of the Notice convening the Annual General Meeting.

3. Confirmation of the Minutes of the 2022 Annual General Meeting.

4. Chairman's report
To receive, consider and adopt the Chairman's report for the year ended 31 December 2022.

5. Report on DPC operations.
To receive, consider and adopt the Acting Chief Executive Officer's report on the operations of the DPC for the year ended 31 December 2022 and update on 2023 activities.

6. Financials.
To receive, consider and adopt the audited Financial Statements for the year ended 31 December 2022.

7. Auditor's fees.
To note and confirm auditor's fees for the year ended 31 December 2022.

8. Directors' fees.
To note and confirm directors' remuneration for Non-Executive Directors for the year ended 31 December 2022.

9. Appointment of Auditors.
To seek the confirmation by the Auditor General of the re- appointment of the PKF Chartered Accountants Zimbabwe as the auditor for the DPC for the year ending 31 December 2023.

By order of the Board,

Ms. K. Zawanda | **Corporate Secretary/ Legal Counsel**

20th ANNIVERSARY

Deposit Protection Corporation

Head Office (Harare) Evelyn House
26 Fife Ave/Cnr Blakiston, Harare
Zimbabwe.