NASRIA Ltd
YOUR SPECIAL RISKS INSURER

20\21

Annual REPORT.

A New Birth Towards Enhanced Special Risk Insurance.

1986
Bomb Explodes at a Walvis Bay Butchery

1987
Another Bomb Explodes at Gustav Voigts Centre in the Parking Garage

1987
NASRIA is Established

1988
NASRIA Processes First Claim

1988
NASRIA's Premiums Show Growth

1996
Big Claim of N$27 Million Processed

1996 — NASRIA Pays Out Multiple Claims.

1996 — NASRIA Provides More Cover With More Claim Pay-outs.

2019 — NASRIA Becomes Public Company.

2021 — Pays N$6.8 Million Dividend to Government.

2021 — NASRIA Seeks to Strenghten it's Market Position.

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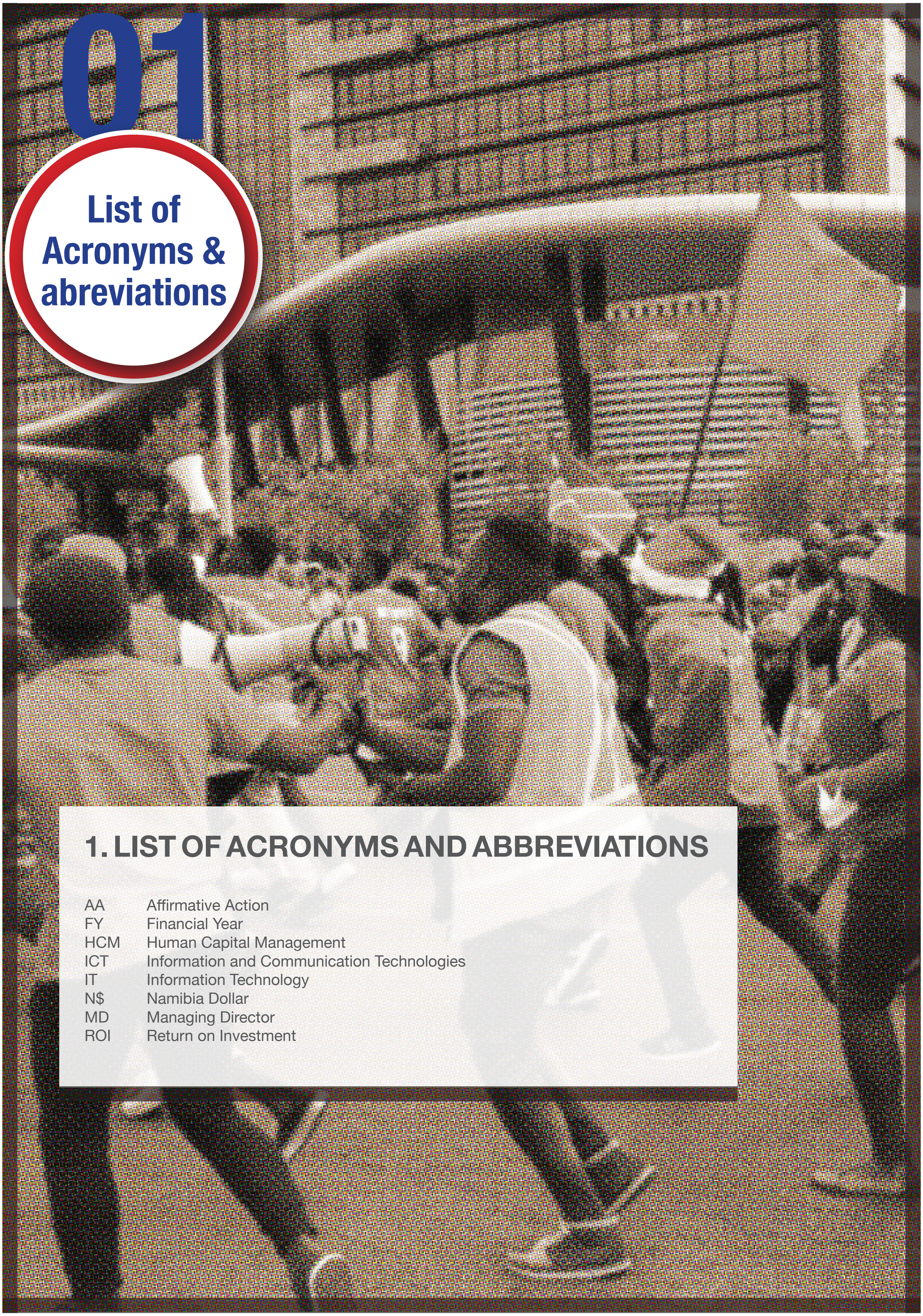

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List of Acronyms & abreviations

1. LIST OF ACRONYMS AND ABBREVIATIONS

AA	Affirmative Action
FY	Financial Year
HCM	Human Capital Management
ICT	Information and Communication Technologies
IT	Information Technology
N$	Namibia Dollar
MD	Managing Director
ROI	Return on Investment

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NASRIA AT A GLANCE

KEY PERFORMANCE STATISTICS FOR THE 2020/21 FINANCIAL YEAR

HIGHLIGHTS

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ABOUT THE THEME

A new birth towards enhanced special risk insurance.

In a financial year that has seen a new birth at the Namibia Special Risks Association (NASRIA Ltd) when it was converted from an association not for gain to a public company, this Annual Report spotlights NASRIA's nuanced role in the insurance industry in which the Company re-positioned itself to play a more strategic national role providing special risk insurance. Under the theme: A new birth towards enhanced special risk insurance this report spotlights the importance of the special risk insurance niche which NASRIA has continued to service with excellence since its inception in 1987. Amid the implication imposed by the Covid-19 pandemic, this report also highlights NASRIA's agility and resilience in delivering its mandate.

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ABOUT NASRIA

ORGANISATIONAL OVERVIEW

Who we are 4.1

The Namibia Special Risk Insurance Association Limited (NASRIA) is the only insurer in Namibia which provides cover against damage to property and consequential loss caused by, among others, riots or civil commotion, strikes, lockouts and labour disturbances. Our company also covers damages from acts to overthrow or influence any state or government or any local authority with force or by means of fear, terrorism or violence, acts with a political objective or to bring about social or economic change, or in protest against (authority) or for the purpose of inspiring fear in any section of the public.

NASRIA is an incorporated association that was initially established in 1987 under the Ministry of Finance in response to the cancellation of reinsurance facilities previously available to the conventional insurance market for acts of terrorism and politically motivated acts. The second Finance Act, Act 27 of 1987 prescribed the cover to include riot, strike, civil commotion, labour disturbances and lockout.

Our Mandate 4.2

In terms of the NASRIA Act, the Company is mandated to fulfill the following objectives:

To carry on short term insurance business relating to special risks, and to conduct all affairs relating thereto in accordance with sound insurance practices and methods.

To promote the development of, and the participation of the people of Namibia in the short term insurance industry in Namibia; and

To adhere to best practice in the provision of insurance cover for special risks.

4.3
Our Mission

To provide peace of mind by insuring special risks.

4.4
Our Vision

Our vision is “To be renowned for unique insurance solutions in Namibia and beyond”.

4.5
Our Values

Values are important building blocks to create a high performance and innovative culture for our people. This creates a common and shared purpose and encourages the active participation of each staff member to live our values through their behaviour and decision making.

Integrity
We are honest and ethical in everything we do.

Accountability
We accept the consequences of our decisions and actions.

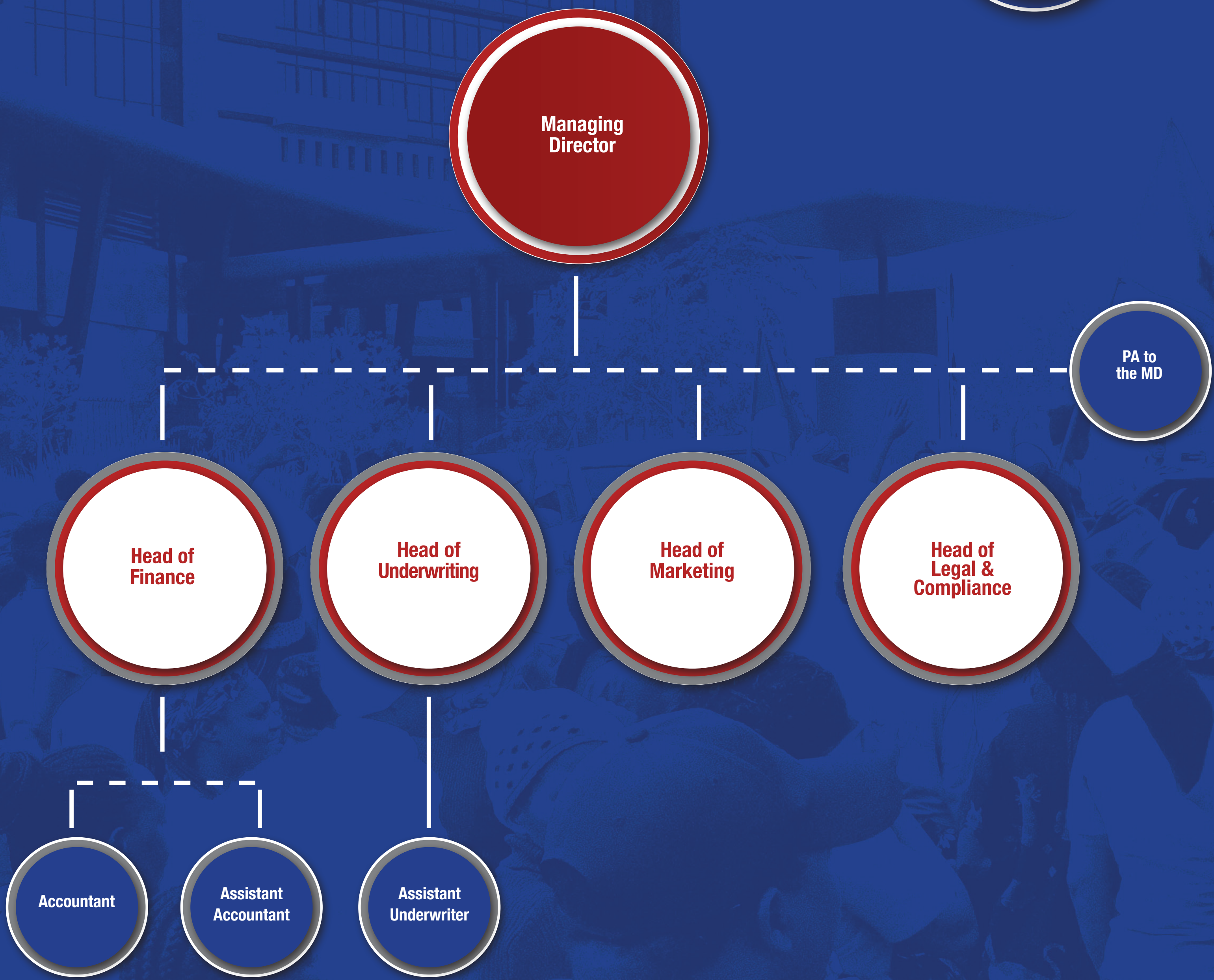
Teamwork
Together Everyone Achieves More.

Commitment to Serve
We are unwavering in our quest to deliver exceptional service to our clients.

Innovation
We are curious about ways to improve the way we work and, therefore, are on a journey of continuous improvement in everything we do.

NASRIA ORGANOGRAM

4.6



4.7 Product

4.7.1. PVT Class Product Overview

To pay all losses howsoever and whosesoever arising but only in respect of business and /or classified by NASRIA including violent theft and sabotage and terrorism, riot, strikes and civil commotions insurances accepted in terms of NASRIA Articles of Association.

4.7.2. POLICY LIMITS

The policy limits are up to a maximum of N$2,000,000,000 any one policy, any one contract declaration. Event limit is N$6,500,000,000.

4.7.3. Different classes covered

(PRODUCTS AND SERVICES)

NASRIA as a special risk insurer can insure you against risks classifiable under its PVT classes as follows:

Commercial risks
- Fire
- Buildings
- Electronic Equipment
- Stock
- Office contents
- Plant and Machinery

Money

Domestic Risk
- House owner's households and personal property

Registered welfare institutions
- Museums
- Churches/chapels/mosques/monasteries/convents (not schools)
- Hospitals
- Kindergarten and day care nurseries

Marine Hull
- Pleasure crafts (including yatchs/rowing, boats/ski, boats/sailing boats and windsurfers)
- Marine Cargo
- Goods in Transit

Business Interruption
- Gross profit

Contract works

Construction Plant

Motor
- Motor cars
- Light delivery vehicles and station wagons
- Goods carrying vehicles
- Busses

4.7.4. NASRIA exclusions

(COVER WE DO NOT PROVIDE)

The following are not covered under the NASRIA special risk cover:

- Machinery breakdown
- All liabilities
- Fidelity guarantee
- Group personal accident
- Stated benefits
- Theft
- Leakage & contamination
- Accidental damage
- Malicious damage

4.7.5. Compulsory NASRIA cover

(SECTIONAL TITLES)

According to Government Gazette 224 of 31 October 2014 which details rules for sectional titles under the sectional titles Act, 2009 (Act no. 2 of 2009), it is compulsory for all sectional tiles to have a NASRIA cover in place. This is emphasised in section 27 of the gazette which emphasises cover for (a) fire, lightning and explosion and (b) riot, civil commotion, strikes, lockouts, labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.

4.7.6. NASRIA exclusions

ADDITIONAL COVER

Historically denial of access non damage business interruption cover has been excluded from NASRIA cover, however, NASRIA policies under the Business Interruption Section now include this cover subject to the following extension.

4.7.7. Denial of access

DENIAL OF ACCESS NON DAMAGE BUSINESS INTERRUPTION EXTENSION CLAUSE

Business interruption coverage provided under this policy is extended to cover the actual loss sustained during the period of time when access to the insured's property is restricted and/or prohibited following an insured peril covered under this policy occurring within a pre-defined radius of the insured's premises, whether the premises or property of the Insured or any other property is damaged or not.

For the purpose of this extension, a defined radius can either be construed as a named access road or a pre-defined radius from the insured's premises.

The maximum agreed radius per risk shall be defined as follows:
- Central business district – 250 metres
- Urban - 500 metres
- Suburban - 5 kilometres and/or specifically named access roads 20 kilometres and/or specifically named access roads
- Rural - 20 kilometres and/or specifically named access roads

The extension is subject to a sublimit of N$20 million any one occurrence and in the aggregate for the period and an additional premium loading of 10%. All other terms, clauses and conditions remain unaltered.

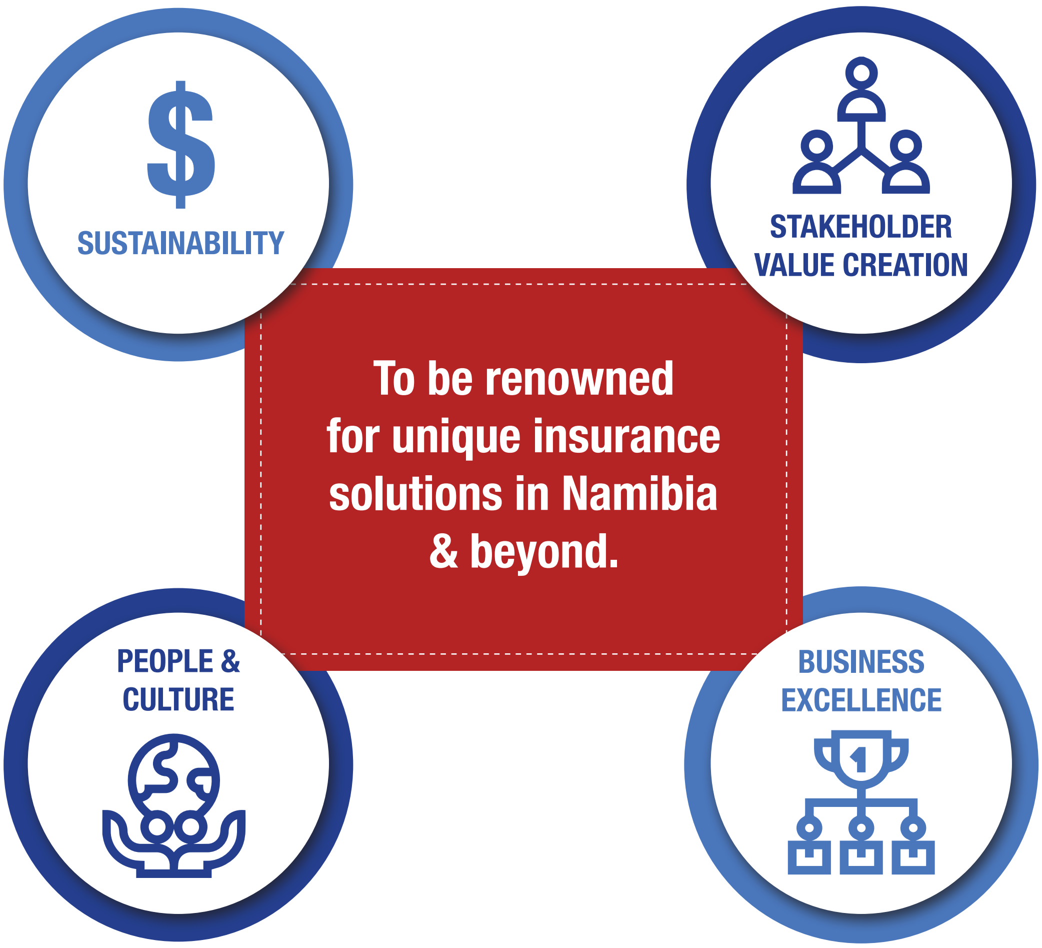
Nasria Shall Focus On Twelve (12) Strategic Objectives Defined Within Four (4) Strategic Pillars:

(I) Financial Sustainability, (Ii) Stakeholder Value Creation, (Iii) Business Excellence And (Iv) People And Culture Over The Next Five Years, As Illustrated Hereunder:

4.8 Strategic Thrust

FINANCIAL SUSTAINABILITY
F1: GROW REVENUE
F2: IMPROVE FINANCIAL MANAGEMENT
F3: ENSURE FINANCIAL SUSTAINABILITY

STAKEHOLDER RELATIONS
S1: SUSTAIN LONG-TERM STAKEHOLDER RELATIONS
S2: ENSURE CUSTOMER SATISFACTION



PEOPLE
P1: CAPACITATE NASRIA WITH COMPETENT STAFF
P2: DEVELOP AND GROW OUR PEOPLE
P3: INCULCATE A HIGH-PERFORMANCE CULTURE

BUSINESS EXCELLENCE
S1: SUSTAIN LONG-TERM STAKEHOLDER RELATIONS
S2: ENSURE CUSTOMER SATISFACTION

NASRIA's Strategic Imperatives: 2020/21 – 2024/25

Strategic Measures and Targets linked to the twelve (12) Strategic Objectives are illustrated hereunder:

Themes	#	Objectives	Measurements	Baseline 2019 (Current Actual)	2020/21	2021/22	2022/23	2023/24	2024/25
Financial Sustainability	F3	Ensure Financial Sustainability	% Profit After Tax	New	5%	5%	5%	5%	5%
	F2	Improved Financial Management	% Decrease in Budget Variance	35%	5%	5%	5%	5%	5%
	F1	Grow Revenue	% Revenue Growth (Growth in gross written premiums)	5%	5%	5%	5%	5%	5%
Stakeholder Vavue Creation	S1	Sustain long-term Stakeholders Relations	% Stakeholders Satisfaction	New	5%	5%	5%	5%	5%
			% Achievement on Annual Stakeholders Engagement Plan	New	5%	5%	5%	5%	5%
	S2	Ensure Customer Satisfacton	% Customer Satisfaction Index	New	5%	5%	5%	5%	5%
Business Excellence	B1	Expand Product Offering	Number of Products	1	2	0	0	0	1
	B2	Enhance Risk Management Processes	% Critical Risks Mitigated	New	100%	100%	100%	100%	100%
	B3	Improve Corporate Governance	% Compliance to Board Charter	New	100%	100%	100%	100%	100%
			% Compliance with relevant legislation	New	100%	100%	100%	100%	100%
	B4	Improve Business Processes	% Policies approved	New	40%	80%	100%	100%	100%
			% Achievement on Systems Integration Project	New	20%	40%	60%	80%	100%
People and Culture	P1	Capacitate NASRIA with competent staff	% Employee turnover	New	7%	5%	5%	5%	5%
	P2	Develop and grow our people	% Execution of annual training plan	New	50%	70%	100%	100%	100%
	P3	Inculculate a high perfomance culture	% Revenue Growth (Growth in gross written premiums)	New	30%	N/A	70%	N/A	80%
			% Staff Achieving and exceeding performance targets	New	70%	80%	90%	90%	90%

4.9 National Strategic Alignment

Namibia's Vision 2030 provides the long term development framework for the country: "to be a prosperous and industrialized nation, developed by her human resources, enjoying peace, harmony and political stability".

The Harambee Prosperity Plan 2016/17 – 2019/2020 (HPP) and Fifth National Development Plan (NDP5) 2017/18 – 2021/22 is aligned to Vision 2030 and also addresses the seventeen Sustainable Development Goals of the United Nations and Africa's Agenda 2063.

The HPP is crafted around five (5) strategic pillars:

(i) effective governance,
(ii) economic advancement,
(iii) social progression,
(iv) infrastructure development and
(v) international relations and cooperation.

NDP5 outlines a development strategy that aims to improve the living conditions of every Namibian and hence the principle of sustainable development permeates NDP5. NDP 5 has four key goals, namely;

NDP5 Four Key Goals

- Achieve Inclusive, Sustainable and Equitable Economic Growth,
- Build Capable and Healthy Human Resources;
- Ensure Sustainable Environment and Enhance Resilience; and
- Promote Good Governance through Effective Institutions

NASRIA has a direct impact on all five pillars through executing the mandate to safeguard the assets of our clients, through effective governance and synergistic stakeholder relations.

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FOREWORD by the Board Chairperson

It is with immense pride that I deliver my maiden report as chairperson of the NASRIA Board of Directors.

In 2019, we were converted from an association not for gain to a public company - Namibia Special Risks Insurance Association Limited – a public enterprise 100% owned by the Government of Namibia. Furthermore, we were issued with our certificate to commence business from the Registrar of Companies and became liable to pay income tax under Namibian legislation.
As the only special risk insurer in Namibia, we continue to serve a special niche that is imperative for national development providing cover against damage to property and consequential loss caused by, among others, riots or civil commotion, strikes, lockouts and labour disturbances. By enabling businesses to restore their liquidity or operations quickly and efficiently after experiencing loss or damage due to special risk events, NASRIA Ltd plays a significant role in preventing job losses, maintaining livelihoods, restoring pride and dignity and facilitating economic stability.

This report for is for the period ending 31 March 2021 - a time of high economic uncertainty due to the Covid-19 pandemic.

While the economic and broader social recovery is likely to be protracted, the events of the reporting period have allowed us to introspect and focus and strengthen the internal policies, processes and procedures at NASRIA - this will ensure that we are well positioned to benefit from the recovery when it does eventually occur and will enable us to comply with our obligations as a public enterprise.
Despite the Covid-19 pandemic, we are proud to have endured a successful year that has seen NASRIA declare a N$6.8 million dividend this financial year, to our shareholder, the Government.

As a Board, we are ultimately accountable for the governance, strategy and performance of the company. We are in the processes of reviewing the strategy of NASRIA and will, in due course, diversity our product offering to include innovative insurance solutions for the agricultural sector and to accelerate funding to micro, small and medium enterprises in Namibia.
In conclusion I want to thank NASRIA's line ministry - the Ministry of Finance, and the Ministry of Public Enterprises for the support and guidance on policy matters. My sincere appreciation also goes to my fellow Board Members for their dedication and high standards of service. I would also not do justice if I do not also pay my gratitude to the Managing Director, Ndjoura Tjozongoro; NASRIA's Executive team; and the staff for their continued commitment to deliver on our mandate.

I look forward to another year of enhancing special risk insurance in Namibia.

ADRIANUS VUGS
Chairperson of the Board

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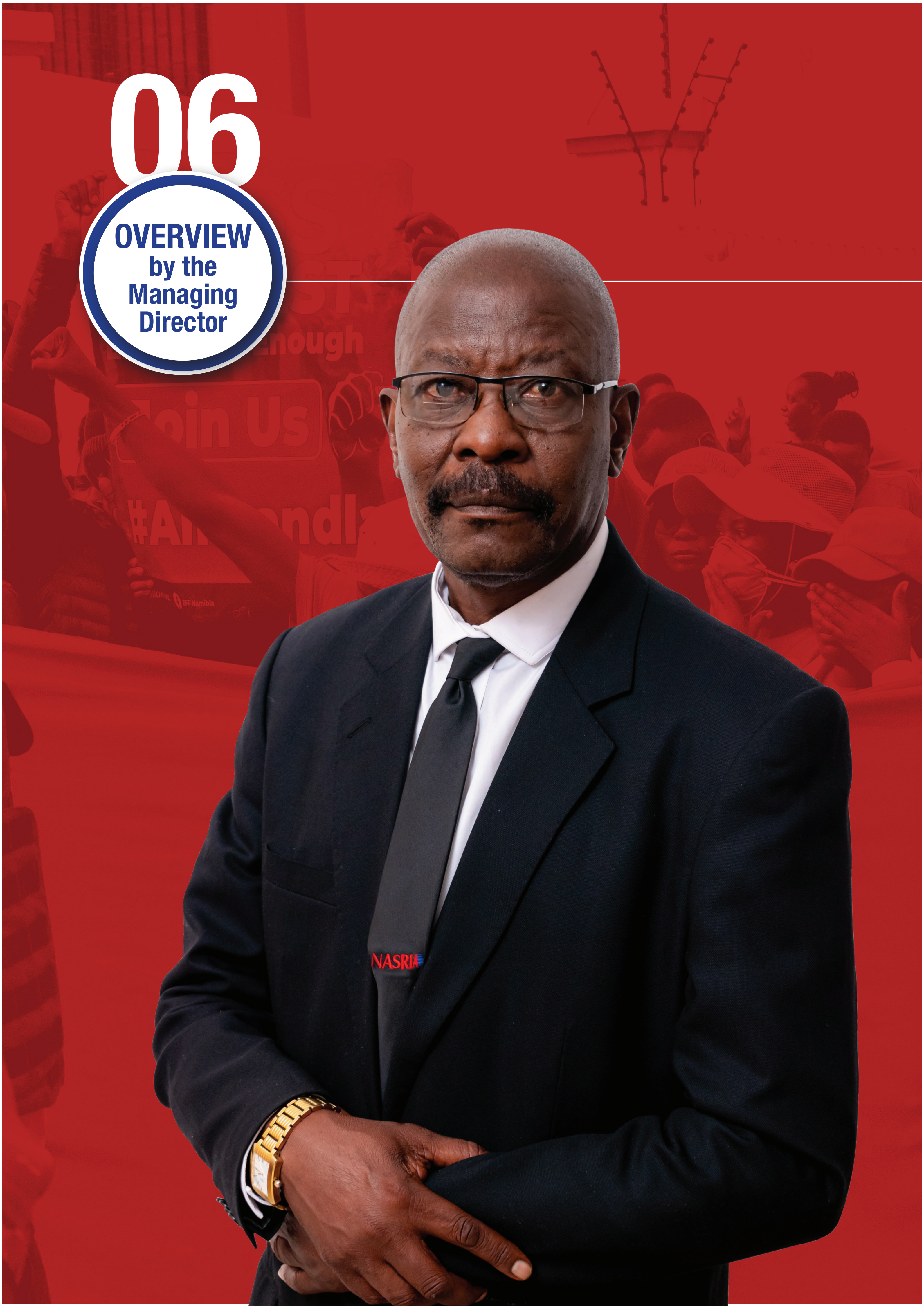
OVERVIEW by the Managing Director



The reporting period marks the second year since NASRIA was converted from an association to a Public Enterprise and I am delighted to report that our leadership succeeded in striking a balance between using its resources optimally while ensuring that operational efficiencies are enhanced.

Financially, it has been another robust year for NASRIA despite numerous challenges that have been induced by the Covid-19 pandemic. In this regard, we showed resilience and consolidated our financial performance in comparison to previous year thereby growing shareholder confidence in our ability to deliver sustainable and inclusive special risk insurance to all of our stakeholders.

FINANCIAL PERFOMANCE

The company's financial performance remained stable amidst the impact of Covid-19. Gross written premiums had a nominal increase of 2.43% which is testament to optimal governance and sustainable practices within the company. Operating expenditure remained at the same levels as 2020 while on the downside, investment income declined due to reduced interest rates. However, the decline in interest income was offset by fair value gains. The stock market which had declined in March 2020 due to Covid-19 regained sharply for the year ended 31 March 2021. As a result of this positive performance, NASRIA paid income tax of N$10 million compared to N$4 million paid in the prior year.

With greater understanding of special risk insurance in Namibia due to deliberate efforts enforced by our Marketing division, NASRIA Ltd has seen gross written premiums show steadily increase and earned insurance premiums increasing which has subsequently led to an increase in underwriting surplus.

OPERATIONAL EFFECTIVENESS

Since its inception, the Namibia Special Risks Insurance Association Ltd (NASRIA Ltd) has always been a critical player in the insurance market being the only insurer in Namibia which provides cover against damage to property and consequential loss caused by, among others, riots or civil commotion, strikes, lockouts and labour disturbances.

With optimism, agility and professionalism, NASRIA Ltd embraced this niche insurance market and set out mandate to evolve around three key deliverables that positioned the company to contribute immensely to Namibia's growth objectives and developmental agenda.

In essence, the first is that we carry out short-term insurance business relating to special risks and to conduct all affairs relating thereto in accordance with sound insurance practices and methods. Secondly, we are there to promote the development and participation of the people of Namibia in the short-term insurance industry in Namibia. This is a necessary step toward financial inclusion for all Namibians which has been a key endeavour in all the economic blueprints that have been developed for Namibia since its attainment of independence in 1990. Finally, we are also there to provide a short-term insurance cover of international standards for special risks. With these elements, we are an integral piece of the local financial sector.

As a company that is resilient and eager to continue its growth for the broader benefit of all Namibians, we have scaled greater heights over the last three decades some of which have seen us being successfully converted from a Section 21 company to a Public Enterprise in July 2019. This has positioned us to better participate in the mainstream economy where we, on an annual basis declare dividends to the Government of Namibia as our sole shareholder.

Strategically, I am also glad to report that NASRIA engaged a participatory strategic planning process during the fourth quarter of 2019 to define its five year Strategic Plan 2020/21 – 2024/25 aligned to its mission and the Republic of Namibia's strategic imperatives as defined in Vision 2030, the Harambee Prosperity Plan 2016/17 – 2019/20 and the Fifth National Development Plan (NDP5) 2017/18 – 2021/22. Cognizance was also taken of the United Nations' Seventeen Sustainable Development Goals and Africa's Agenda 2063 which focuses, inter alia, on good governance, socio-economic progression and institutional integrity.

LOOKING AHEAD

Going forward, NASRIA will focus on building and maintaining strong stakeholder relationships and pursuing smart partnerships that are aimed at unlocking opportunities that will improve client service satisfaction for the NASRIA's customers. We are aware that challenges will remain, but it is my utmost belief that NASRIA is on track to build on the positive and sustainable impact that we have made in the past financial year. Our prospects remain bright and we will endeavour to optimally use our resources to execute the five year strategic plan. We remain committed to creating value for all our stakeholders, underpinned by the drive to promote innovation in Namibia.

Cyber and the Internet of Things, as they relate to property risk, remains a difficult exposure to identify and quantify but will evolve rapidly as more devices become "connected." NASRIA will need to become more innovative to prepare itself for a world driven by technology and information platforms. We look to implement smart, integrated systems that would ensure effective and efficient service delivery.

It remains critically important to manage risks proactively and to ensure that good corporate governance principles are uncompromisingly upheld. Therefore, special effort shall be made to implement enterprise risk management and corporate governance protocols to ensure that we retain the trust of our loyal clients and society in general.

We acknowledge that our greatest asset, are our people and therefore we will continue to invest in the growth and development of our human capital to ensure that we attract and retain a highly engaged and productive workforce. NASRIA will also continue to do business with a social conscience and therefore support corporate social responsibility programmes that are aligned to our mandate and core values in support of our beloved Namibia.

GRATITUDE

I wish to use this opportunity to express my sincere gratitude and appreciation to the NASRIA Board of Directors for their guidance and support throughout the year. I also want to take the opportunity to appreciate NASRIA's executive leadership; as well as the Staff for their continuous efforts and dedication to service delivery. It is hard to imagine a successful NASRIA without you.

NDJOURA TJOZONGORO
Managing Director

07

CORPORATE GOVERNANCE


Swakopmunder Bu
AMBULANCE

7.1 Board of Directors

Adrianus Vugs

Board Chairperson

BSc in Actuarial Science
London School of Economics

MBA
University of Cape Town

Institute of Actuaries
UK

Nambata Hangula

Board Member

Bachelor of Business Administration

Masters of Business Administration

Helena Kapenda

Board Member

Bachelor of. Administration Degree
University of the North(RSA)

Master Degree in Business Administration
MANCOSA

Brian Katjaerua

Board Member

MBA
STELLENBOSCH

FA'ARB (Qualified International Commercial Arbitrator) Admission as Legal Practitioner

LLM (Mercantile law)
Stellenbosch

LLM (International Economic/Trade law)
UNAM

LLB
UNAM

BJURIS
UNAM

Ferdinand Otto

Board Member

New Managers programme:
1995 Graduate School of Business University of Cape Town

Programme for management Development 53:
1999 Graduate School of Business University of Cape Town

Advanced Project Management Programme:
Cranfield School of Management England

7.2 Board governance structure

The NASRIA's governance structure is similar to that of other Public Enterprises in that the NASRIA Board reports to a Line Ministry, which is the Ministry of Finance. The Managing Director of NASRIA reports as part of senior management to the Board.

7.3 Powers

The Board of Directors of NASRIA is responsible for the overall corporate governance of the Company and oversees and directs the management of the Company's business and affairs subject to the Namibia Special Risks Insurance Association Act, 2017, the Companies Act, 2004, the Company's articles and memorandum of association and any other applicable laws. In doing so, it must act honestly, in good faith and in the best interests of the Company, consistent with applicable laws. The Board guides the Company's strategic direction, evaluates the performance of its senior executives and reviews its financial results. In fulfilling its responsibilities, the Board is expected to take into consideration the interests of shareholder(s) in the preservation and enhancement of the Company's value and long term financial strength and to be able to function in a manner which allows it to make determinations independent of the views of management.

7.4 Roles and responsibilities

It is the responsibility of the Board to guide NASRIA to achieve its purpose by the powers conferred on it by the enabling Act, the Board Charter and other Board decisions and policies. The Board delegates day-to-day management and administration of NASRIA to the Managing Director, who is supported by executive management staff. The Managing Director is accountable to the Board.

The following powers are reserved for the Board:
- The power to appoint the Managing Director; subject to the Minister's approval;
- Approving the annual budget, annual business plan and strategy;
- Approving the annual procurement plan;
- Establishing sub-committees of the Board;

The power to make rules relating to:
- The convening of, and procedures at meetings of the Board or a committee of the Board;
- The management of the affairs of NASRIA and execution of its functions;
- Any matter which in terms of the NASRIA Act is required or permitted to be prescribed by rules;
- Generally, any matter which the Board considers necessary to give effect to the objectives of NASRIA;

Furthermore the Board has the responsibility of:
- Approving policies, including those relating to remuneration and investment;
- Remuneration of the MD and Executive Management members;
- Approval of NASRIA's organisational structure, including creating new positions and their grading;
- Approval of Annual Reports including Annual Financial Statements.

The Board delegates various other matters to the Board Committees, as specified in the Terms of Reference of each committee. The Board Chairperson is responsible for setting the ethical tone of the Board and the Association, and providing overall leadership, overseeing the development of the Board plan and presiding over Board meetings.

7.5 Board training and development

The Board is committed to ensuring that it has the right balance of skills, experience and diversity. Therefore, continuous training, education and development is made available to Board members. To ensure training is relevant, a needs assessment and gap(s) identification survey is regularly undertaken. Board members attended two training programmes during the year.

7.6 Board Committees

(a) The Board delegates authority and responsibility to deal with certain specified matters to the following five (5) standing committees of the Board:
- Audit Committee;
- Human Resources and Administration Committee;
- Insurance & Reinsurance Committee;
- Investment Committee; and
- Claims Committee.

(b) Committees analyse policies and strategies developed by management that are consistent with their charter. They examine proposals and, where appropriate, make recommendat ions to the full Board. Committees do not act or make decisions on behalf of the Board unless specifically mandated to do so.

(c) The committee structure may be subject to change as the Board considers from time to time which of its responsibilities can best be fulfilled through more detailed review of matters in committee.

(d) each committee operates according to a Board approved written charter outlining its duties and responsibilities. Such written charter may be amended by the Board from time to time.

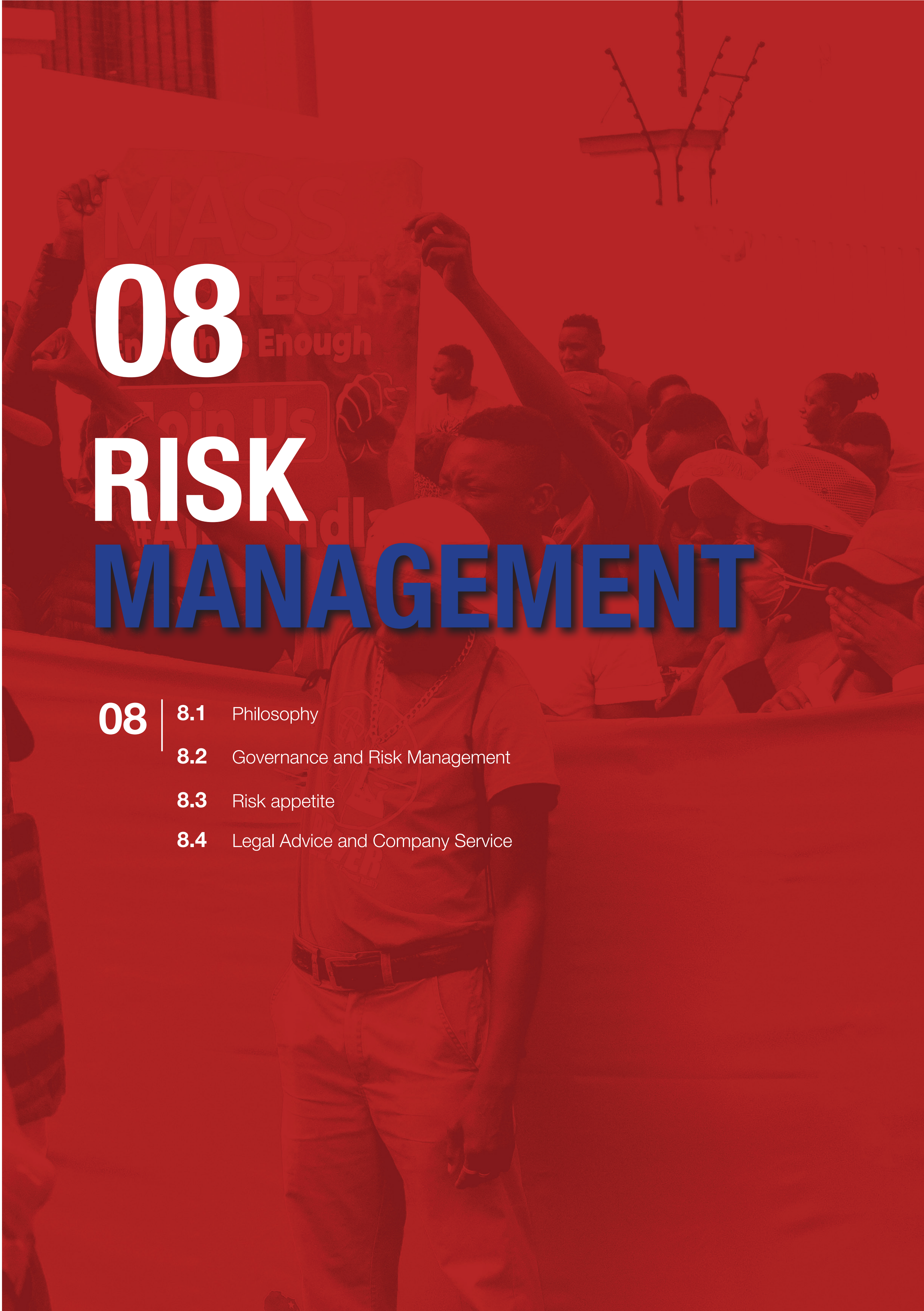
(e) At each Board meeting following each meeting of respective committees, the respective committee chairpersons shall report to the Board on the committees' activities. Minutes of committee meetings are made available to all director s upon request and copies should be filed with the Company Secretary.

(f) The Audit Committee, in conjunction with the Chairperson of the Board, is responsible to the Board for annually proposing the leadership and membership of each committee. In preparing its recommendations they will consider the skills, experience and preferences of the individual directors.

(g) The Board may from time to time form and empower other committees to carry out duties specified by resolution of the Board.

7.7 Management Performance and Succession Plans

The Human Resources & Administration Committee is responsible for assessing the capabilities and performance of senior management, including, the Managing Director. The Board is also responsible for ensuring that adequate plans are in place for senior management succession and training. The Managing Director's views as to a successor in the event of unexpected incapacity should be discussed periodically with the Audit Committee.



08 RISK MANAGEMENT

8.1 Philosophy

NASRIA's risk management philosophy is underpinned by:

- The association's ability to identify risks which may hamper its performance;
- The association's ability to tolerate and accept a certain amount of risk in order to achieve its strategic goals;
- The development of risk registers and the attachment of weightings and significance to the identified risks;
- Constant evaluation and re-rating of identified risks, and
- Mitigation of identified risks.

8.2 Governance and risk management

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation and the Companies Act, corporate governance for public entities is applied through the precepts of the Public Enterprise Governance Act, 2015 (PEGA) as amended and runs in tandem with the principles contained in the King's Report and the Nam Code on Corporate Governance.

The Board ensures an oversight role and the process by which the association manages and mitigates business risks. The governance process within an association includes elements such as definition and communication of corporate control, key policies, enterprise risk management, regulatory and compliance management and oversight.

8.3 Risk appetite

The Board approved the risk appetite as part of the overall Risk Management and implementation will be managed as part of the Enterprise Risk Management.

8.4 Legal Advice and Company Secretarial Service

The division performs two key responsibilities for the Board and Executive Management namely, legal advisory services and secretarial and governance services. In rendering secretarial and governance services, the division reports to the Board and the Board Committees. The Division undertook the following governance-related tasks during the period under review:

- Providing secretarial support to the Board and its committees;
- Developing Board charters and Board Committee Terms of References;
- Developing Board performance and governance agreements, and setting key performance indicators to measure Board performance;
- Assessing Board training needs and facilitating training.

The Risk Management function is well established, and tasks related to compliance and risk management have been planned for implementation during the next financial year. In executing the legal services responsibility, the office performs the following functions:

- Reviewing legislation;
- Enabling the Authority to better regulate NASRIA-related services in terms of the applicable legislation administered by NASRIA;
- Ensuring that NASRIA defends or opposes litigious actions against it;
- Providing legal advice and support regarding the Association's operations;
- Providing advice to the Board, the office of the MD and its business units/departments on all laws applicable to special risk insurance.

09

EXECUTIVE MANAGEMENT

Executive Management Team

The following members held executive positions during the financial year 2020/2021:

Ndjoura Tjozongoro

Managing Director

Mr Tjozongoro is our Managing Director (MD) has been the heartbeat of NASRIA driving the vision of the brand to fruition for at least two decades. He has vast experience in the insurance sector and a fountain of knowledge that NASRIA continues to harness in its bid to achieve its short and long term objectives.

Ndapona Schleberger

Head of Marketing

Ms. Schleberger is our Head of Marketing, a key portfolio at NASRIA. She is an experienced marketing specialist with demonstrated history of working in tourism industry, insurance industry, telecommunication and banking industries. Ms Schleberger is skilled in marketing strategy, planning, executing, organizing, interactive marketing strategy, business and planning.

Anna Basson

Administration Manager

Ms. Basson joined NASRIA 20 years ago and has served the company in various capacities. She now holds the position of Administration Manager. With experience of more than three decades in the insurance and administration industry, her contribution to the development and success of NASRIA cannot be overstated.

Elsabé Engelbrecht

Head of Underwriting

Ms. Engelbrecht is our Head of Underwriting who has been part of NASRIA Ltd for almost 14 years, joining the company in 2006 and vast knowledge and experience in the short-term insurance industry. Ms. Engelbrecht is responsible for the Underwriting Department. She has dedicated her career to NASRIA and continues to enhance our effectiveness and efficiency.

Tatenda Nyamutamba

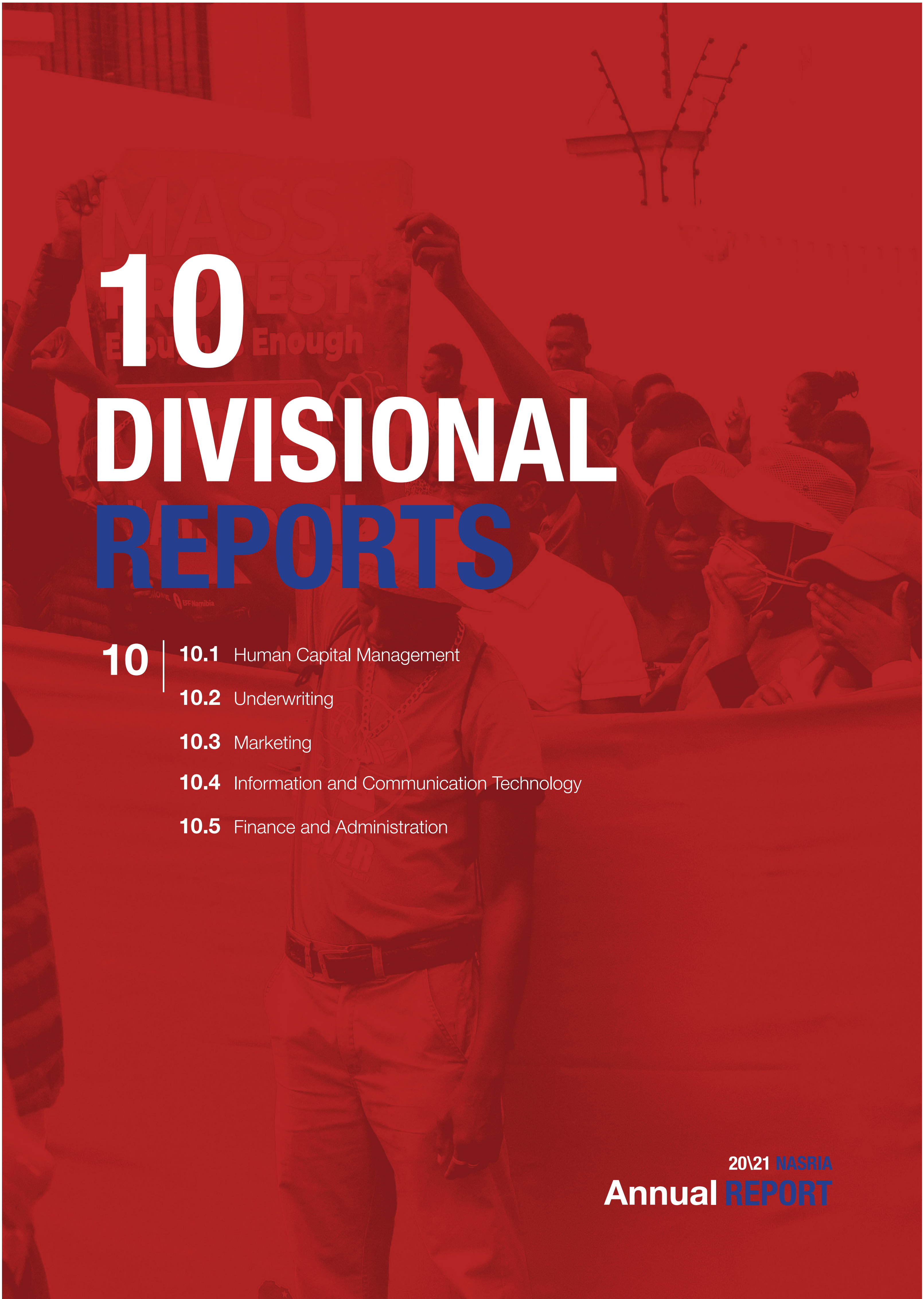
Head of Finance

Ms. Nyamutamba is our Head of Finance at NASRIA. She is a highly motivated professional with more than ten years of accounting, auditing, corporate governance, compliance and financial reporting experience. Having joined NASRIA in 2019, Ms Nyamutamba has already made invaluable contributions to the forward trajectory of NASRIA through her technical proficiency, results oriented approach, passion for excellence as well as in-depth knowledge of various legislation applicable to NASRIA.

Nambili Shipena

Legal & Compliance Officer

Mr. Shipena is our Legal & Compliance Officer who has been central to NASRIA's legal advice, compliance and overseeing company secretarial duties. While he is a member of the Law Society and admitted legal practitioner of the High Court of Namibia, Mr Shipena has gained vast knowledge across the region and the world at large which has made him a key part of the NASRIA's compliance with laws governing our day to day practice.



10 DIVISIONAL REPORTS

10.1 HUMAN CAPITAL

ENSURING A HIGH PERFOMANCE CULTURE

The reporting year proved to be a tougher year for our people than most of our preceding years. As the pandemic endured and worsened, remote working continued, and we had to embark on innovative work transformation while the key constructs of our performance culture strengthened. While we prioritised a results oriented approach, we took great care our people along the change journey, while continuing to support their wellbeing. We pride ourselves on being a responsive and progressive organisation, and as such, we set up systems to implement a hybrid working model to ensure business continuity.

NASRIA EMPLOYEE DEMOGRAPHICS

● Blacks ● White ● Male ● Female

	Employees by Race			Employees by Gender		% by Race		% by Gender	
Managing director: F2	1	0	1	1	0	100%	0%	100%	0%
Executive Management: E2	3	1	4	0	4	75%	25%	0%	100%
Middle Management: D4	2	0	2	2	1	100%	0%	66.66%	33.33%
Supervisors : C4	3	0	3	2	0	100%	0%	100%	0%
Clerical: C3	1	0	1	0	1	0%	0%	0%	100%
Semi Skilled B4	1	0	1	0	1	100%	0%	0%	100%
Non Clerical B3 &B1	2	0	2	1	1	100%	0%	50%	50%
	13	1	14	6	8	92.85%	7.142%	42.857%	57.14%

SKILLS DEVELOPMENT

The philosophy to promote members of previously disadvantaged groups extends to our learning and development. NASRIA contributes to transformation by attracting, developing and retaining young professionals from disadvantaged backgrounds. This, it does through its employee value proposition. While we endeavoured to develop our human resources and up skill in line with dynamic industry trends, the ability to meet the skills development target was thrown off track by Covid-19, as we could not carry out face-to-face training and travel was restricted.

NURTURING A HEALTHY AND PRODUCTIVE WORKFORCE

There is no doubt that the pressures experienced in 2021 impacted our people. As the pandemic endured, the hope for a return to a more 'normal' existence faded. We experienced third, and in some cases fourth waves of the pandemic and for many of our people, the loss of loved ones, close friends and colleagues became a reality. Remote working was no longer the novelty it was in 2020.

In response, our employee wellness programmes were enhanced to nurture and promote a physically and mentally healthy workforce. We prioritised the safety of our people by continuing to apply strict Covid-19 protocols and following global best practice in the physical work environment. We implemented a range of wellbeing interventions, which were delivered virtually and enjoyed great reach and uptake as a result. We have seen an encouraging positive trend of people feeling free to ask for support and ask for it early, not once problems become severe.

TRAINEE INITIATIVES

NASRIA has not yet embarked upon apprenticeship programs but will soon initiate them to assist young graduates with combined work and study experience while at the same time providing them with a taste of the workplace. This will aid trainees to develop their employability in insurance skills such as writing and claims.

The benefits of apprenticeships to NASRIA will be that they will act as talent in the pipeline for the company which will lead to better succession plans and subsequently increase capacity and productivity. NASRIA will ensure that the trainees have the best possible start by gaining the correct knowledge and experience to aid them in their future development in their chosen career / insurance industry. With the above, NASRIA will be able to help tackle youth unemployment and support economic recovery while developing own talented workforce

CULTURE ELEMENTS

NASRIA's great culture hinges on learning and growth and is design for:

- Diversity and inclusivity
- Happiness at work
- Organisational values
- Collaboration
- Change Adaption
- Initiative
- Customer Focus
- Continuous improvement
- Support for wellbeing
- Performance Feedback

LOOKING AHEAD

Our focus in 2022 will be on driving priorities that will position us to capitalise on the anticipated market recovery and become even more progressive in our work practices as the 'new normal' takes on a different dimension.

Future intended plans include:

- Assist/ Helping employees feel different about work;
- Well-structured performance management;
- Develop skills due to talent scarcity;
- Develop future Insurance skills with well-structured apprenticeship;
- Maintain current and build on the future;
- Employee engagement;
- Employee mental and physical health as priority;
- In-office and remote policies;
- Engage in to a flexible working environment; Create Hybrid working environment/remote working
- Automated HR processes;

  Future systems in the pipeline
- Fully fledged HR function with integrated payroll system
- Electronic hiring & onboarding

We foster to maintain the current and continuous harmonious working relationship for the good of our employee and the entire company at large.

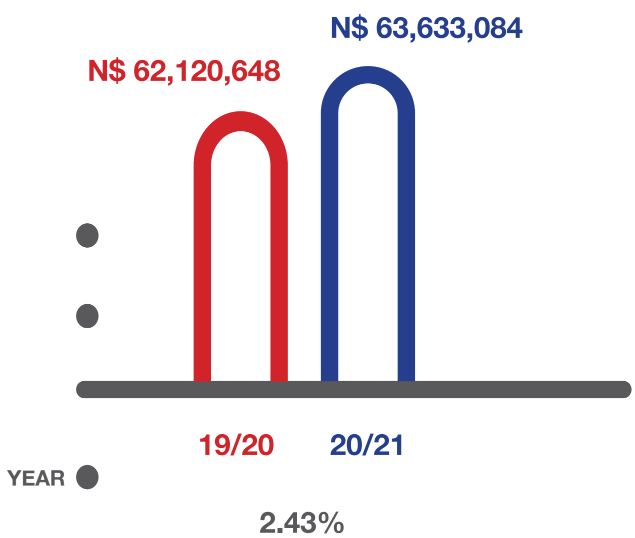
UNDERWRITING 10.2

NASRIA remained steadfast in its pursuit of growth that is sustainable coming from a successful year in which a dividend of N$6.8 million was delivered to the sole shareholder, the government. The underwriting department's main aim was to retain existing clients, provide the best client service, and assisting clients which requested payment holidays that could not afford paying their premiums due to the Covid-19 pandemic.

GROSS WRITTEN PREMIUMS (GWP)

While this is so, NASRIA was faced with challenges which came in the form of cancellations of cover and non-payments of premiums. Insurers confirmed that clients deleted classes on policies they felt were not essential and opted not to renew NASRIA due to sluggish economic conditions and uncertain future caused by the Covid-19 pandemic.

Despite this however, Gross Written Premiums (GWP) in the year under review.



The slight increase in GWP for **2020/21** was mostly attributable to renewals.

The NASRIA rates did not increase or decrease during the period under review.

PVT APPETITE AND CLAIMS

We are pleased to report that during the reporting period, the appetite for ***PVT (Political, Violence & Terrorism)*** cover increase was muted after an increase over the past few years. The increase in the past years can be attributed to more strikes, labour disturbances, civil commotions and other related events that have increased over the years.

Claims reported in the **2020/21** period estimated at **N$6,776,016**. With this in mind it is imperative to emphasise that NASRIA claims processes are straight forward and claims are generally settled within one week.

INNOVATION

NASRIA is currently looking into expanding its product offering by designing and implementing a ***Namibia Agricultural Insurance Scheme (NAIS)***. Beyond this, NASRIA will seek to identify and engage the short-term industry and clients to increase sales. To enhance sales, SLA agreements have been signed with the Insurers, Brokers and Agents as there are no longer members of the Association but Stakeholders.

CIRCUMVENTING THE COVID-19 THREAT

During the lockdown all NASRIA employees worked from home. This enabled the Underwriting department to adapt to the trend of using Teams for meetings and enabled it to connect via VPN to our computers at the office. Covid-19 did not have a huge impact on how the Underwriting department functioned. Although face to face meetings were not possible with the Industry, the department scheduled teams via Teams and Zoom and even provided training online.

10.3 MARKETING

Stakeholders at the core of operations

We are pleased with the progress that we have made in the past year in our commitment of serving our stakeholders with excellence, deepening our relationships with them, growing our membership base and exceeding our financial expectations with a resilient financial outcome amid the lingering threat of Covid-19.

The Marketing department acknowledges that material matters have the potential to affect NASRIA's ability to create value over the short-, medium- and long term. This allows us to evolve our strategy and tailor our reporting to ensure it is aligned with the interests and needs of our audiences, as well as those of the company. For this reason, our department focussed on delivering key engagement messages to our publics and creating viable brand awareness which had been in short supply in the past.

Stakeholder Management

Stakeholder management is central to NASRIA's operations and spans the entire value chain, from product development and distribution to revenue optimisation; from regulatory compliance to customer service. Thus, our efforts are channelled into translating our knowledge of our customers into strategies that improve operational efficiencies, differentiate service and deliver through the most effective technology. Developing and maintaining a brand that resonates with all stakeholders is key, as are upholding our sound governance culture, developing our staff and rewarding and recognising them, and investing in capacity building in the country through youth education.

Key departmental activities for the year included:

Delivering where others wavered campaign

In the reporting period, the main campaign unveiled by NASRIA was an awareness and sales campaign which ran under the theme "Delivering where others waivered."The campaign sought to re-position the brand and create scope for enhanced stakeholder relations, while showcasing NASRIA's product portfolio, expand brand visibility and educate stakeholders on special risk insurance.

We have always felt the need to get closer to our stakeholders and enhance the bond we share with them. This is why we believed that this campaign was very important to us because it gives us an opportunity to re-introduce ourselves and what we do. Our theme for the campaign 'delivering where others wavered' was synonymous with our core mandate and our strategic role in the Namibian economy where we provide special risk insurance, a type of insurance that other insurance companies have refused to underwrite.

Importantly therefore, the central focus of our campaign was premised on bringing peace of mind to Namibians by covering them for eventualities that they cannot be covered by anyone else in the market. We did this with full acknowledgement that building the Namibian house as prescribed by President Hage Geingob requires everyone to play their part and we want to fully play our by ensuring healthy livelihoods that are born out of peace of mind.

Ever since NASRIA was established approximately 33 years ago, it has continued to scale greater heights standing the test of time as a special risk insurer of note with one of the most affordable premiums regionally.

Campaign execution

The marketing department created awareness of NASRIA's brand in the market by creating advertising and promotional materials for third parties, digital marketing, print and broadcasting including radio. The trade activities were limited due to the current Covid-19 and a limited budget was allocated to cater for trade events *(trade fairs and exhibitions)* in case the situation gets better. Brand awareness campaigns were developed for wider distribution in newspapers, radio and limited television.

Furthermore, an advertisement inviting new brokers and agents that are interested in underwriting NASRIA's product was designed and those that are interested were directed to meet the Underwriting department. Support materials in terms of brochures and product information leaflets were printed to support the sales and marketing of NASRIA's product offering.

Survey (intermediaries), Qualitative Assessment Questionnaire

With intermediaries at the heart of what NASRIA does, it was imperative to have a survey that informed our relationship with them in a bid to improve the said relationship. We had a survey response rate of between **20 to 35%** which on average was a reasonably good response rate. The survey focused on service delivery and knowledge of NASRIA and its products. The outcome of the survey assisted NASRIA in collecting feedback from the intermediaries to improve operations, make necessary adjustments to processes, commission payments, marketing and to seek better product development opportunities.

Regional Engagements with Intermediaries

The NASRIA team embarked on regional visits to introduce the underwriters and marketing team and workshop its PVT products. This was a successful cause that allowed our team to get acquainted with stakeholders in the regions. We believe that in order to grow and remain sustainable, it is imperative to physically engage with our publics, an exercise that we hope to keep doing in the years to come.

NASRIA Website unveiled

In the reporting period, NASRIA unveiled its much anticipated Website, which will provide a new digital experience for all its stakeholders.

The company was excited to expand its digital footprint and embrace this innovative platform that provides timely information while enhancing stakeholder relationships. As a progressive company, NASRIA is always looking at ways to improve how we relate and engage with our stakeholders.

This attribute has compelled us to also look to an innovative digital platform that not only provides adequate information but makes it much easier for members of the public to find us and understand what our role in the Namibian society is.

The NASRIA Website came at an opportune time when implications of COVID-19 had acerbated the need for remote engagement and more nuanced ways of communicating.

We are in a digital revolution that has given us more pathways to engage stakeholders and build our relationships with them.

We acknowledge that this Website could have come sooner but we are happy that it is finally here and it will boost our presence in the insurance sector. We have tried by all means to make it interactive and have modern features that speak to the quality of our brand, its values and its strategic orientation towards growth.

CSI: CARING FOR OUR COMMUNITIES

NASRIA's socio-economic development activities are integral to the value creation process and also assist in creating employment. As a proud corporate citizen, NASRIA is committed to uplifting the country by enhancing the lives of all who call Namibia home.

NASRIA is keen and continues to build capacity of the finance industry and contribute to the transformation of the sector and society. All initiatives undertaken in the year under review were financed through a budget approved by the NASRIA Board.

Recently, NASRIA donated sanitary goods worth ***N$200 000*** to the Ministry of Health and Social Services as part of the company's efforts to contribute to Namibia's fight against COVID-19. As a responsible corporate citizen, NASRIA last year partnered with MTC in a boxing initiative aimed at fighting Gender Based Violence and earlier this year, they also partnered the same company in Namibia's 30th independence concert that was aimed at uniting Namibians through music. The concert was postponed owing to COVID-19 lockdowns.

THEME:
Delivering where others wavered!
A closer look at Special Risks Insurance
Mr. Ferdinand Otto
Board Member
Ms. Elsabe Engelbrecht
Head: Underwriting
Ms. Ndapona Schleberger
Head: Marketing
Mr. Ndjoura Tjozongoro
Managing Director
Congratulations to our Olympic Heroes
MBOMA
NASRIA Ltd
YOUR SPECIAL RISKS INSURER
Khoë-Ï hoa Ï !norasa siba
#SAunrest
#SAlooting
NASRIA DELIVERS N$6.8 MILLION DIVIDEND
NASRIA WEBSITE GOES LIVE!
Namibia Special Risks Insurance Association Ltd (NASRIA) hereby notifies all its stakeholders and members of the public that its much anticipated website has been unveiled.
Log on to www.nasria.com.na and experience new digital home.
Get your cover for as little as N$30/year
NASRIA unveils the 'Delivering Where Others Wavered' awareness campaign
TUNE IN.
NAD 6.8 Million
DELIVERING WHERE OTHERS WAVERED
NASRIA! THE ONLY INSURER IN NAMIBIA COVERING AGAINST DAMAGE TO PROPERTY AND LOSS CAUSED BY RIOTS, STRIKES, LOCKOUTS AND LABOUR DISTURBANCES
CALL YOUR BROKER OR INSURANCE COMPANY
Live Reads
– NASRIA's Campaign
Setswana
1
Dikgoberego tsa sepolotiki kwa Aferika Borwa ga di itumedise. Le fa gontse jalo, dikgoberego tsa sepolotiki di ama matshelo a rona mo Namibia. Nako e gorogile gore re itseele tshireletso. Nako e gorogile gore o leletse mogakolodi/broker wa gago.
O tla duela fela didolara di le masome a mararo (30) gore o bone thuso yaNASRIA gompieno.
Ida Haoses
Uncertainty is a daily reality. Let NASRIA provide you with peace of mind in this new normal filled with uncertainty!
Cover your assets against risks associated with riots, strikes & political unrest.
Get your cover for as little as N$30/year
The type of risks covered by NASRIA are consequential risks that other insurance covers.
These are risks emanating from societal elements threatening our property such as riots, civil commotion, strikes, lock outs, labour disturbances, acts of terrorism or political violence.
Meet the NASRIA Ltd UNDERWRITERS
Mr. Kyron Clarke
Assitant Underwriter
Email: kyron@nasria.com.na
Tel: 061 229 207
Kyron Clarke, the Assistant Underwriter, has joined NASRIA Ltd in February 2017 and has a great business relationship with our Customers.
Mr. Clarke is responsible for individual and Commercial Clients and is passionate in delivering the best service.
NWR declares N$22 million profit
info@nasria.com.na
nasria.com.na

ENBRACING ICT's EFFICIENCY & EFFECTIVENESS

Over the years, NASRIA has primed leveraging latest technology to essentially enable the efficient functionality of our business and further facilitate the attainment of our objectives through automated system solutions.

In essence, all of NASRIA's technology and infrastructure are managed by an external third party.

SYSTEM PRIORITIES AND DEVELOPMENTS

Accuracy of data is always a priority. A new Baseline report was created that is used to verify and confirm the accuracy of data. Furthermore, service to brokers and agents remains a priority and thus the dispatching of commission statements to brokers was automated.

On the other hand, we are pleased to report that older unhandled debtor records in footprint were archived to clean up the debtor records. What is also important to note is that brokers pay gross of commissions which requires additional effort to reconcile and refund brokers their commissions due. Procedures were put in place to assist with the administration of such cases.

Apart from this, the system was configured to handle the new Credit Guarantee product while a new facility was created to import broker remittance receipts instead of having to capture the information.

TECH TRENDS

For NASRIA, key trends that are being looked at would be cloud based technologies and remote work. Cloud adoption for NASRIA will take a while due to legislation that prevents data to be stored outside the country. Hence this is why most of data assets are kept on-site on the servers.
COVID-19 challenged us to work differently and embrace technologies such as VPNs and Remote access, both of which were already available prior to the pandemic but where seldom used.

MANAGING RISKS

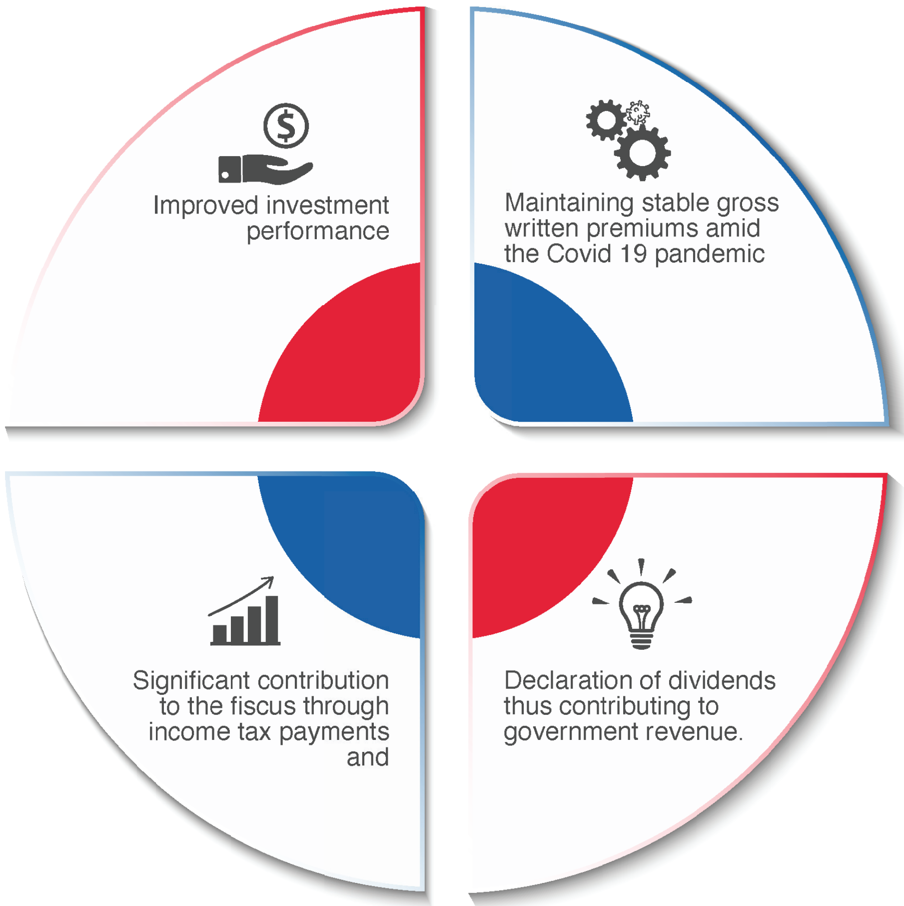
In the reporting period, key risks were the portability of key systems such as Pastel Partner and Footprint. Both these are office bound applications that require a server on which they need to run. Ideally and if legislation allows these could be hosted in the Cloud. To ensure continuity of the two applications, backups are done of both on a daily basis to reduce as much a possible the risk of data loss.

There are various levels/systems in use to protect from threats, starting with our antivirus endpoint security software. Perimeter firewall protects devices at the office, together with a web proxy that filters malicious web sites. In addition to this we have systems in place to detect and patch vulnerable operating systems.

we are pleased to report that **older unhandled debtor** records in footprint were archived to **clean up** the debtor records.

10.5 FINANCIAL PERFORMANCE:
Resilience Amid Economic Downturns

HIGHLIGHTS



It has been a challenging year in which business was hampered by the on-going impact of Covid-19, depressed consumer spending and confidence. While our business is certainly not immune to the prevailing economic headwinds, our business model is resilient, our core product categories are defensive, our partnerships are strong and, most importantly, the quality of our people ensured that we continued to create value for our stakeholders.

From a global perspective, it also essential to report that the past 12 months have been characterised by uncertainty and disruption across the globe as new COVID-19 variants emerged and nations moved in and out of some degree of lockdown. Vaccine rollout programmes and improved vaccine access brought a degree of resilience to the global economy as some sense of normality in many nations returned. Global economic activity grew, trade picked up and commodity prices began to stabilise, though at historically high prices. As nations pushed to get their economies back on track inflation became a parallel enemy to global economic growth.

In a bid to remain sustainable, NASRIA weathered the economic storm, employing best practices and adequate systems to ensure that we remain a viable avenue for special risk insurance for all our stakeholders.

In essence, NASRIA remains a profitable company which has built significant reserves over the years and has a healthy balance sheet. We also remain committed to managing finances in a sustainable manner to ensure the company's success in the long-term.

PERFOMANCE

The company's financial performance remained stable amidst the impact of Covid-19. Gross written premiums had a nominal increase which is testament to optimal governance and sustainable practices within the company. Operating expenditure remained at the same levels as 2020 while on the downside, investment income declined due to reduced interest rates. However, the decline in interest income was offset by fair value gains. The stock market which had declined in March 2020 due to Covid-19 regained sharply for the year ended 31 March 2021. As a result of this positive performance, NASRIA paid income tax of N$10 million compared to N$ 4 million paid in the prior year. This also shows that despite being converted into a public enterprise in 2019, NASRIA has continued to be significant contributor to national development through taxes and dividends to the shareholder, the government. We are also pleased to report that that we paid out a significant claim of N$5 million during the year which reflects our value as a sole special insurer in Namibia.

KEY PERFOMANCE DRIVERS

NASRIA's financial performance is driven by optimal and prudent operational expenditure and investment income. During the year, of minor concern was that underwriting performance declined as gross written premiums only increased nominally whereas, there was an increase in underwriting costs that is increased reinsurance premium due to NAMIBRE per policy cession provision as well as the significant claims incurred. We are happy to report that in the context of the foregoing, management was able to contain costs resulting in operating expenditure being maintained at the same levels as prior year. This was coupled by investment income increasing driven by the markets recovery which has placed NASRIA on a positive footing going into the next financial year.

OUTLOOK

We anticipate trading conditions to remain extremely constrained owing to the increasing pressures on consumer disposable income in the current low growth, high inflationary environment. This will be compounded by the trading disruption from various economic elements critical to NASRIA's operations. NASRIA has proven its ability to adapt to changing market dynamics and its growth drivers of value, convenience, member loyalty and product differentiation position the business to respond to the needs of customers, particularly in the current weak economic environment. Our strength and significant market shares as the only special risk insurer in Namibia support our growth aspirations

NASRIA paid income tax of **N$10 million** compared to **N$ 4 million** paid in the **prior year.**

ANNUAL FINANCIAL STATEMENTS

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of Namibia to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group 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 consolidated and separate annual financial statements.

The consolidated and separate annual 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 group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group 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 consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.The directors have reviewed the group's cash flow forecast for the year to 31 March 2022 and, in light of this review and the current financial position, they are satisfied that the group 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 group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 42 to 44.

The consolidated and separate annual financial statements set out on pages 45 to 98, which have been prepared on the going concern basis, were approved by the board and were signed on their behalf by:

C Loubser
Audit and Risk Committee Chairperson
Windhoek

NHM Tjozongoro
Managing Director

Independent Auditor's Report

To the member of Namibia Special Risks Insurance Association Ltd

Opinion

We have audited the consolidated and separate annual financial statements of Namibia Special Risks Insurance Association Ltd (the company) set out on pages 39 to 98, which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated and separate annual financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the financial position of Namibia Special Risks Insurance Association Ltd as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

Basis for opinion

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 consolidated and separate annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of consolidated and separate annual financial statements in Namibia. 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 Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Namibia Special Risks Insurance Association Ltd consolidated and separate annual financial statements for the year ended 31 March 2021", which includes the Directors' Report as required by the Companies Act of Namibia. The other information does not include the consolidated and separate annual financial statements and our auditor's report thereon. Our opinion on the consolidated and separate annual 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 consolidated and separate annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate annual 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 Consolidated And Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated And Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate annual 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 consolidated and separate annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
Identify and assess the risks of material misstatement of the consolidated and separate annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

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 group'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 consolidated and separate annual 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 group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual 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 the directors 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.

Independent Auditor's Report

From the matters communicated with the directors, we determine those matters that were of most significance
in the audit of the consolidated and separate annual financial statements of the current year 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.

PricewaterhouseCoopers

PriceWaterhouseCoopers
Per: Hans Hashagen
Partner
Windhoek
Date: 14 April 2022

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Namibia Special Risks Insurance Association Ltd (NASRIA Ltd) and the group for the year ended 31 March 2021.

1. Incorporation

The entity was converted from an association not for gain to a public enterprise with share capital on 31 July 2019.

2. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year except for changes disclosed in note 2 of the notes to the consolidated and separate annual financial statements. Full details of the financial position, results of operations and cash flows of the group and the company are set out in these consolidated and separate annual financial statements.

3. Share capital

The authorised and issued shares of the group and the company were as follows:

				2021	2020	2019
Authorised				Number of shares		
Ordinary shares				1	1	-
	Group			Company		
	2021	2020	2019	2021	2020	2019
Issued	N$	N$	N$	Number of shares		
Ordinary shares	1	1	-	1	1	-

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

On 30 August 2021, the board recommended the declaration of a dividend for the year of N$ 10 000 000 which will be

approved at the next Annual General Meeting.

On 22 July 2020, the board recommended a dividend of N$ 6 800 000 which was approved at the Annual General Meeting on 26 April 2021.

5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Directors' Report

6. Directorate

The directors in office at the date of this report are as follows:

Directors	Office	Designation	Nationality	Changes
NHM Tjozongoro	Managing Director	Executive	Namibian	
A Vugs	Chairperson	Non-executive Independent	Namibian	Appointed 18 December 2020
HH Kapenda	Dep. Chairperson	Non-executive Independent	Namibian	
C Loubser		Non-executive Independent	Namibian	Appointed 18 December 2020
F Otto		Non-executive Independent	Namibian	
P Amunjela		Non-executive Independent	Namibian	Appointed 18 December 2020
B Katjaerua		Non-executive Independent	Namibian	Resigned 18 December 2020
P Grüttemeyer		Non-executive Independent	Namibian	Resigned 18 December 2020
NT Angula		Non-executive Independent	Namibian	Resigned 18 December 2020

7. Interests in subsidiaries

Details of interests in subsidiary companies are presented in the consolidated and separate annual financial statements in note 5.

In the previous financial period, the group acquired 100% interest in Cathral Investments Eighty Two (Pty) Ltd for a
consideration of N$100. Cathral Investments Eighty Two (Pty) Ltd is the holding company of Quality Vehicles and Bakkie Centre (Pty) Ltd and it operates in the property market. The two subsidiaries are property holding companies and were acquired for the purpose of the head office development.

8. Going concern

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

9. Litigation statement

The group becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The group is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

10. Reinsurance arrangements

The company enters into significant reinsurance arrangements to mitigate insurance risk. Reinsurance arrangements are done through reinsurance brokers. Reinsurance is placed with Lloyds and NamibRe.

11. Credit Guarantee Scheme

Under section 1(2) of the Namibia Special Risks Insurance Association Act, 2017 (Act No. 5 of 2017), the Minister of Finance, after consultation with the Board of the Namibia Special Risks Insurance Association (NASRIA) Limited, declared the Credit Guarantee Scheme under the Namibia Financial Sector Strategy (CGS) to be a special risk in the Government Gazette number 7241 on 15 June 2020. The CGS is, a scheme by the Government of the Republic of Namibia through the Ministry of Finance which aims at encouraging funding of SMEs by providing collateral cover in favour of the participating institutions.

The CGS is a special risk underwritten by NASRIA Limited in favour of a participating institution that will grant a loan to an SME that lacks viable collateral to guarantee the repayment of the loan to the participating institution. Participating institution refers to banking institutions as per the Banking Institutions Act, Financial Institutions as per the NAMFISA Act and any institution established by law and approved by the Ministry of Finance as a participating institution. The CGS is administered by NASRIA Limited and the Development Bank of Namibia Ltd (DBN) in terms of a Cooperation Agreement entered by the two institutions in July 2020. Funding amounting to N$ 9,000,000 (2021: N$ 148,978,000) was received from the Government of Namibia (N$ 9,000,000 (2021: N$ 98,978,000)) and Development Bank of Namibia Ltd (N$ nil (2021: N$ 50,000,000)). The funds received from the Government of Namibia were the Government's capital contribution to the Scheme.

12. Group restructuring

On 22 July 2020, the board of directors approved the group restructuring of the NASRIA Limited group. The proposed restructuring will result in the transfer of all the properties owned by the two subsidiaries to the ultimate holding company, NASRIA Limited. The transfer value will be the fair value of the properties as at 31 March 2020. As at year end, 31 March 2021, the property transfer is still ongoing.

Cathral Investments Eighty Two (Pty) Ltd which is 100% owned by NASRIA Limited is the registered owner of Erf 3881,3882 and 3883, Windhoek North. Quality Vehicles and Bakkie Centre (Pty) Ltd which is owned 100% by Cathral Investments Eighty Two (Pty) Ltd is the registered owner of Erf 3884, Windhoek North. The 4 erven have been consolidated into one erf whose use has changed from residential to business for the purposes of developing NASRIA Limited head office on this property. The head office development will be carried out in NASRIA Limited at a budgeted cost of N$ 41 million and the expected construction duration is 2 years.

13 . Secretary

The company secretary is	Mr N Shipena
Postal address:	P O Box 417 Windhoek Namibia
Business address:	Third Floor Namlex Chambers Independence Avenue Windhoek, Namibia

14. Terms of appointment of the auditors

On 8 July 2021, BDO resigned as auditors of the group.
PricewaterhouseCoopers Namibia was appointed as the group's auditors on 8 July 2021.

15. Date of authorisation for issue of financial statements

The consolidated and separate annual financial statements have been authorised for issue by the directors. No authority was given to anyone to amend the consolidated and separate annual financial statements after the date of issue.

16. Acknowledgements

Thanks and appreciation are extended to all of our stakeholders, staff, suppliers and consumers for their continued support of the group.

Consolidated and Separate Statements of Financial Position as at 31 March 2021

Figures in Namibia Dollar	Note(s)	Group		Company		
		2021	2020 Restated *	2021	2020 Restated *	2019 Restated *
Assets						
Non-Current Assets						
Property, plant and equipment	3	26 998 828	24 252 967	1 986 729	1 662 967	1 742 267
Right-of-use assets	4	-	92 668	-	92 668	-
Investments in subsidiaries	5	-	-	100	100	-
Deferred tax	6	-	671 440	-	671 440	-
		26 998 828	25 017 075	1 986 829	2 427 175	1 742 267
Current Assets						
Loans to related party	7	-	-	25 786 101	23 606 555	-
Insurance and other receivables	8	11 574 756	10 720 659	11 278 213	10 434 548	9 738 305
Other financial assets	9	558 960 529	461 156 597	558 960 529	461 156 597	446 597 857
Deferred acquisition costs	10	3 646 716	3 816 502	3 646 716	3 816 502	-
Credit guarantee scheme financial assets	11	150 400 915	-	150 400 915	-	-
Cash and cash equivalents	12	11 201 366	54 011 146	10 664 831	53 125 003	54 521 473
		735 784 282	**529 704 904**	**760 737 305**	**552 139 205**	**510 857 635**
Total Assets		**762 783 110**	**554 721 979**	**762 724 134**	**554 566 380**	**512 599 902**
Equity and Liabilities						
Equity						
Share capital	13	1	1	1	1	-
Reserves	14	125 703 179	11 396 074	125 703 179	11 396 074	-
Retain income		508 976 126	486 943 335	508 917 148	486 837 526	471 464 953
		634 679 306	**498 339 410**	**634 620 328**	**498 233 601**	**471 464 953**
Liabilities						
Non-Current Liabilities						
Retirement benefit obligation	15	2 199 555	2 205 644	2 199 555	2 205 644	2 806 591
Deferred tax	6	56 267	-	56 267	-	-
		2 255 822	**2 205 644**	**2 255 822**	**2 205 644**	**2 806 591**
Current Liabilities						
Reinsurance and other payables	17	35 350 787	28 850 242	35 350 789	28 850 244	21 544 475
Lease liabilities	18	-	105 460	-	105 460	-
Insurance liabilities	16	18 712 281	19 564 992	18 712 281	19 564 992	16 783 883
Current tax payable	19	9 399 218	5 656 231	9 399 218	5 606 439	-
Provision for outstanding claims	20	5 585 696	-	5 585 696	-	-
Dividend payable		6 800 000	-	6 800 000	-	-
Credit Guarantee Scheme financial liability	21	50 000 000	-	50 000 000	-	-
		125 847 982	**54 176 925**	**125 847 984**	**54 127 135**	**38 328 358**
Total Liabilities		**128 103 804**	**56 382 569**	**128 103 806**	**56 332 779**	**41 134 949**
Total Equity and Liabilities		**762 783 110**	**554 721 979**	**762 724 134**	**554 566 380**	**512 599 902**

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

		Group		Company	
Figures in Namibia Dollar	Note(s)	2021 N$ '000	2020 Restated * N$ '000	2021 N$ '000	2020 Restated * N$ '000
Gross premiums	22	63 633 084	62 120 648	63 633 084	62 120 648
Re-insurance premiums	23	(22 430 662)	(21 897 528)	(22 430 662)	(21 897 528)
Net premiums written		**41 202 422**	**40 223 120**	**41 202 422**	**40 223 120**
Change in unearned premium reserve		852 711	(2 781 109)	852 711	(2 781 109)
Net premiums earned		**42 055 133**	**37 442 011**	**42 055 133**	**37 442 011**
Claims expense		(5 074 090)	-	(5 074 090)	-
Net underwriting results		**36 981 043**	**37 442 011**	**36 981 043**	**37 442 011**
Commission received	24	2 850 617	3 341 811	2 850 617	3 341 811
Commission expense		(12 347 446)	(8 242 229)	(12 347 446)	(8 242 229)
Movement in deferred acquisition reserve		(169 786)	-	(169 786)	-
Net commission expense		**(9 666 615)**	**(4 900 418)**	**(9 666 615)**	**(4 900 418)**
Underwriting surplus		**27 314 428**	**32 541 593**	**27 314 428**	**32 541 593**
Other income	24	260 733	100 916	260 733	100 916
Credit Guarantee Scheme fee income	24	1 893 000	-	1 893 000	-
Other operating gains	25	208 200	-	208 200	-
Credit Guarantee Scheme management fees		(3 466 804)	-	(3 466 804)	-
Movement in credit loss allowances	26	(765 086)	(1 255 144)	(1 795 086)	(7 488 024)
Impairment loss on property and equipment	3	(1 030 000)	(6 232 880)	-	-
Operating expenses		(19 449 898)	(20 058 207)	(19 403 067)	(19 940 040)
Operating profit before net investment income	**26**	**4 964 573**	**5 096 278**	**5 011 404**	**5 214 445**
Investment income	28	24 883 592	29 330 637	24 883 592	29 056 869
Finance costs	29	(2 539)	(30 528)	(2 539)	(30 528)
Fair value gains/(loss)	30	24 443 195	(2 516 878)	24 443 195	(2 516 878)
Profit before taxation		**54 288 821**	**31 879 509**	**54 335 652**	**31 723 908**
Taxation*	32	(10 126 925)	(4 984 791)	(10 126 925)	(4 934 999)
Profit from the period*		**44 161 896**	**26 894 718**	**44 208 727**	**26 788 909**
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		**44 161 896**	**26 894 718**	**44 208 727**	**26 788 909**

Consolidated and Separate Statements of Changes in Equity

Figures in Namibia Dollar	Share capital	Capital Contributions reserve	General reserve fund	Total reserves	Retained income	Total equity
Group						
Opening balance as previously reported	-	-	-	-	475 560 969	475 560 969
Adjustments Prior period error (refer to note 40)	-	-	-	-	(4 096 016)	(4 096 016)
Restated* Balance at 1 April 2020 as restated	**-**	**-**	**-**	**-**	**471 464 953**	**471 464 953**
Profit for the year as previously reported	-	-	-	-	32 718 529	32 718 529
Prior period error (refer to note 41)	-	-	-	-	(5 823 811)	(5 823 811)
Total comprehensive income for the year (restated)*	**-**	**-**	**-**	**-**	**26 894 718**	**26 894 718**
Issue of shares	1	-	11 396 074	11 396 074	(11 396 075)	-
Adjustment on initial application of IFRS 9	-	-	-	-	(20 261)	(20 261)
Total adjustment recognised directly in equity	**1**	**-**	**11 396 074**	**11 396 074**	**(11 416 336)**	**(20 261)**
Balance at 1 April 2021	**1**	**-**	**11 396 074**	**11 396 074**	**486 943 335**	**498 339 410**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**44 161 896**	**44 161 896**
Transfer between reserves	-	-	15 329 105	15 329 105	(15 329 105)	-
Shareholder's contribution to the Credit Guarantee Scheme	-	98 978 000	-	98 978 000	-	98 978 000
Dividends	-	-	-	-	(6 800 000)	(6 800 000)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**98 978 000**	**15 329 105**	**114 307 105**	**(22 129 105)**	**92 178 000**
Balance at 31 March 2021	**1**	**98 978 000**	**26 725 179**	**125 703 179**	**508 976 126**	**634 679 306**
Note	***13***		**14**			

Consolidated and Separate Statements of Cash Flows

		Group		Company	
Figures in Namibia Dollar	Note(s)	2021	2020 Restated *	2021	2020 Restated *
Cash flows from operating activities					
Cash generated from operations	33	17 220 087	16 848 984	17 277 350	17 253 264
Finance costs		(2 539)	-	(2 539)	-
Tax paid	34	(5 656 231)	-	(5 606 439)	-
Net cash from operating activities		**11 561 317**	**16 848 984**	**11 668 372**	**17 253 264**
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(4 131 119)	(29 024 260)	(679 020)	(201 380)
Proceeds on disposal of property, plant and equipment	3	208 200	-	208 200	-
Loan advanced to related party		-	-	(3 209 546)	(29 839 535)
Purchase of financial assets		(73 803 395)	(17 349 688)	(73 803 395)	(17 349 688)
Credit Guarantee Scheme investments		(150 400 915)	-	(150 400 915)	-
Interest Income		19 971 780	26 799 603	19 971 780	26 525 835
Dividends received		4 911 812	2 531 034	4 911 812	2 531 034
Net cash from investing activities		(203 243 637)	(17 043 311)	(203 001 084)	(18 333 734)
Cash flows from financing activities					
Proceeds on share issue	13	-	1	-	1
Proceeds on credit guarantee scheme funding		148 978 000	-	148 978 000	-
Payment on lease liabilities		(105 460)	(316 001)	(105 460)	(316 001)
Net cash from financing activities		148 872 540	(316 000)	148 872 540	(316 000)
Total cash movement for the year		**(42 809 780)**	**(510 327)**	**(42 460 172)**	**(1 396 470)**
Cash at the beginning of the year		54 011 146	54 521 473	53 125 003	54 521 473
Total cash at end of the year	**12**	**11 201 366**	**54 011 146**	**10 664 831**	**53 125 003**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below.

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements and the Companies Act of Namibia.

The consolidated and separate annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars, which is the group and company's functional currency.

These accounting policies are consistent with the previous period except for changes disclosed in note 2 of the notes to the consolidated and separate annual financial statements.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in subsidiaries in the separate financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRS's. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

1.2 Consolidation (continued)

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Revalued amount of land and buildings

Land and buildings are revalued to their fair value. Valuations of land and buildings are determined from market based evidence by appraisals undertaken by professional valuers. Revaluations are performed every year and with such sufficiency that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Fair value estimation

Several assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values. The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. Quoted market price used for financial assets held by the group is the current bid price.

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on group replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

Insurance liabilities

One of the purposes of insurance is to enable policyholders to protect themselves against uncertain future events. Insurance companies accept the transfer of uncertainty from policyholders and seek to add value through the aggregation and management of these risks. The uncertainty inherent in insurance is inevitably reflected in the financial statements of the insurance group, principally in respect of the insurance liabilities of the group. Insurance liabilities include the provisions for unearned premiums and outstanding claims.

Process to determine significant assumptions

Insurance risks are unpredictable and the group recognises that it is not always possible to forecast, with absolute precision, future claims payable under existing insurance contracts. Over time, the group has developed a methodology that is aimed at establishing insurance provisions that have an above average likelihood of being adequate to settle all its insurance obligations.

Unearned premium provision

Unearned premiums represent the amount of income set aside by the group to cover the cost of claims that may arise during the unexpired period of risk of insurance policies in force at the reporting date. The group raises provisions for unearned premiums on a basis that reflects the underlying risk profile of its insurance contracts. An unearned premium provision is created at the commencement of each insurance contract and is released as the risk covered by the contract expires. Most of the group's insurance contracts have an even risk profile. Therefore, the unearned premium provision is released evenly over the period of insurance using a time proportion basis.

Outstanding claims

Outstanding claims represent the group's estimate of the cost of settlement of claims that have occurred and were reported by the reporting date, but that have not yet been finally settled.

Claims provisions are determined based on previous claims experience, knowledge of events, the terms and conditions of relevant policies and on the interpretation of circumstances. Each notified claim is assessed on a separate case-by-case basis with due regard for specific circumstances, information available from the insured and/or loss adjuster and past experience with similar cases and historical claims payment trends. The approach also includes the consideration of the development of loss payment trends, the levels of unpaid claims, legislative changes, judicial decisions and economic conditions. The group employs employees experienced in claims handling and rigorously applies standardised policies and procedures to claims assessments.

The ultimate cost of reported claims may vary as a result of future developments or better information becoming available about the current circumstances. Therefore, case estimates are reviewed regularly and updated when new information becomes available.

Post retirement medical aid benefits

Qualifying employees of the group are entitled to certain post-retirement medical benefits. The group's obligation for post retirement medical aid benefits to past and current employees is determined annually and provided for in full. The cost of providing the benefits is determined based on assumptions which include mortality rates, healthcare inflation, the expected long term rate of return on investments, the discount rate and current market conditions.

Business combinations

The application of the group's accounting policy for business combinations requires judgement to determine whether the acquired entities can be determined as business or as a group of assets. Any such estimates and assumptions may change as new information becomes available.

The provision for outstanding claims is initially estimated at a gross level.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Post retirement medical aid benefits

Qualifying employees of the group are entitled to certain post-retirement medical benefits. The group's obligation for post retirement medical aid benefits to past and current employees is determined annually and provided for in full. The cost of providing the benefits is determined based on assumptions which include mortality rates, healthcare inflation, the expected long term rate of return on investments, the discount rate and current market conditions.

Business combinations

The application of the group's accounting policy for business combinations requires judgement to determine whether the acquired entities can be determined as business or as a group of assets. Any such estimates and assumptions may change as new information becomes available.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

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 group, and the cost of the item can be measured reliably.

Property, plant 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 group 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.

Subsequent to initial recognition, property, plant 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.Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year.

When an item of property, plant 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, plant 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 group. 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.

Accounting Policies

1.4 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	5 years
IT equipment	Straight line	2 years
Computer software	Straight line	2 years

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.

1.5 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group ,as applicable, are as follows:
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).

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 Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:
Amortised cost; 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).

Note 39 Risk management presents the financial instruments held by the group based on their specific classifications.

1.5 Financial instruments (continued)

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 group are presented below:

Loans receivable at amortised cost
Classification
Loan to related party (note 7) is classified as financial asset subsequently measured at amortised cost.

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

Recognition and measurement
Loans receivable are recognised when the group 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.

They 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.

Application of the effective interest method
Interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 28).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:
The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment
The group recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Insurance and other receivables
Classification
Insurance and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 8).

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 group's business model is to collect the contractual cash flows on insurance and other receivables.

Accounting Policies

1.5 Financial instruments (continued)

Recognition and measurement

Insurance and other receivables are recognised when the group 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.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 28).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:
The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance. If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired. If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The group recognises a loss allowance for expected credit losses on insurance and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. The group measures the loss allowance for insurance and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on insurance and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.
An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of insurance and other receivables, through use of a loss allowance account. The impairment loss is included in management expenses in profit or loss as a movement in credit loss allowance (note 26).

Write off policy

The group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the insurance and other receivables note (note 8) and the risk management note (note 39).

Investments in debt instruments at fair value through profit or loss

Classification

Certain investments in debt instruments are classified as mandatorily at fair value through profit or loss. These investments do not qualify for classification at amortised cost or at fair value through other comprehensive income

1.5 Financial instruments (continued)

income because either the contractual terms of these instruments do not give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, or the objectives of the group business model are met by selling the instruments rather than holding them to collect the contractual cash flows.

The group has designated certain investments in debt instruments as at fair value through profit or loss. The reason for the designation is to reduce or eliminate an accounting mismatch which would occur if the instruments were not classified as such. Refer to note 9) for details.

Recognition and measurement

Investments in debt instruments at fair value through profit or loss are recognised when the group becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss. Fair value gains or losses are included in fair value adjustments (note 25 & 30). Details of the valuation policies and processes are presented in note 40. Interest received on debt instruments at fair value through profit or loss are included in investment income (note 28).

Impairment

Investments in debt instruments at fair value through profit or loss are not subject to impairment provisions.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Reinsurance and other payables

Classification

Reinsurance and other payables (note 17), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the group 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.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 29). Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 39 for details of risk exposure and management thereof.

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are stated at carrying amount which is deemed to be the amortised cost.

Accounting Policies

1.5 Financial instruments (continued)

Derecognition
Financial assets
The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities
The group derecognises financial liabilities when, and only when, the group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.6 Tax

Current tax assets and liabilities
Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities
A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses
Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:
a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense (note 26) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the group has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the group is a lessee are presented in note 18 Leases (group as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the group under residual value guarantees;
- the exercise price of purchase options, if the group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 4).

The lease liability is presented as a separate line item on the Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 29).

Accounting Policies

1.7 Leases (continued)

- The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:
- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

Item	Depreciation method	Average useful life
Buildings	**Straight line**	**2 years**

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 a right-of-use asset with a cost that is significant in relation to the total cost of the asset 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.

1.8 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

1.8 Impairment of assets (continued)

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.9 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as ‘share capital’ in equity. Any amounts received from the issue of shares in excess of par value is classified as ‘share premium’ in equity. Dividends are recognised as a liability in the group in which they are declared.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined benefit plans

The group provides post-retirement medical aid benefits to all its employees appointed before the year 2007 subject to the years of uninterrupted service with the group. The entitlement to post-retirement medical aid benefits is based on the employee’s remaining years in service up to retirement age. A provision is made in respect of the accrued liability for medical aid contributions for the future pensioners. The expected costs of these benefits are accrued over the period of employment, using the projected unit credit method to determine the present value of its defined benefit obligation, and are reviewed on an annual basis.

Accounting Policies

1.11 Provisions and contingencies

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.12 Insurance contracts

Insurance premium revenue
Premiums are accounted for when receivable and in the period during which the risk originates.

Classification of contracts
An insurance contract is a contract under which the insurer accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Such contracts may also transfer financial risk. The group defines significant insurance risk as the possibility of having to pay benefits on the occurrence of an insured event that are significantly more than the benefits payable if the insured event did not occur.

Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non–financial variable that the variable is not specific to a party to the contract.

The typical type of contracts issued by the group classified as insurance contracts are to indemnify the policyholder from loss or damages caused by the following acts (committed in Namibia)

- **civil commotion;**
- **labour disturbances;**
- **riot, strike or lockout;**
- **terrorism; and**
- **politically motivated acts.**

The group also issues insurance contracts under the CGS which was declared to be a special risk. The group underwrites the CGS in favour of a participating institution that will grant a loan to an SME that lacks viable collateral to guarantee the repayment of the loan to the participating institution.

Liability for insurance contracts
At each reporting date, the group assesses whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts

The insurance liability, being the present value of future claims, is calculated based on the primary cover as defined in the insurance contracts of policyholders. The directors are of the opinion that this method of calculation best reflects historical claims history and forms the best basis for the calculation of the group’s exposure to insurance risk.

Receivables and payables related to insurance contracts
Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders and are included under insurance and other receivables.

Notes to the Consolidated and Separate Annual Financial Statements

1.12 Insurance contracts (continued)

Unearned premium reserve

A provision in respect of premiums written in the current year relating to future periods, is determined for all businesses on a 1/365ths, or more accurate basis.

Reinsurance

The group enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outwards reinsurance premiums are accounted for in the same period as the related premiums for the direct or inwards reinsurance business being reinsured.

Reinsurance liabilities comprise premiums payable for outwards reinsurance contracts and are recognised as an expense when due.

Reinsurance assets include balances due from reinsurance companies for paid and unpaid losses policy benefits. Reinsurance assets are measured consistently with the amounts associated with the underlying insurance and in accordance with the terms of the reinsurance contract.

Reinsurance assets are subject to impairment testing and the carrying amount is reduced to its recoverable amount. The impairment loss is recognised as an expense in the income statement. The asset is impaired if objective evidence is available to suggest that it is probable that the group will not be able to collect the amounts due from reinsurers.

Gains or losses on buying reinsurance are recognised in income at the date of purchase and are not amortised.

Deferred acquisition costs (DAC)

Commissions that vary with and are related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned, and recognised as a current asset. All other costs are recognised as expenses when incurred. The amount of acquisition costs to be deferred is dependent on the ratio of costs incurred that relate to income not yet earned. The deferment is to match the expenses with the income in the correct reporting period.

Notes to the Consolidated and Separate Annual Financial Statements

2. New Standards and Interpretations

2.1Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Impact:
• Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7	1 January 2020	The impact of the amendment is not material.
• Definition of a business - Amendments to IFRS 3	1 January 2020	The impact of the amendment is not material.
• Presentation of Financial Statements: Disclosure initiative	1 January 2020	The impact of the amendment is not material.
• Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative	1 January 2020	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 April 2021 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Classification of Liabilities as Current or Non-Current Amendment to IAS 1	1 January 2023	Impact is currently being assessed
• IFRS 17 Insurance Contracts	1 January 2023	Impact is currently being assessed
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	1 January 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	1 January 2022	Impact is currently being assessed
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	1 January 2022	Unlikely there will be a material impact
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	1 January 2022	Unlikely there will be a material impact
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	1 January 2022	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4	1 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	1 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	1 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	1 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	1 January 2021	Unlikely there will be a material impact
• COVID-19 - Related Rent Concessions - Amendment to IFRS 16	1 June 2020	Impact is currently being assessed

	Group		Company		
Figures in Namibian Dollars	**2021**	**2020**	**2021**	**2020**	**2019**
	Restated *		Restated *		Restated *

3.Property, plant and equipment

Group	**2022**			**2021**		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Land	28 822 880	(7 262 880)	21 560 000	28 822 880	(6 232 880)	22 590 000
Buildings	1 854 535	(550 412)	1 304 123	1 854 535	(513 423)	1 341 112
Assets under construction	3 452 099	-	3 452 099	-	-	-
Furniture and fixtures	544 050	(458 783)	85 267	544 050	(421 577)	122 473
Motor vehicles	1 190 960	(658 440)	532 520	1 064 299	(1 064 299)	-
Office equipment	44 543	(42 331)	2 212	44 543	(38 741)	5 802
Computer equipment	904 991	(844 468)	60 523	904 991	(732 975)	172 016
Computer software	162 419	(160 335)	2 084	162 419	(140 855)	21 564
Total	**36 976 477**	**(9 977 649)**	**26 998 828**	**33 397 717**	**(9 144 750)**	**24 252 967**

Company	**2021**			**2020**		
	Cost or reval-uation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	1 854 535	(550 412)	1 304 123	1 854 535	(513 423)	1 341 112
Furniture and fixtures	544 050	(458 783)	85 267	544 050	(421 577)	122 473
Motor vehicles	1 190 960	(658 440)	532 520	1 064 299	(1 064 299)	-
Office equipment	44 543	(42 331)	2 212	44 543	(38 741)	5 802
Computer equipment	904 991	(844 468)	60 523	904 991	(732 975)	172 016
Computer software	162 419	(160 335)	2 084	162 419	(140 855)	21 564
Total	**4 701 498**	**(2 714 769)**	**1 986 729**	**4 574 837**	**(2 911 870)**	**1 662 967**

Company	**2019**		
	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	1 854 535	(476 332)	1 378 203
Furniture and fixtures	520 552	(384 234)	136 318
Motor vehicles	1 064 299	(1 047 274)	17 025
Office equipment	44 543	(30 379)	14 164
Computer equipment	741 193	(581 354)	159 839
Computer software	148 336	(111 618)	36 718
Total	**4 373 458**	**(2 631 191)**	**1 742 267**

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
	Restated * N$ '000	N$ '000	Restated * N$ '000	N$ '000	Restated * N$ '000

3. Property, plant and equipment (continued)
Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Additions	Depreciation	Impairment loss	Closing balance
Land	22 590 000	-	-	(1 030 000)	21 560 000
Buildings	1 341 112	-	(36 989)	-	1 304 123
Assets under construction	-	3 452 099	-	-	3 452 099
Furniture and fixtures	122 473	-	(37 206)	-	85 267
Motor vehicles	-	679 020	(146 500)	-	532 520
Office equipment	5 802	-	(3 590)	-	2 212
Computer equipment	172 016	-	(111 493)	-	60 523
Computer software	21 564	-	(19 480)	-	2 084
	24 252 967	**4 131 119**	**(355 258)**	**(1 030 000)**	**26 998 828**

Reconciliation of property, plant and equipment - Group - 2020

	Opening balance	Additions	Depreciation	Impairment loss	Closing balance
Land	-	28 822 880	-	(6 232 880)	22 590 000
Buildings	1 378 203	-	(37 091)	-	1 341 112
Furniture and fixtures	136 318	23 498-	(37 343)	-	122 473
Motor vehicles	17 025	-	(17 025)	-	-
Office equipment	14 164	-	(8 362)	-	5 802
Computer equipment	159 839	163 799	(151 622)	-	172 016
Computer software	36 718	14 083	(29 237)	-	21 564
	1 742 267	**29 024 260**	**(280 680)**	**(6 232 880)**	**24 252 967**

Reconciliation of property, plant and equipment - Company - 2021

	Opening balance	Additions	Depreciation	Impairment loss
Buildings	1 341 112	-	(36 989)	1 304 123
Furniture and fixtures	122 473	-	(37 206)	85 267
Motor vehicles	-	679 020	(146 500)	532 520
Office equipment	5 802	-	(3 590)	2 212
Computer equipment	172 016	-	(111 493)	60 523
Computer software	21 564	-	(19 480)	2 084
	1 662 967	**679 020**	**(355 258)**	**1 986 729**

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
	Restated * N$ ‘000	N$ ‘000	Restated * N$ ‘000	N$ ‘000	Restated * N$ ‘000

3. Property, plant and equipment (continued)
Reconciliation of property, plant and equipment - Company - 2020

	Opening balance	Additions	Depreciation	Impairment loss
Buildings	1 378 203	-	(37 091)	1 341 112
Furniture and fixtures	136 318	23 498	(37 343)	122 473
Motor vehicles	17 025	-	(17 025)	-
Office equipment	14 164	-	(8 362)	5 802
Computer equipment	159 839	163 799	(151 622)	172 016
Computer software	36 718	14 083	(29 237)	21 564
	1 742 267	**201 380**	**(280 680)**	**1 662 967**

Reconciliation of property, plant and equipment - Company - 2019

	Opening balance	Additions	Depreciation	Impairment loss
Buildings	1 415 192	-	(36 989)	1 378 203
Furniture and fixtures	19 755	144 417	(27 854)	136 318
Motor vehicles	155 438	-	(138 413)	17 025
Office equipment	17 608	4 482	(7 926)	14 164
Computer equipment	125 261	173 138	(138 560)	159 839
Computer software	19 742	38 985	(22 009)	36 718
	1 752 996	**361 022**	**(371 751)**	**1 742 267**

Details of properties
Buildings comprise of section 9 of the Namlex Chambers building erected on Erf 7727, situated in the Municipality of Windhoek, Registration Division “K” and registered as a sectional title. The property was acquired in 1998.

The current directors’ valuation of the sectional title is estimated at N$ 3 231 038 which is based on market conditions and considered to be equal to its insured value.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company and its respective subsidiaries.

The revalued amount of land has been determined based on valuations performed by Yolandi Lawrence and P.J. Scholtz of Property Valuations Namibia. The effective date of the revaluations was 31 March 2021. Yolandi Lawrence, P.J. Scholtz and Property Valuations Namibia are not connected to the group, are qualified property valuators and have recent experience in location and category of the property being valued.

Land is measured using the revaluation model model in terms of IAS 16: Property, plant and equipment. The group carries land, at the fair value on the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The key variable which affects the value of the land is the estimated sellable land rate per square metre of N$ 5 250.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

3. Property, plant and equipment (continued)

Sensitivity analysis
The effect of a 5% change in the estimated sellable land rate per square metre will result in the recoverable amount of land increase/decrease by N$ 1 078 088 (2020: N$ 1 129 500, 2019: nil).

Impairment
Impairment indicators were identified relating to land purchased by the group in Windhoek. A slump in the property market conditions adversely affected the value of the property. As a result, land was tested for impairment by comparing the carrying amount to its recoverable amount. As a result, an impairment charge of N$ 1 030 000 (2020: N$ 6 232 880, 2019: nil) was recorded in profit or loss for the year and was disclosed in the face of the Statement of Profit or Loss and Other Comprehensive Income. The recoverable amount of N$ 21 560 000 (2020: N$ 22 590 000, 2019: nil) was calculated using the Comparable Sales Method of Valuation.

Capitalised expenditure

Purchase price: 1998	1 330 580	1 330 580	1 330 580	1 330 580	1 330 580
Additions: 2000	40 123	40 123	40 123	40 123	40 123
Additions: 2001	49 802	49 802	49 802	49 802	49 802
Additions: 2009	12 186	12 186	12 186	12 186	12 186
Additions: 2016	119 899	119 899	119 899	119 899	119 899
Additions: 2018	301 945	301 945	301 945	301 945	301 945
Purchase price: 2020	28 822 880	28 822 880	-	-	-
Additions: 2021	3 452 099	-	-	-	-
	34 129 514	**30 677 415**	**1 854 535**	**1 854 535**	**1 854 535**

Revaluations
The carrying value of the revalued assets under the cost model would have been:

Land	28 822 880	28 822 880	-	-	-
Buildings	1 304 123	1 341 112	1 304 123	1 341 112	1 378 203
Assets under construction	3 452 099	-	-	-	-
	33 579 102	**30 163 992**	1 304 123	**1 341 112**	**1 378 203**

4. Leases (group as lessee)

Details pertaining to leasing arrangements, where the group is lessee are presented below:

Net carrying amounts of right-of-use assets
The carrying amounts of right-of-use assets are included in the following line items:

Buildings	-	92 668	-	92 668	-

Depreciation recognised on right-of-use assets
Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 26), as well as depreciation which has been capitalised to the cost of other assets.

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

4. Leases (group as lessee) (continued)

Other disclosures

Interest expense on lease liabilities	2 539	30 528	2 539	30 528	-

Lease liabilities
The maturity analysis of lease liabilities is as follows:

Current liabilities	-	105 460	-	105 460	-

The lease agreement for the office premises expired on 31 July 2021 and was not renewed.

5. Interests in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Name of company	% holding 2021	% holding 2020	Carrying amount 2021	Carrying amount 2020
Cathral Investments Eighty Two (Pty) Ltd	100	100	100	100

In the financial period ended 31 March 2019, the company did not hold an interest in Cathral Investments Eighty Two (Pty) Ltd.

6. Deferred tax

Deferred tax liability

Property plant and equipment	(73 755)	(62 736)	(73 755)	(62 736)	-
Provision for deferred acquisition costs	(1 166 949)	(1 221 281)	(1 166 949)	(1 221 281)	-
Total deferred tax liability	(1 240 704)	**(1 284 017)**	**(1 240 704)**	**(1 284 017)**	**-**

Deferred tax asset

Provision for doubtful debts	34 449	938 562	34 449	938 562	-
Provision for other staff benefits	859 800	834 610	859 800	834 610	-
Provision for impairment of investments	290 188	148 538	290 188	148 538	-
Provision for lease liability	-	33 747	-	33 747	-
Total deferred tax asset	**1 184 437**	**1 955 457**	**1 184 437**	**1 955 457**	**-**

Notes to the Consolidated and Separate Annual Financial Statements

Figures in Namibian Dollars	Group		Company		
	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	(1 240 704)	(1 284 017)	(1 240 704)	(1 284 017)	-
Deferred tax asset	1 184 437	1 955 457	1 184 437	1 955 457	-
Total net deferred tax (liability) asset	**(56 267)**	**671 440**	**(56 267)**	**671 440**	**-**

Reconciliation of deferred tax asset / (liability)

At beginning of year	671 440	-	671 440	-	-
Deductible temporary difference movement on tangible fixed assets	(11 019)	(62 736)	(11 019)	(62 736)	-
Deductible temporary difference on deferred acquisition costs	54 332	(1 221 281)	54 332	(1 221 281)	-
Taxable temporary difference movement on provision for doubtful debts	(904 113)	938 562	(904 113)	938 562	-
Taxable temporary difference movement on provision for other staff costs	25 190	834 610	25 190	834 610	-
Taxable temporary difference movement on provision for investments impairment	141 650	148 538	141 650	148 538	-
Taxable temporary difference movement on provision for lease liability	(33 747)	33 747	(33 747)	33 747	-

7. Loan to related party

Subsidiaries

Cathral Investments Eighty Two (Pty) Ltd	-	-	25 786 101	23 606 555	-

The loan is unsecured, bears no interest and is repayable on demand or through rental income at the discretion of the NASRIA Ltd directors.

Exposure to credit risk
Loans receivable inherently expose the group to credit risk, being the risk that the group will incur financial loss if counterparties fail to make payments as they fall due.

	Group		Company		
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

7. Loan to related party (continued)

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

Company - 2021

Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Loans to subsidiaries							
Cathral Investments Eighty Two (Pty) Ltd	N/a	N/a	Performing	12m ECL	33 048 981	(7 262 880)	25 786 101

Company - 2020

Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Loans to subsidiaries							
Cathral Investments Eighty Two (Pty) Ltd	N/a	N/a	Performing	12m ECL	29 839 43	(6 232 880)	23 606 555

Reconciliation of loss allowances

Loans to subsidiaries: Loss allowance measured at 12 month ECL:

Opening balance	-	-	(6 232 880)	-	-
Provision raised on new receivable	-	-	(1 030 000)	(6 232 880)	-
Closing balance	-	-	**(7 262 880)**	**(6 232 880)**	-

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

8. Insurance and other receivables

Financial instruments:

Insurance receivables	8 521 487	10 903 573	8 521 487	10 903 573	9 868 514
Loss allowance	(143 536)	(3 910 676)	(143 536)	(3 910 676)	(2 929 603)
Insurance receivables at amortised cost	8 377 951	6 992 897	8 377 951	6 992 897	6 938 911
Reinsurance receivables	583 199	-	583 199	-	-
Credit Guarantee Scheme receivables	410 570	-	410 570	-	-
Other receivables	539 753	1 189 069	539 753	1 189 069	1 123 376
Non-financial instruments:					
VAT	1 625 401	2 513 693	1 328 858	2 227 582	1 651 018
Prepayments	37 882	25 000	37 882	25 000	25 000
Total insurance and other receivables	**11 574 756**	**10 720 659**	**11 278 213**	**10 434 548**	**9 738 305**

Financial instrument and non-financial instrument components of insurance and other receivables

At amortised cost	9 911 473	8 181 966	9 911 473	8 181 966	8 062 287
Non-financial instruments	1 663 283	2 538 693	1 366 740	2 252 582	1 676 018
	11 574 756	**10 720 659**	**11 278 213**	**10 434 548**	**9 738 305**

Reconciliation of loss allowances
The following table shows the movement in the loss allowance (lifetime expected credit losses) for receivables:

Opening balance	(3 910 676)	(2 929 603)	(3 910 676)	(2 929 603)	-
Provision raised on new trade receivables	-	(981 073)	-	(981 073)	-
Provisions reversed on settled trade receivables	3 767 140	-	3 767 140	-	-
Closing balance	**(143 536)**	**(3 910 676)**	**(143 536)**	**(3 910 676)**	**-**

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

9. Other financial assets

At fair value through profit or loss designated					
Listed shares • Share portfolio listed on the Johannesburg Stock Exchange; • Share portfolio listed on the Namibian Stock • Exchange; and • Share portfolio listed on International Stock Exchanges	112 244 255	97 026 872	112 244 255	97 026 872	100 072 237
Unit trusts	300 385 388	87 785 948	300 385 388	87 785 948	81 073 734
Treasury bills Treasury bills with yields nil% (ranging between 2020: 7.7% to 8.05%, 2019: 7.7% and 8.5%)	-	82 567 288	-	82 567 288	84 935 310
Bonds Corporate bonds held at Bank Windhoek Ltd	11 658 004	18 670 950	11 658 004	18 670 950	18 551 921
	424 287 647	**286 051 058**	**424 287 647**	**286 051 058**	**284 633 202**

Held at amortised cost					
Fixed - term deposits Fixed term deposits are held with financial institutions. The interest rates range between 4.00% to 8.1% (2020: 8.5% and 8.1%, 2019: 8.10% and 8.5%)	135 579 721	175 569 720	135 579 721	175 569 720	162 154 766
Provision for expected credit losses	135 579 721 (906 839)	175 569 720 (464 181)	135 579 721 (906 839)	175 569 720 (464 181)	162 154 766 (190 111)
	134 672 882	**175 105 539**	**134 672 882**	**175 105 539**	**161 964 655**
Total financial assets	**558 960 529**	**461 156 597**	**558 960 529**	**461 156 597**	**446 597 857**
Current assets					
Designated as at fair value through profit or loss	424 287 647	286 051 058	424 287 647	286 051 058	284 633 202
Amortised cost	134 672 882	175 105 539	134 672 882	1275 105 539	161 964 655
	558 960 529	**461 156 597**	**558 960 529**	**461 156 597**	**446 597 857**

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

9. Other financial assets (continued)

Reconciliation of provision for impairment of financial assets held at amortised cost

Fixed - term deposits

Opening balance	464 181	190 111	464 181	190 111	183 788
Increase in the provision recognised in profit or loss during the period	442 658	274 070	442 658	274 070	6 323
	906 839	**464 181**	**906 839**	**464 181**	**190 111**

10. Deferred acquisition costs

Balance at the beginning of the year	3 816 502	-	3 816 502	-	-
Expenses deferred	(169 786)	3 816 502	(169 786)	3 816 502	-
	3 646 716	**3 816 502**	**3 646 716**	**3 816 502**	**-**

11.Credit Guarantee Scheme financial asset

At fair value through profit or loss designated

Unit trusts	65 919 060	-	65 919 060	-	-
Bonds	63 752 633	-	63 752 633	-	-
	129 671 693	**-**	**129 671 693**	**-**	**-**

Held at amortised cost

Fixed - term deposits Fixed term deposits are held with financial institutions. The interest rates range between 3.00% to 4.00%	20 729 223	-	20 729 223	-	-
Total financial assets	**150 400 916**	**-**	**150 400 916**	**-**	**-**

Current assets

Designated as at fair value through profit or loss	129 671 693	-	129 671 693	-	-
Amortised cost	20 729 223	-	20 729 223	-	-
	150 400 916	**-**	**150 400 916**	**-**	**-**

Refer to note 11 of the directors report for further information about the Scheme.
Credit impairment for items held at amortised cost was immaterial and therefore not recognised.

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4 523	3 239	4 523	3 239	8
Bank balances	11 196 843	54 007 907	10 660 308	53 121 764	54 521 465
	11 201 366	**54 011 146**	**10 664 831**	**53 125 003**	**54 521 473**

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

Bank Windhoek Limited: A1+ (2020: A1+)	545 848	5 192 586	9 313	4 306 443	4 239 032
Nedbank Namibia Limited: BB+ (2020: BB+)	10 650 995	48 815 321	10 650 995	48 815 321	50 282 433
	11 196 843	**54 007 907**	**10 660 308**	**53 121 764**	**54 521 465**

13. Share capital

Authorised					
1 Ordinary share of N$ 1.00 each	1	1	1	1	-
Reconciliation of number of shares issued:					
Reported as at 1 April 2020	1	-	1	-	-
Issue of shares – ordinary shares	-	1	-	1	-
	1	**1**	**1**	**1**	**-**
Issued					
1 Ordinary share of N$ 1.00 each	1	1	1	1	-

Dividend Declaration Proposal
On 30 August 2021, the board recommended the declaration of a dividend for the year of N$ 10 000 000 which will be approved at the next Annual General Meeting.

On 22 July 2020, the board recommended a dividend of N$ 6 800 000 which was approved at the Annual General Meeting on 26 April 2021.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

14.General reserve fund

The reserve is established and maintained in accordance with section 27 of the Namibia Special Risks Insurance Association Act. The Company must establish and maintain a general reserve fund into which must be deposited at the end of each financial year 25 percent, or such other percentage, as the Board may determine with the written approval of the Minister, of the annual net profit before tax of the Company, if the general reserve fund is equal to or exceeds the margin of solvency (refer to note 31) of the Company contemplated by section 23 of the Namibia Special Risks Insurance Association Act.

Opening balance	11 396 074	-	11 396 074	-	-
Transfer from retained income	15 329 105	11 396 074	15 329 105	11 396 074	-
	26 725 179	**11 396 074**	**26 725 179**	**11 396 074**	**-**

15.Retirement benefits

Carrying value

Present value of the defined benefit obligationpartially or wholly funded	2 199 555	2 205 644	2 199 555	2 205 644	2 806 591

Reconciliation of retirement benefits

Balance at the begining of the period	2 205 644	2 806 591	2 205 644	2 806 591	2 333 373
Movement during the period	(6 089)	(600 947)	(6 089)	(600 947)	473 218
	2 199 555	**2 205 644**	**2 199 555**	**2 205 644**	**2 806 591**

The fair value of plan assets includes:

Key assumptions used
Assumptions used on last valuation on 31 March 2021.

Discount rates used	7.50 %	8.00 %	7.50 %	8.00 %	10.50 %
Expected rate of return on assets	2.42 %	3.75 %	2.42 %	3.75 %	6.64 %

Defined contribution retirement plan
The group participates in the Namlex Pension Fund administered by Alexander Forbes Financial Services Limited which is a defined contribution pension fund in Namibia for all of its employees. The defined contribution pension fund is subject to the Pension Fund Act, Act 24 of 1956 of Namibia. The fund is funded both by the member and group contributions, which are charged to profit or loss as they are incurred.

NASRIA currently contributes 15% of the pensionable emoluments to the fund whilst the members contribute at 6% for nonmanagerial and executive staff respectively.

Post retirement medical aid benefit
The group provides post retirement benefits by way of medical aid scheme contributions. The benefits are provided to all groups of employees appointed before the year 2007 subject to the years of uninterrupted service with the group. The liability in respect of future contributions is valued annually.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

16. Insurance liabilities

Unearned premium reserve

Opening balance	19 564 992	16 783 883	19 564 992	16 783 883	16 474 404
Changes in unearned premiums	(852 711)	2 781 109	(852 711)	2 781 109	309 479
	18 712 281	**19 564 992**	**18 712 281**	**19 564 992**	**16 783 883**

17. Reinsurance and other payables

Financial instruments:

Trade payables	1 736 478	2 355 631	1 736 480	2 355 633	1 869 273
Namfisa levy	94 589	166 047	94 589	166 047	171 971
Credit Guarantee Scheme accruals	1 618 708	-	1 618 708	-	-
Accrued leave pay	830 588	674 596	830 588	674 596	-
Provision for severance pay	487 319	402 511	487 319	402 511	-
Commission payable	828 995	-	828 995	-	-
Sundry creditors	79 765	242 174	79 765	242 174	(108 714)
Reinsurer balances	28 692 259	24 103 626	28 692 259	24 103 626	17 677 574
Performance bonus provision	982 086	905 657	982 086	905 657	1 934 371
	35 350 787	**28 850 242**	**35 350 789**	**28 850 244**	**21 544 475**

18. Lease liabilities

Minimum lease payments due

- within one year	-	108 000	-	108 000	-
	-	108 000	-	108 000	-
less: future finance charges	-	(2 540)	-	(2 540)	-
Present value of minimum lease payments	**-**	**105 460**	**-**	**105 460**	**-**
Current liabilities	-	105 460	-	105 460	-

The average annual borrowing rate was -% (2020: 8%) and a monthly payment of N$nil (2020: N$ 27 000).

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

19. Current tax payable

Opening balance	5 656 231	-	5 606 439	-	-
Current tax charge	9 399 218	5 656 231	9 399 218	5 606 439	-
Payments	(5 606 439)	-	(5 606 439)	-	-
	9 449 010	**5 656 231**	**9 399 218**	**5 606 439**	**-**

20. Provision for outstanding claims

Reconciliation of provision for outstanding claims - Group - 2021

	Opening Balance	Additions	Total
Provision for outstanding claims	-	5 585 696	5 585 696

Reconciliation of provision for outstanding claims - Company - 2021

	Opening Balance	Additions	Total
Provision for outstanding claims	-	5 585 696	5 585 696

The board approved the settlement of the outstanding claims in August 2021.

21. Credit Guarantee Scheme financial liability

Credit Guarantee Scheme financial liability	50 000 000	-	50 000 000	-	-

Refer to note 11 of the directors report for further information about the Scheme. The amount is repayable on demand and is interest free.

22. Revenue

Revenue from insurance contracts

Gross premiums	63 633 084	62 120 648	63 633 084	62 120 648

23. Re-insurance premiums

Re-insurance premiums	22 430 662	21 897 528	22 430 662	21 897 528

24.Other operating income

Commissions received	2 850 617	3 341 811	2 850 617	3 341 811
Credit Guarantee Scheme management fees	1 893 000	-	1 893 000	-
Other income	260 733	100 916	260 733	100 916
	5 004 350	**3 442 727**	**5 004 350**	**3 442 727**

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

25. Other operating gains

Gains on disposals

Property, plant and equipment	3	208 200	-	208 200	-

26. Operating profit before net investment income

Operating profit before net investment income for the year is stated after charging (crediting) the following, amongst others:

Auditor’s remuneration - external

Audit fees	723 651	325 168	723 651	325 168

Remuneration, other than to employees

Administrative and managerial services	514 733	876 482	514 733	876 482
Accounting fees	64 665	281 161	58 846	215 819
Consultant Fees	194 695	1 212 060	194 695	1 212 060
Secretarial services	73 764	24 826	70 459	14 826
	847 857	**2 394 529**	**838 733**	**2 319 187**

Depreciation

Depreciation of property, plant and equipment	355 258	280 680	355 258	280 680
Depreciation of right-of-use assets	92 668	278 003	92 668	278 003
	447 926	**558 683**	**447 926**	**558 683**

Impairment losses

Property, plant and equipment	1 030 000	6 232 880	-	-

Movement in credit loss allowances

Insurance and other receivables	322 428	981 074	322 428	981 074
Loans to group companies	-	-	1 030 000	6 232 880
Investments at amortised cost	442 658	274 070	442 658	274 070
	765 086	**1 255 144**	**1 795 086**	**7 488 024**

Employee costs

Employee costs - salaried staff	10 757 912	9 239 757	10 757 912	9 239 757
Employee costs - directors	2 661 999	2 299 408	2 661 999	2 299 408
	13 419 911	**11 539 165**	**13 419 911**	**11 539 165**

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

27. Employee costs

Employee costs

Salaries and wages	7 095 103	5 377 877	7 095 103	5 377 877
Performance bonus	982 086	702 148	982 086	702 148
Medical costs	1 452 790	1 221 702	1 452 790	1 221 702
Leave pay provision charge	155 991	674 596	155 991	674 596
Personnel and other payroll costs	195 834	188 064	195 834	188 064
Pension costs	876 108	1 075 370	876 108	1 075 370
	10 757 912	**9 239 757**	**10 757 912**	**9 239 757**

28. Investment income

Dividend income
Equity instruments at fair value through profit or loss:

Listed investments	4 475 154	2 531 034	4 475 154	2 531 034
Credit Guarantee Scheme dividend received	436 658	-	436 658	-
Total dividend income	**4 911 812**	**2 531 034**	**4 911 812**	**2 531 034**

Interest income
Investments in financial asset

Funds on call	5 770 116	5 394 686	5 770 116	5 394 686
Credit Guarantee Scheme interest received	1 889 344	-	1 889 344	-
Current account	29 653	147 080	29 653	147 080
Corporate bonds	1 035 000	1 581 529	1 035 000	1 581 529
Fixed term deposits	8 084 955	11 237 512	8 084 955	10 963 744
Treasury bills	3 162 712	8 438 796	3 162 712	8 438 796
Total interest income	**19 971 780**	**26 799 603**	**19 971 780**	**26 525 835**
Total investment income	**24 883 592**	**29 330 637**	**24 883 592**	**29 056 869**

29. Finance costs

Lease liabilities	2 539	30 528	2 539	30 528

30. Fair value adjustments

Financial instruments at fair value through profit or (losses)

Designated as such at initial recognition	24 443 195	(2 516 878)	24 443 195	(2 516 878)

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

31. Solvency margin

Net premiums written	41 202 422	47 988 201
Capital and reserves	634 620 328	508 153 429
Solvency margin	1 540 %	1 059 %

The solvency margin represents capital and reserves of N$ 634 620 328 (2020: N$ 508 153 429) expressed as a percentage of the net premium income of N$ 41 202 422 (2020: N$ 47 988 201). Net premium income represents gross premium income of N$ 63 633 084 (2020: 62 120 648) less re-insurance premiums of N$ 22 430 662 (2020: N$ 21 897 528).

32. Taxation

Major components of the tax expense

Current				
Local income tax - current period	9 399 218	5 656 231	9 399 218	5 606 439
Deferred				
Originating and reversing temporary differences	727 707	(671 440)	727 707	(671 440)
	10 126 925	**4 984 791**	**10 126 925**	**4 934 999**

Reconciliation of the tax expense
Reconciliation between accounting profit and tax expense.

Accounting profit	54 288 821	31 879 509	54 335 652	31 723 908
Tax at the applicable tax rate of 32% (2020: 32%)	17 372 423	10 201 443	17 387 409	10 151 651
Tax effect of adjustments on taxable income				
Permanent differences	(7 245 498)	3 655 619	(7 260 484)	3 655 619
Exempt income	-	(8 872 271)	-	(8 872 271)
	10 126 925	**4 984 791**	**10 126 925**	**4 934 999**

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

33. Cash generated from operations

Profit before taxation	54 288 821	31 879 509	54 335 652	31 723 908
Adjustments for:				
Depreciation	447 926	558 683	447 926	558 683
Gains on disposals of assets	(208 200)	-	(208 200)	-
Dividend income	(4 911 812)	(2 531 034)	(4 911 812)	(2 531 034)
Interest income	(19 971 780)	(26 799 603)	(19 971 780)	(26 525 835)
Finance costs	2 539	30 528	2 539	30 528
Fair value (gains) losses	(24 443 195)	2 516 878	(24 443 195)	2 516 878
Net impairments and movements in credit loss allowances	1 795 086	7 488 024	1 795 086	7 488 024
Movements in retirement benefit assets and liabilities	(6 089)	(600 947)	(6 089)	(600 947)
Movements in provisions	5 585 696	-	5 585 696	-
Changes in working capital:				
Insurance and other receivables	(1 176 525)	(3 904 699)	(1 166 093)	(3 618 585)
Deferred acquisition costs	169 786	(3 816 502)	169 786	(3 816 502)
Reinsurance and other payables	6 500 545	9 247 038	6 500 545	9 247 037
Insurance liabilities	(852 711)	2 781 109	(852 711)	2 781 109
	17 220 087	**16 848 984**	**17 277 350**	**17 253 264**

34. Tax paid

Balance at beginning of the year	(5 656 231)	-	(5 606 439)	-
Current tax for the year recognised in profit or loss	(9 399 218)	(5 656 231)	(9 399 218)	(5 606 439)
Balance at end of the year	9 399 218	5 656 231	9 399 218	5 606 439
	(5 656 231)	**-**	**(5 606 439)**	**-**

35. Dividends paid

Dividends	(6 800 000)	-	(6 800 000)	-
Balance at end of the year	6 800 000	-	6 800 000	-
	-	**-**	**-**	**-**

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020

36. Related parties

Shareholder	Government of the Republic of Namibia (Ministry of Finance)
Subsidiaries	Refer to note 5
Indirect subsidiary	Quality Vehicles and Bakkie Centre (Pty) Ltd
Directors	Refer to directors' report

Related party balances
Credit guarantee scheme capital contribution from related party

Government of Namibia	(98 978 000)	-	(98 978 000)	-
Credit guarantee scheme financial liability - owing to related party				
Development Bank of Namibia Ltd	(50 000 000)	-	(50 000 000)	-
Dividend payable				
Government of the Republic of Namibia (Ministry of Finance)	(6 800 000)	-	(6 800 000)	-

Refer to note 7 for other balance with a related party.

Related party transactions
Gross premiums received from related parties

Bank of Namibia	(6 057)	(5 451)	(6 057)	(5 451)
De Beers (Namibia) (Pty) Ltd	(441 447)	(417 454)	(441 447)	(417 454)
Development Bank of Namibia Ltd	(323 899)	(373 560)	(323 899)	(373 560)
Meat Corporation of Namibia	(351 586)	(692 247)	(351 586)	(692 247)
Mobile Telecommunications Limited	(223 948)	(930 127)	(223 948)	(930 127)
Namibia Tourism Board	(36 330)	(36 330)	(36 330)	(36 330)
Namibia University of Science and Technology	(465 048)	(465 776)	(465 048)	(465 776)
Namibian Broadcasting Corporation	(2 107)	(26 867)	(2 107)	(26 867)
National Housing Enterprise	(206 069)	(201 759)	(206 069)	(201 759)
Roads Authority	(234 610)	(239 347)	(234 610)	(239 347)
Social Security Commission	(26 276)	(24 191)	(26 276)	(24 191)
Telecom Namibia Ltd	(104)	(1 582)	(104)	(1 582)
	(2 317 481)	**(3 414 691)**	**(2 317 481)**	**(3 414 691)**
Management fees paid to related parties				
Development Bank of Namibia Ltd	**1 545 833**	**-**	**1 545 833**	**-**
Compensation to directors and other key management				
Short-term employee benefits	2 432 875	2 105 021	2 432 875	2 105 021
Post-employment benefits - Pension - Defined contribution plan	229 124	194 387	229 124	194 387
	2 661 999	**2 299 408**	**2 661 999**	**2 299 408**

Notes to the Consolidated and Separate Annual Financial Statements

37. Directors' emoluments

Executive

2021

	Emoluments	Pension and medical contributions	Post retirement benefits	Social Security	Total
NHM Tjozongoro	1 627 539	406 932	76 093	972	2 111 536

2020

	Emoluments	Performance bonus	Pension and medical contributions	Post retirement benefits	Social Security	Total
NHM Tjozongoro	1 396 590	203 509	368 674	(175 852)	972	1 793 893

Non-executive

2021

	Directors' fees	Total
For services as directors	550 463	550 463

2021

	Directors' fees	Total
For services as directors	505 514	505 514

38. Categories of financial instruments

Categories of financial assets

Group - 2021

	Note(s)	Fair value through profit or loss Designated	Amortised cost	Total	Fair value
Investments at amortised cost	9	-	134 672 882	134 672 882	-
Other financial assets	9	424 287 647	-	424 287 647	424 287 647
Insurance and other receivables	8	-	9 911 473	9 911 473	-
Cash and cash equivalents	12	-	11 201 366	11 201 366	-
Credit Guarantee Scheme financial asset	11	129 671 693	20 729 223	150 400 916	129 671 693
		553 959 340	**176 514 944**	**730 474 284**	**553 959 340**

Group - 2020

	Note(s)	Fair value through profit or loss Designated	Amortised cost	Total	Fair value
Investments at amortised cost	9	-	175 105 539	175 105 539	-
Other financial assets	9	286 051 058	-	286 051 058	286 051 058
Insurance and other receivables	8	-	8 181 966	8 181 966	-
Cash and cash equivalents	12	-	54 011 146	54 011 146	-
		286 051 058	**237 298 651**	**523 349 709**	**286 051 058**

Company - 2021

	Note(s)	Fair value through profit or loss Designated	Amortised cost	Total	Fair value
Loan to related party	7	-	25 786 101	25 786 101	-
Investments at amortised cost	9	-	134 672 882	134 672 882	-
Other financial assets	9	424 287 647	-	424 287 647	424 287 647
Insurance and other receivables	8	-	9 911 473	9 911 473	-
Cash and cash equivalents	12	-	10 664 831	10 664 831	-
Credit Guarantee Scheme financial asset	11	129 671 693	20 729 223	150 400 916	129 671 693
		553 959 340	**201 764 510**	**755 723 850**	**553 959 340**

Company - 2020

	Note(s)	Fair value through profit or loss Designated	Amortised cost	Total	Fair value
Loan to related party	7	-	23 606 555	23 606 555	-
Investments at amortised cost	9	-	175 105 539	175 105 539	-
Other financial assets	9	286 051 058	-	286 051 058	286 051 058
Insurance and other receivables	8	-	8 181 966	8 181 966	-
Cash and cash equivalents	12	-	53 125 003	53 125 003	-
		286 051 058	**260 019 063**	**546 070 121**	**286 051 058**

Company - 2019

	Note(s)	Fair value through profit or loss Designated	Amortised cost	Total	Fair value
Other financial assets	9	284 633 202	-	284 633 202	284 633 202
Trade and other receivables	8	-	8 062 287	8 062 287	8 062 287
Cash and cash equivalents	12	-	54 521 473	54 521 473	54 521 473
		284 633 202	**62 583 760**	**347 216 962**	**347 216 962**

Notes to the Consolidated and Separate Annual Financial Statements

Categories of financial liabilities
Group - 2021

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	17	35 350 787	35 350 787	35 350 787
Dividend payable		6 800 000	6 800 000	6 800 000
Credit Guarantee Scheme financial liability	21	50 000 000	50 000 000	50 000 000

Group - 2020

	Note(s)	Amortised cost	Leases	Total	Fair value
Reinsurance and other payables	17	28 850 242	-	28 850 242	28 850 242
Finance lease obligations	18	-	105 460	105 460	105 460

Company - 2021

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	17	35 350 787	35 350 787	35 350 787
Dividend payable		6 800 000	6 800 000	6 800 000
Credit Guarantee Scheme financial liability	21	50 000 000	50 000 000	50 000 000

Company - 2020

	Note(s)	Amortised cost	Leases	Total	Fair value
Reinsurance and other payables	17	28 850 242	-	28 850 242	28 850 242
Finance lease obligations	18	-	105 460	105 460	105 460

Company - 2019

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	17	21 544 475	21 544 475	21 544 475

39. Risk management

Capital risk management
The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholder, return capital to the shareholder and issue new shares.

The company must comply with certain regulatory requirements which require that the corporation maintain a minimum solvency margin where the aggregate value of its assets exceeds its liabilities by not less than N$ 4 000 000 or 15% of the total amount received by it in respect of premiums (after deducting an amount equal to the premiums paid by the registered insurer or reinsurer in respect of any reinsurance business) during its last preceding financial year, whichever is the greater amount. The company ensures that its solvency requirement is met at all times.

The company must establish and maintain a general reserve fund (in accordance with section 27 of the Namibia Special Risks Insurance Association Act) into which must be deposited at the end of each financial year 25 percent, or such other percentage, as the Board may determine with the written approval of the Minister, of the annual net profits of the company, if the general reserve fund is equal to or exceeds the margin of solvency of the company contemplated by section 23 of the Namibia Special Risks Insurance Association Act. The company ensures that the reserve is maintained.

Financial risk management
Overview
The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk, insurance risk and price risk).

Credit risk
Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk consists mainly of cash deposits, other financial assets and trade debtors. The group only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

Debt investments
All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' for instruments to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Other financial assets at amortised cost
Other financial assets at amortised cost include other receivables and fixed deposits.
Refer to note 9 for the reconciliation of loss allowance provision for other financial assets at amortised cost as at 31 March 2021.

39. Risk management (continued)

All of these financial assets are considered to have low credit risk, and thus the impairment provision recognised during the period was limited to 12 months expected losses. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Significant estimates and judgements
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of financial assets
The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The maximum exposure to credit risk is presented in the table below:

Group		2021			2020		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carry-ing amount	Credit loss allowance cost	Amortised cost / fair value
Investments at amortised cost	9	134 672 882	(906 839)	133 766 043	175 105 539	(464 181)	174 641 358
Investments at fair value	9	424 287 647	-	424 287 647	286 051 058	-	286 051 058
Insurance and other receivables	8	10 055 009	(143 536)	9 911 473	12 092 642	(3 910 676)	8 181 966
Cash and cash equivalents	12	11 201 366	-	11 201 366	54 011 146	-	54 011 146
Credit Guarantee Scheme financial assets at fair value	11	129 671 693	-	129 671 693	-	-	-
Credit Guarantee Scheme finan-cial assets at amortised cost	11	20 729 223	-	20 729 223	-	-	-

Company		2021			2020		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carry-ing amount	Credit loss allowance	Amortised cost
Loan to related party	7	33 048 981	(7 262 880)	25 786 101	29 839 435	(6 232 880)	23 606 555
Investments at amortised cost	9	134 672 882	(906 839)	133 766 043	175 105 539	(464 181)	174 641 358
Investments at fair value	9	424 287 647	-	424 287 647	286 051 058	-	286 051 058
Insurance and other receivables	8	10 055 009	(143 536)	9 911 473	12 092 642	(3 910 676)	8 181 966
Cash and cash equivalents	12	10 664 831	-	10 664 831	53 125 003	-	53 125 003
Credit Guarantee Scheme financial assets at fair value	11	129 671 693	-	129 671 693	-	-	-
Credit Guarantee Scheme financial assets at amortised cost	11	20 729 223	-	20 729 223	-	-	-

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. Financial assets at fair value do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

39. Risk management (continued)

Liquidity risk
The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due.

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and short term borrowings.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2021

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	17	35 350 787	35 350 787	35 350 787
Dividend payable		6 800 000	6 800 000	6 800 000
Credit Guarantee Scheme financial liability	21	50 000 000	50 000 000	50 000 000

Group - 2020

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	18	28 850 242	28 850 242	28 850 242
Lease liabilities	18	108 000	108 000	105 460

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39. Risk management (continued)

Company - 2021

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	17	35 350 787	35 350 787	35 350 787
Dividend payable		6 800 000	6 800 000	6 800 000
Credit Guarantee Scheme financial liability	21	50 000 000	50 000 000	50 000 000
		92 150 787	92 150 787	92 150 787

Company - 2020

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	17	28 850 242	28 850 242	28 850 242
Lease liabilities	18	108 000	108 000	105 460
		28 958 242	**28 958 242**	**28 955 702**

Company - 2019

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	17	21 544 475	21 544 475	21 544 475

Interest rate risk
Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

Changes in market interest rates have a direct effect on the contractually determined cash flows associated with floating rate financial assets, and on the fair value of fixed maturity investments included in the group's investment portfolios. Additionally, relative values of alternative investments and their liquidity of the instruments invested in, could affect value of interest rate linked investments. The ongoing assessment by an investment research team of professional advisors, of market expectations, within the Namibian interest rate environment, drives the process of asset allocation in this investment category.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Deposits and all investments attract interest at rates that vary with prime. The group's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit or loss.

39. Risk management (continued)

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows

	Note	Average effective		Carrying amount interest	
Group		2021	2020	2021	2020
Variable rate instruments: Assets					
Credit Guarantee Scheme financial assets at fair value	11	- %	- %	129 671 693	-
Credit Guarantee Scheme financial assets at amortised cost	11	4.00 %	- %	20 729 223	-
Cash and cash equivalents	12	5.25 %	5.25 %	11 201 366	54 011 146
Financial assets at fair value through profit and loss		7.70 %	7.70 %	11 658 004	101 238 238
Financial assets at fair value through profit and loss - non interest bearing		- %	- %	412 629 643	184 812 821
Financial assets held at amortised cost		8.10 %	8.10 %	134 672 882	175 105 539
				720 562 811	**515 167 744**
Liabilities					
Credit Guarantee Scheme financial liability	21	-%	-%	(50 000 000)	-
Finance lease liabilities	18	- %	8.00 %	-	(105 460)
Reinsurance and other payables - normal credit terms	17	- %	- %	(35 350 787)	(28 850 242)
Dividend payable		- %	- %	(6 800 000)	-
				(92 150787)	**(28 955 702)**
Net variable rate financial instruments				**628 412 024**	**486 212 042**

Variable rate financial assets as a percentage of total interest bearing financial assets	100.00 %	100.00 %
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities	100.00 %	100.00 %

Notes to the Consolidated and Separate Annual Financial Statements

39. Risk management (continued)

	Note	Average effective interest rate			Carrying amount		
Company		2021	2020	2019	2021	2020	2019
Variable rate instruments: Assets							
Credit Guarantee Scheme financial assets at fair value	11	- %	- %	- %	129 671 693	-	-
Credit Guarantee Scheme financial assets at amortised cost	11	4.00 %	- %	- %	20 729 223	-	-
Cash and cash equivalents	12	5.25 %	5.25 %	5.25 %	10 664 831	53 125 003	54 521 473
Financial assets at fair value through profit and loss		7.70 %	7.70 %	6.00 %	11 658 004	101 238 238	103 487 230
Financial assets at fair value through profit and loss - non interest bearing		- %	- %	- %	412 629 643	184 812 821	181 145 971
Financial assets held at amortised cost		- %	- %	- %	134 672 882	175 105 539	161 964 655
					720 026 276	**514 281 601**	**501 119 329**
Liabilities							
Credit Guarantee Scheme financial liability	21	- %	- %	- %	(50 000 000)	-	-
Finance lease liabilities	18	- %	8.00 %	- %	-	(105 460)	-
Reinsurance and other payables - normal credit terms	17	- %	- %	- %	(35 350 787)	(28 850 242)	(21 544 476)
Dividend payable		- %	- %	- %	(6 800 000)	-	-
					(92 150 787)	**(28 955 702)**	**(21 544 476)**
Net variable rate financial instruments					**627 875 489**	**485 325 899**	**479 574 853**

Variable rate financial assets as a percentage of total interest bearing financial assets	**100.00 %**	**100.00 %**	**100.00 %**
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities	**100.00 %**	**100.00 %**	**100.00 %**

Interest rate sensitivity analysis
The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group
At 31 March 2021, if the interest rate had been 0.500% per annum (2020: 0.500% ; 2019: %) higher or lower during the period, with all other variables held constant, the impact on equity for the year would have been N$ 3 142 060 (2020: N$ 2 431 060 ; 2019: N$ -) lower and N$ 3 142 060 (2020: N$ 2 431 060 ; 2019: N$ -) higher.

Company
At 31 March 2021, if the interest rate had been 0.500% per annum (2020: 0.500% ; 2019: 0.500%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N$ 3 139 377 (2020: N$ 2 426 629 ; 2019: N$ 2 397 874) lower and N$ 3 139 377 (2020: N$ 2 426 629 ; 2019: N$ 2 397 874) higher.

39. Risk management (continued)

Price risk
The group is exposed to equity securities price risk because of investments held by the group and classified on the statement of financial position either as fair value through profit or loss. The group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group. The stock selection and investment analysis process of assets, is supported by a well-developed research function utilising professional advisors.

The group's investments in equity of other entities that are publicly traded are included in one of the following three equity indexes: NSX (Namibian Stock Exchange), JSE (Johannesburg Stock Exchange) and on International Stock Exchanges.

Price risk sensitivity analysis
The following sensitivity analysis has been prepared using a sensitivity rate which is used when price risk internally to key management personnel and represents management's assessment of the reasonably possible change in relevant prices. All other variables remain constant. The sensitivity analysis includes only investments held at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group	2021	2021	2020	2020
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Johannesburg Stock Exchange top 40 index effect	26 935 638	26 935 638	19 845 982	19 845 982

Company	2021	2021	2020	2020	2019	2019
Increase or decrease in rate	Increase	Decrease	Increase	Decrease	Increase	Decrease
Impact on profit or loss:						
Johannesburg Stock Exchange top 40 index effect	26 935 638	26 935 638	19 845 982	19 845 982	20 014 447	20 014 447
Namibia Stock Exchange effect	-	-	-	-	-	-
	26 935 638	**26 935 638**	**19 845 982**	**19 845 982**	**20 014 447**	**20 014 447**

Insurance risk
The group issues contracts that transfer insurance risk. The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, the materialisation of risk is random and therefore unpredictable.

For its portfolio of insurance contracts the principal risk that the group faces under the insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur when the frequency or severity of the claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

The group does not calculate the estimated cost of unpaid claims (both reported and not) as the group's claims experience is minimal and the cost of unpaid claims cannot be reliably estimated.

The group further manages insurance risk by placing re-insurance with credible re-insurance companies

	Group		Company		
Figures in Namibian Dollars	2021	2020	2021	2020	2019
		Restated *		Restated *	Restated *

40. Fair value information

Fair value hierarchy
The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:
Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 1
Recurring fair value measurements
Assets

Financial assets designated at fair value through profit or loss						
Listed shares	9	112 244 255	97 026 872	112 244 255	97 026 872	100 072 237
Total		**112 244 255**	**97 026 872**	**112 244 255**	**97 026 872**	**100 072 237**

Level 2
Recurring fair value measurements
Assets

Financial assets designated at fair value through profit or loss						
Unit trusts	9	300 385 388	87 785 948	300 385 388	87 785 948	81 073 734
Unit trusts - Credit Guarantee Scheme	11	65 919 060	-	65 919 060	-	-
Total other		**366 304 448**	**87 785 948**	**366 304 448**	**87 785 948**	**81 073 734**
Total		**366 304 448**	**87 785 948**	**366 304 448**	**87 785 948**	**81 073 734**

Level 3
Recurring fair value measurements
Assets

Property, plant and equipment						
Land	3	21 560 000	22 590 000	-	-	-

		Group		Company		
Figures in Namibian Dollars		2021	2020	2021	2020	2019
			Restated *		Restated *	Restated *

40. Fair value information (continued)

Financial assets designated at fair value through profit or loss						
Treasury bills	9	-	82 567 288	-	82 567 288	84 935 310
Bonds	9	11 658 004	18 670 950	11 658 004	18 670 950	18 551 921
Bonds - Credit Guarantee Scheme financial asset	11	63 752 633	-	63 752 633	-	-
Total financial assets designated at fair value through profit or loss		**75 410 637**	**101 238 238**	**75 410 637**	**101 238 238**	**103 487 231**

Financial assets at amortised cost						
Insurance and other receivables	8	9 911 473	10 720 659	9 911 473	10 434 548	9 728 305
Cash and cash equivalents	12	11 201 366	54 011 146	10 664 831	53 125 003	54 521 473
Loan to related party	7	-	-	25 786 101	-	-
Fixed deposits - Credit Guarantee Scheme	11	20 729 223	-	20 729 223	-	-
Fixed deposits	9	135 579 721	175 569 720	135 579 721	175 569 720	162 154 766
Total financial assets at amortised cost		**177 421 783**	**240 301 525**	**202 671 349**	**239 129 271**	**226 404 544**

Liabilities						
Financial assets at amortised cost						
Reinsurance and other payables	17	(35 350 787)	(28 850 242)	(35 350 789)	(28 850 244)	(21 544 475)
Employee benefits	15	(2 199 555)	(2 205 644)	(2 199 555)	(2 205 644)	(2 806 591)
Credit Guarantee Scheme financial liability	21	(50 000 000)	-	(50 000 000	-	-
Total financial liabilities at amortised cost		**(87 550 342)**	**(31 055 886)**	**(87 550 344)**	**(31 055 888)**	**(24 351 066)**
Total		**361 942 762**	**214 914 762**	**365 632 330**	**213 742 508**	**184 130 481**

Notes to the Consolidated and Separate Annual Financial Statements

41. Prior period errors

During the current reporting period, the company was advised by its legal counsel that it did not comply with the provisions of the Namibia National Reinsurance Corporation Act 22 of 1998 (the "Act"). The Act requires that the company cedes a portion of its insurance business to Namibia National Reinsurance Corporation Limited ("NamibRe").

Failure by the group to comply with the Act resulted in an error affecting previous financial periods. The correction of the error resulted in the group being liable to pay reinsurance premiums to the NamibRe and recovery of commission.

The correction of the error results in adjustments as follows:

Statement of Financial Position

	31 March 2020		31 March 2020	1 April 2019		1 April 2019
Group	**Previously reported**	**Adjustment**	**Restated**	**Previously reported**	**Adjustment**	**Restated**
Retained income	(496 863 162)	9 919 826	486 943 336	(475 560 968)	(4 090 016)	471 464 953
Trade and other payables	(18 930 415)	(9 919 826)	(28 850 241)	-	-	-

	31 March 2020		31 March 2020	1 April 2019		1 April 2019
Company	**Previously reported**	**Adjustment**	**Restated**	**Previously reported**	**Adjustment**	**Restated**
Retained income	(496 757 355)	9 919 829	(486 837 526)	(475 560 971)	4 096 018	(471 464 953)
Trade and other payables	(18 930 415)	(9 919 829)	(28 850 244)	(17 448 457)	(4 096 018)	(21 544 475)

Statement of Profit or Loss and Other Comprehensive Income

	31 March 2020		31 March 2020
Group	**Previously reported**	**Adjustment**	**Restated**
Re-insurance premiums	(14 132 447)	(7 765 081)	(21 897 528)
Commission received	1 400 541	1 941 270	3 341 811
Profit for the period	32 718 529	(5 823 811)	26 894 718

	31 March 2020		31 March 2020
Company	**Previously reported**	**Adjustment**	**Restated**
Re-insurance premiums	(14 132 447)	(7 765 081)	(21 897 528)
Commission received	1 400 541	1 941 270	3 341 811
Profit for the period	32 612 720	(5 823 811)	26 788 909

42. Group comparative figures

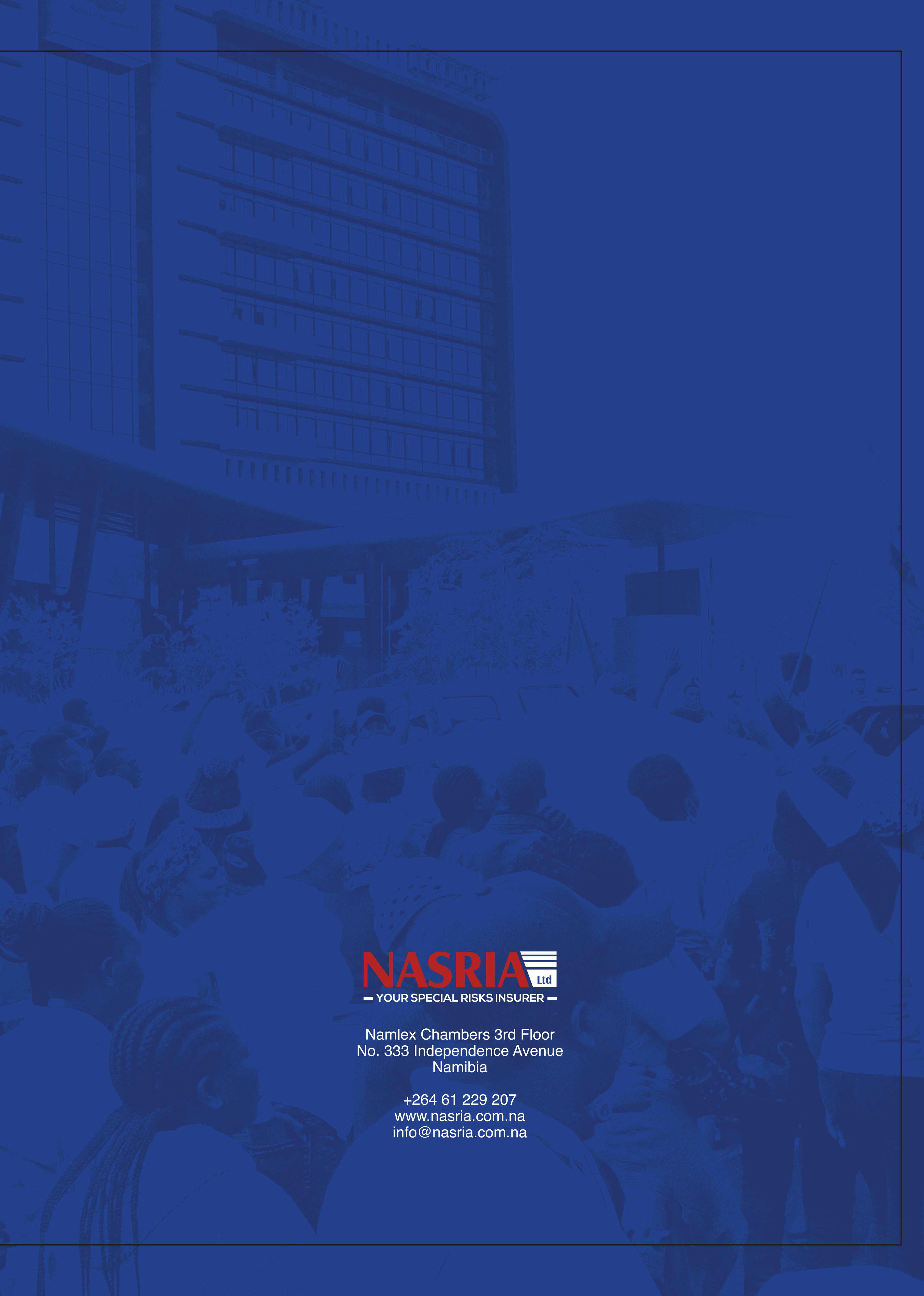
No restated group comparative figures for the financial period ending 31 March 2019 have been presented as financial period ending 31 March 2020 was the first consolidated set of financial statements for the group.

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020
Premiums					
Gross premiums		63 633 084	62 120 648	63 633 084	62 120 648
Re-insurance premiums					
Re-insurance premiums		(22 430 662)	(21 897 528)	(22 430 662)	(21 897 528)
Net premiums written		**41 202 422**	**40 223 120**	**41 202 422**	**40 223 120**
Other operating income					
Commission received		2 850 617	3 341 811	2 850 617	3 341 811
Credit Guarantee Scheme management fees		1 893 000	-	1 893 000	-
Other income		260 733	100 916	260 733	100 916
	24	**5 004 350**	**3 442 727**	**5 004 350**	**3 442 727**
Other operating gains					
Gains on disposal of assets		208 200	-	208 200	-
Movement in credit loss allowances	**26**	(765 086)	(1 255 144)	(1 795 086)	(7 488 024)
Expenses (Refer to page 61)		**(40 685 315)**	**(37 314 426)**	**(39 608 483)**	**(30 963 376)**
Operating profit before net investment income	**26**	**4 964 571**	**5 096 277**	**5 011 403**	**5 214 447**
Investment income	28	24 883 592	29 330 637	24 883 592	29 056 869
Finance costs	29	(2 539)	(30 528)	(2 539)	(30 528)
Fair value gains (losses)		24 443 195	(2 516 878)	24 443 195	(2 516 878)
Profit before taxation		**54 288 819**	**31 879 508**	**54 335 651**	**31 723 910**
Taxation	32	(10 126 925)	(4 984 791)	(10 126 925)	(4 934 999)
Total comprehensive income for the year		**44 161 894**	**26 894 717**	**44 208 726**	**26 788 911**

Notes to the Consolidated and Separate Annual Financial Statements

		Group		Company	
Figures in Namibian Dollars	Note(s)	2021	2020	2021	2020
Expenses					
Accounting fees		(64 665)	(281 161)	(58 846)	(215 819)
Advertising		(1 141 007)	(1 239 162)	(1 141 007)	(1 239 162)
Audit fees	26	(723 651)	(325 168)	(723 651)	(325 168)
Bank charges		(164 021)	(86 939)	(159 930)	(83 499)
Credit Guarantee Scheme DBN management fees		(1 545 833)	-	(1 545 833)	-
Claims paid		(5 074 090)	-	(5 074 090)	-
Commission expense		(12 347 446)	(8 242 229)	(12 347 446)	(8 242 229)
Computer expenses		(765 499)	(685 513)	(765 499)	(685 513)
Consulting fees		(194 695)	(1 212 060)	(194 695)	(1 212 060)
Depreciation		(447 926)	(558 683)	(447 926)	(558 683)
Employee costs		(13 419 911)	(11 539 165)	(13 419 911)	(11 539 165)
Entertainment		(28 136)	(21 630)	(28 136)	(21 630)
Impairment		(1 030 000)	(6 232 880)	-	-
Insurance		(132 212)	(69 648)	(132 212)	(69 648)
Legal fees		(41 120)	-	(41 120)	-
Management fees		(514 733)	(876 482)	(514 733)	(876 482)
Membership fees		(97 263)	(248 564)	(97 263)	(248 564)
Motor vehicle expenses		(86 553)	(196 670)	(86 553)	(196 670)
Municipal expenses		(37 389)	(38 216)	(12 468)	(28 828)
Credit Guarantee Scheme costs		(1 893 000)	-	(1 893 000)	-
New product development		(111 475)	(199 402)	(111 475)	(199 402)
Office expenses		(91 747)	(71 683)	(91 747)	(71 683)
Transfer to deferred acquisition costs		(169 786)	-	(169 786)	-
Penalties and fines		(14 000)	(1 000)	(14 000)	(1 000)
Personnel expenses		(3 697)	(48 683)	(3 697)	(48 683)
Postage		(375)	(761)	(375)	(761)
Printing and stationery		(109 124)	(203 816)	(109 124)	(203 816)
Rent and levies		(334 981)	(276 602)	(334 981)	(276 602)
Repairs and maintenance		(64 926)	(1 126)	(64 926)	(1 126)
Secretarial fees		(73 764)	(24 826)	(70 459)	(14 826)
Security		(14 664)	(36 423)	(5 968)	(6 423)
Social upliftment		(170 847)	(411 795)	(170 847)	(411 795)
Staff welfare		(31 684)	(76 154)	(31 684)	(76 154)
Stamp duty		(292 558)	(269 962)	(292 558)	(269 962)
Subscriptions		(10 850)	(11 581)	(10 850)	(11 581)
Telephone and fax		(294 398)	(228 119)	(294 398)	(228 119)
Change in unearned premium reserve		852 711	(2 781 109)	852 711	(2 781 109)
Travel - foreign		-	(684 820)	-	(684 820)
Travel - local		-	(132 394)	-	(132 394)
		(40 685 315)	**(37 314 426)**	**(39 608 483)**	**(30 963 376)**



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