



**NASRIA**  
YOUR SPECIAL RISK INSURER

● **ANNUAL REPORT**  
**2023-2024**

LIST OF ACRONYMS AND ABBREVIATIONS

|         |                                                      |
|---------|------------------------------------------------------|
| AA      | Affirmative Action                                   |
| FY      | Financial Year                                       |
| HCM     | Human Capital Management                             |
| IAR     | Integrated Annual Report                             |
| ICT     | Information and Communication Technologies           |
| IT      | Information Technology                               |
| N\$     | Namibia Dollar                                       |
| MD      | Managing Director                                    |
| ROI     | Return on Investment                                 |
| WIBLI   | Weather Index Based Livestock Insurance              |
| NAIS    | Namibia Agricultural Insurance Scheme                |
| PEGA    | Public Enterprise Governance Act                     |
| IFRS    | International Financial Reporting Standards          |
| IIRC    | International Integrated Reporting Council's         |
| IR      | International Integrated Reporting Framework         |
| NamCode | Corporate Governance Code for Namibia                |
| NAMFISA | Namibia Financial Institutions Supervisory Authority |

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# Embracing Change: A New Strategic Horizon

In the 2024 Financial Year, Namibia Special Risks Insurance Limited (NASRIA) stood at the forefront of transformation, driven by our recent rebranding and a renewed strategic thrust. It is for this reason the 2023 - 2024 integrated annual report encapsulates our commitment to innovation, resilience, and sustainable growth in an ever-evolving special risks insurance landscape. With a new and refreshed brand, the report showcases our dedication to providing exceptional service and a tailored solutions approach in creating value for our sole shareholder, the Government of the Republic of Namibia. This report also showcases how our strategic initiatives in 2024 were designed to bolster our financial resilience, ensuring that we remain robust in the face of market fluctuations.



## 1.1 About this report

### SCOPE & BOUNDARY

This Integrated Annual Report (IAR) covers NASRIA's performance for the Financial Year ended 31 March 2024 (FY2024). Any material events which occurred between the year-end and the report's approval are included to provide a forward-looking narrative.

The IAR aims to provide our stakeholders with a holistic view of NASRIA's value-creation drivers, our strategy, governance and performance. It also outlines the organisation's outlook for the Financial Year ending 31 March 2025 (FY2025) and beyond.

### REPORTING GUIDELINES

The reporting process has been guided by the principles and requirements contained in International Financial Reporting Standards (IFRS), the International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework (IR), and the Corporate Governance Code for Namibia (NamCode).

### DISCLAIMER

This report contains forward-looking statements that relate to NASRIA's future operations and performance. Such statements are not intended to be interpreted as guarantees of future performance, achievements, financial or other results. They rely on future circumstances, some of which are beyond

management's control, and the outcomes implied by these statements could potentially be materially different from future results.

No assurance can be given that forward-looking statements will be accurate thus, undue reliance should not be placed on such statements. NASRIA does not undertake any obligations to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of this report or to reflect the occurrence of unanticipated events.

### APPROVAL AND ASSURANCE

The Board acknowledges its responsibility to ensure the integrity of the Integrated Annual Report and believes it provides stakeholders with an accurate and balanced view of the NASRIA's strategy, past performance, and future prospects, and addresses the material issues faced by the organisation.

The Annual Financial Statements were audited by PWC and approved by the Board on 4 September 2024.

(In compliance with corporate governance the Annual Financial Statement was signed by both the Board Chairperson and the Managing Director)

# 1.2 ABOUT NASRIA

## Who we are

The Namibia Special Risk Insurance Association Limited (NASRIA LTD) 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 instilling 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

- 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.

## Vision

Our vision is “To be the leading special risk insurer”.

## Mission

Our mission is “To provide relevant and innovative insurance solutions for special risks”.

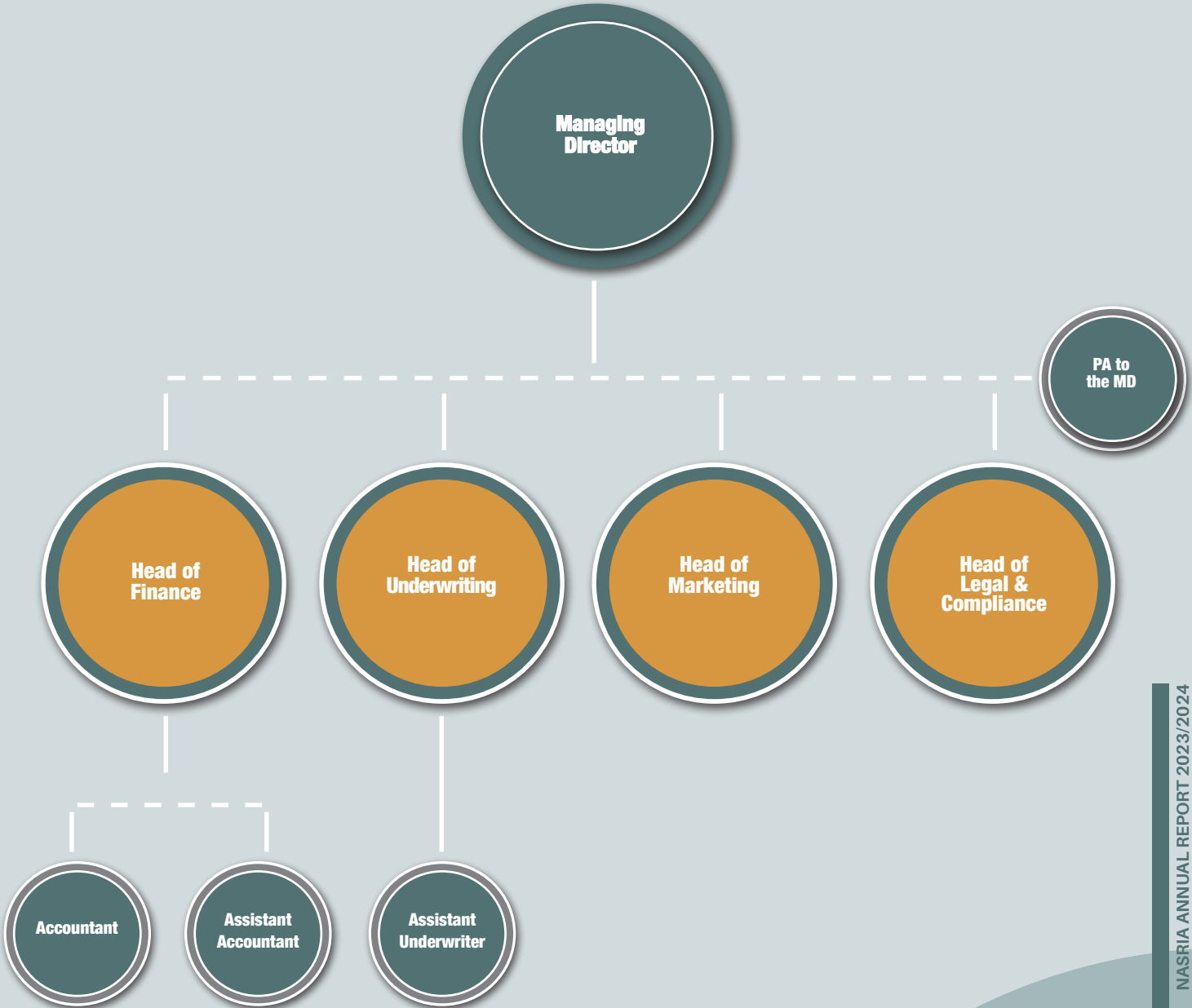
## Values

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.

## Our values are:

| Core Values      | Descriptors                                                                                                                                  |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Service          | We are unwavering in our quest to deliver exceptional service to our clients and Namibia at large.                                           |
| Professionalism  | We are in pursuit of excellence in our professions and therefore is on a quest of life-long learning and growth to deliver unrivalled value. |
| Ethical Business | We are always honest and ethical in everything we do.                                                                                        |
| Caring           | We care about the wellbeing of all our stakeholders and shall therefore be sensitive to their needs.                                         |
| 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.         |
| Accountability   | We accept the consequences of our decisions and actions.                                                                                     |
| Leadership       | We inspire trust by coaching, mentoring and living up wo our values.                                                                         |

# 1.3 CORPORATE STRUCTURE



1.4 OUR CORE BUSINESS

PVT

Our flagship product, Political Violence and Terrorism, has been carrying NASRIA for decades, and we continue to communicate the importance of having special risk insurance that is always unforeseen as Namibians are getting to know their rights and exercising them through marching in the streets, during the election period and challenging of the election results, and labour strikes that could lead to damage to properties and business interruption.

The Credit Guarantee Scheme

The Credit Guarantee Scheme (CGS) was elevated by seeing all financial institutions (FI's) come on board to provide loans to SME, youth, and women who lack sufficient collateral, whereby NASRIA provides 60% of the collateral. FI's like First National Bank, Standard Bank, NEDBANK, and Bellatrix are on board to provide CGS loans. SME's, youth, and women in business and/

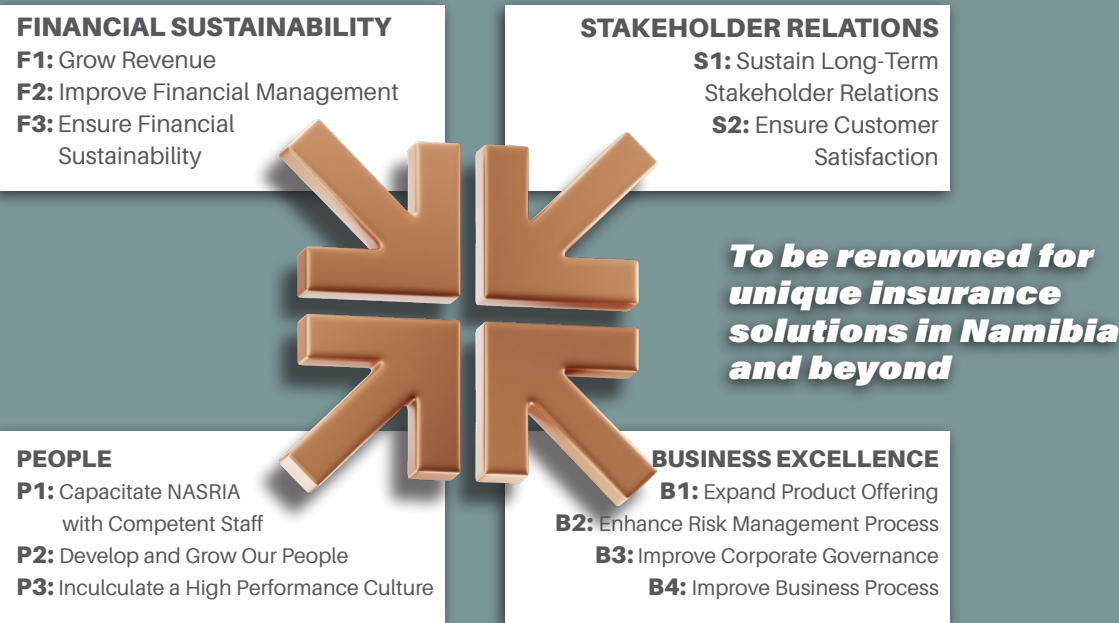
or with business ideas, however lacking collateral, are urged to contact these institutions directly to access the CGS loan. NASRIA continues to cement relationships as we seek to onboard more micro-lenders and FI's to make sure that the distribution channel for the CGS grows and reaches the target market in the different regions of Namibia.

Namibia Agriculture Insurance Scheme

As an umbrella product, the Namibia Agriculture Insurance Scheme (NAIS) saw NASRIA develop two products, namely the Weather Index Based Livestock Insurance (WIBLI) and the Human Wildlife Conflict Insurance solutions, which are market-ready for launching and implementation once fundings are secured. The product line will expand to crop insurance after the successful implementation of WIBLI and availability of funding thereof.

NASRIA STRATEGIC THRUST

In the reporting period, NASRIA focuses 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:



1.5 EXTENDED BUSINESS

MODEL CANVAS

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%      | 6%      | 9%      | 10%     | 10%     |
|                            | F2 | Improved Financial Management            | % Decrease in Budget Variance                        | 35%                            | 10%     | 10%     | 10%     | 10%     | 10%     |
|                            | F1 | Grow Revenue                             | % Revenue Growth (Growth in Gross Written Premiums)  | 5%                             | 8%      | 12%     | 16%     | 20%     | 24%     |
| STAKEHOLDER VALUE CREATION | S1 | Sustain Long-Term Stakeholders Relations | % Stakeholders' Satisfaction                         | New                            | 50%     | 60%     | 70%     | 80%     | 85%     |
|                            |    |                                          | % Achievement of Annual Stakeholders Engagement Plan | New                            | 80%     | 80%     | 80%     | 80%     | 80%     |
|                            | S2 | Ensure Customer satisfaction             | % Customer Satisfaction Index                        | New                            | 70%     | 75%     | 80%     | 85%     | 90%     |
| BUSINESS EXCELLENCE        | B1 | Expand Product Offering                  | Number of Products                                   | 1                              | 2       | 0       | 0       | 0       | 1       |
|                            | B2 | Enhance Risk Management Process          | % 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 Process                 | % Policies Aproved                                   | 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 | Inculcate a High Performance Culture     | % Employee Engagement                                | New                            | 30%     | N/A     | 70%     | N/A     | 80%     |
|                            |    |                                          | % Staff Achieving and Exceeding Performance Targets  | New                            | 70%     | 80%     | 90%     | 90%     | 90%     |



# 1.6 OUR SIX CAPITALS

| CAPITALS                        | OUTCOMES                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial capital               | <ul style="list-style-type: none"><li>• Total Assets increased from N\$841 million in 2023 to N\$869 million in 2024</li><li>• Reserves increased from N\$709 million to N\$802 million</li><li>• Revenue increased by 6% from N\$79 million in 2023 to N\$84 million in 2024</li><li>• Investment income of N\$83 million was achieved which is the first time in the history of NASRIA</li><li>• Audited profit after tax stands at N\$103 million.</li></ul> |
| Intellectual capital            | <ul style="list-style-type: none"><li>• Regulatory non-compliance with NAMFISA settled.</li><li>• Memorandum of Understanding/Cooperation signed - Environmental Investment Fund and the Development Bank of Namibia.</li><li>• NASRIA introduced its new brand identity</li><li>• Proactive Stakeholder management</li></ul>                                                                                                                                   |
| Human capital                   | <ul style="list-style-type: none"><li>• NASRIA initiated a Performance Management System, with the objective of establishing a well-structured performance framework.</li><li>• Stabilized the institution by Appointment of Managing Director.</li><li>• Introduction of an Internal Audit Function (outsourced).</li></ul>                                                                                                                                    |
| Manufactured capital            | <ul style="list-style-type: none"><li>• Set to leverage cloud technologies, including a state-of-the-art Customer Relationship Management (CRM) system, to streamline our service delivery processes.</li></ul>                                                                                                                                                                                                                                                 |
| Social and relationship capital | <ul style="list-style-type: none"><li>• NASRIA allocated a total of N\$420,000 towards various sponsorship requests from schools and community projects, demonstrating our unwavering support for education and development.</li></ul>                                                                                                                                                                                                                          |
| Natural capital                 | <ul style="list-style-type: none"><li>• In our ongoing efforts to enhance energy efficiency, NASRIA is transitioning from desktop computers to laptops.</li></ul>                                                                                                                                                                                                                                                                                               |

# 1.7 2024 KEY HIGHLIGHTS

01

Total Assets increased from N\$841 million in 2023 to N\$869 million in 2024

02

Reserves increased from N\$709 million to N\$802 million

03

Total Liabilities declined by 48% from N\$129 million in 2023 to N\$67 million in 2024

04

Revenue increased by 6% from N\$79 million in 2023 to N\$84 million in 2024

05

Net expenses from reinsurance contracts decreased significantly

- Investment income of N\$83 million was achieved which is the first time in the history of NASRIA
- Audited profit after tax stands at N\$103 million.





## 2 BOARD CHAIRPERSON'S REPORT

### OVERVIEW

As the steward of corporate governance and strategic oversight, the Chairperson of NASRIA's Board of Directors plays a pivotal role in ensuring the organization's mandate is effectively executed. By providing leadership to the Board, the Chairperson fosters sound decision-making, policy direction, and accountability, ensuring NASRIA remains resilient and responsive to Namibia's evolving risk landscape. The Chairperson's report in this Annual Report for the financial year 2024 highlights key governance achievements, strategic initiatives, and the Board's role in guiding NASRIA's long-term sustainability.





# BOARD CHAIRPERSON'S REPORT

## Dear Stakeholders,

I am pleased to present the Integrated Annual Report for the Namibia Special Risks Insurance Association (NASRIA) for the year 2024. This period has been characterized by significant achievements and strategic advancements that have strengthened our organization. We have addressed challenges effectively and emerged as a more robust, efficient, and financially sound entity.

The past year was marked by the appointment of our new Managing Director, Mr. John Uusiku, whose leadership has guided our strategic direction. Under his stewardship, NASRIA achieved notable financial success. The company's total assets increased to N\$869 million, and our net profit exceeded N\$100 million for the first time in NASRIA's history. These results were achieved through our dedicated efforts and were supported by the stability of our core Political Violence and Terrorism (PVT) insurance product, within Namibia's peaceful environment.

In addition to these financial results, we have made considerable progress in operational effectiveness and governance:

**Operational Excellence:** Key areas of concern have been identified and are being systematically

addressed. The positive results achieved by NASRIA are indicative of these improvements.

**Compliance:** NASRIA is one of the few Public Enterprises in full compliance with the Public Enterprises Governance Act (PEGA). We also successfully resolved historical compliance issues with the Namibia Financial Institutions Supervisory Authority (NAMFISA), which has resulted in the cessation of penalty payments and underscores our commitment to regulatory integrity. Our internal controls have been enhanced through the establishment of an outsourced Internal Audit Function and the refinement of our Delegations of Authority.

**Sustainable Investments:** NASRIA has undertaken a restructuring of its investment portfolio, which included finalizing a revised Investment Policy and appointing six new Investment Managers to oversee sustainable investment growth. This initiative involved an allocation of approximately N\$50 million to smaller investment managers for incubation, reflecting our commitment to fostering local investment initiatives.

**Strengthened Corporate Governance:** Corporate governance has been significantly improved through the implementation of several policies, particularly those relating to risk management and human resources. To ensure accountability and transparency in our decision-making processes, we have updated our Delegations of Financial and Underwriting Authorities. Furthermore, to enhance our supervision and compliance capabilities, an outsourced internal

audit function has been established.

Looking ahead, NASRIA remains focused on delivering exceptional insurance services and contributing to the socioeconomic development of Namibia. Our strategy going forward will encompass several key initiatives. We will explore geographic diversification for our core Political Violence and Terrorism (PVT) product. Furthermore, we will continue to pursue significant growth opportunities through product diversification, moving beyond our current PVT focus to strategically develop innovative solutions, such as parametric insurance for agriculture and other vital sectors where conventional insurers may have limited involvement. A crucial element of our future strategy will also be to seek closer cooperation with the Government, with the objective of potentially acting as a captive insurer for government assets and services. Through these focused efforts, NASRIA is committed to enhancing its service delivery and impact.

I extend my sincere appreciation to my fellow Board members, our management team and staff, and all our valued stakeholders. Your continued support is essential to our objectives. We look forward to continuing our collective efforts towards a resilient future for NASRIA and for Namibia.

Respectfully,

**Adrianus Vugs**  
Board Chairperson





## 3 CORPORATE GOVERNANCE

### OVERVIEW

Corporate governance is the foundation of NASRIA's commitment to transparency, accountability, and sustainable value creation. As a state-owned enterprise entrusted with managing special risk insurance, NASRIA upholds the highest standards of governance to ensure compliance, ethical leadership, and effective risk management. This section of the Integrated Annual Report for the financial year 2024 outlines NASRIA's governance framework, regulatory context, and Board oversight mechanisms. It provides insights into the composition and responsibilities of the Board of Directors. Strong corporate governance reinforces NASRIA's ability to fulfil its mandate while safeguarding the interests of stakeholders and contributing to Namibia's economic resilience.

# CORPORATE GOVERNANCE

NASRIA is a Tier 1-ranked state-owned commercial enterprise. The Government of the Republic of Namibia through the Namibia Special Risks Insurance Association Act, Act 5 of 2017 (NASRIA Act) established NASRIA with the mandate of inter alia carrying on short-term insurance business relating to special risks and to promote the development and participation of Namibian people in the short-term insurance industry (section 6 of the NASRIA Act).

## Regulatory context

NASRIA is a registered short-term insurance company and is therefore regulated by the Namibia Financial Institutions Supervisory Authority (NAMFISA). NASRIA is subject to the following principal pieces of legislation:

- Namibia Special Risks Insurance Association Act, Act 5 of 2017 (NASRIA Act)
- The Short-Term Insurance Act, Act 4 of 1998
- The Namibia Financial Institutions Authority Act, Act 3 of 2001
- The Public Enterprises Governance Act, Act 1 of 2019
- The Public Procurement Act, Act 15 of 2015
- The Companies Act, Act 28 of 2004.

## Governance Framework

By virtue of being of a commercial public enterprise, NASRIA reports to the Minister of Finance and Public

Enterprises. The NASRIA Board is responsible for the strategic direction of the company.

## The Board of Directors:

### The Board consists of:

- Mr. Adrianus Vugs – Board Chairperson;
- Mrs. Helena H. Kapenda – Board Deputy Chairperson;
- Mr. Ferdinand Otto – Board Member;
- Mrs. Chrishilde Loubser – Board Member; and
- Mr. Paavo Amunjela - Board Member.

## Directors’ Fees

Remuneration takes place according to the Public Enterprise Directive on Board remuneration.

## Board Committees:

In terms of section 16(1) of the NASRIA Act, the Board can establish committees, consisting of Board members for the purpose of advising the Board of its powers and the performance of its functions and performing any function that the Board may delegate to the Committee.

### The NASRIA Board Committees include, the:

- Audit & Risk Committee
- Human Resources & Administration Committee
- Insurance & Reinsurance Committee
- Investments Committee
- Claims Committee

## Board Committee Responsibilities

**Audit and Risk Committee:** The Committee is tasked with providing guidance to the appropriateness of accounting policies, annual financial statements, annual report, the risk management framework and the risk management culture of the institution. In addition, the Committee is also tasked with reviewing the adequacy of the internal control systems, including information technology, security and control.

**Human Resources & Administration Committee:** The Committee deals with all human resources and administrative compliance and best practices matters.

**Investments Committee:** The Committee assists the Board in overseeing investment strategies and procedures.

**Claims Committee:** The purpose of the Committee is to help ensure effective claims management. In addition the Committee is tasked with considering claims that are above a certain threshold, reviewing and assessing claims strategic plans and make timely recommendations to the board on major claims solicitation decisions and their value.

**Insurance and Re-insurance Committee:** The purpose of the Committee is to oversee the company’s underwriting and re-insurance policies and guidelines.

## The Membership of the Committees consists of:

### The Audit & Risk Committee is comprised of:

- Ms. Chrishilde Loubser (Chairperson),
- Mr. Ferdinand Otto and,
- Mr. Paavo Amunjela.

### The Investments Committee is comprised of:

- Mr. Paavo Amunjela (Chairperson),
- Ms. Chrishilde Loubser and,
- Mr. Adrianus Vugs.

### The Human Resources & Administration Committee is comprised of:

- Mrs. Helena Kapenda (Chairperson),
- Mr. Adrianus Vugs and,
- Mr. Paavo Amunjela

### The Insurance & Reinsurance Committee is comprised of:

- Mr. Ferdinand Otto (Chairperson),
- Mrs. Helena Kapenda and,
- Mr. Adrianus Vugs.

### The Claims Committee is comprised of:

- Mr. Ferdinand Otto (Chairperson),
- Mr. Paavo Amunjela and,
- Mr. Adrianus Vugs.

Board and Committee Meeting Attendance  
Attached hereto and marked as “Annexure A”.



## 3.1 PROFILES: BOARD of DIRECTORS

### Mr. Adrianus Vugs

Mr Vugs is an international consultant who has public and private sector experience spanning Europe, Africa and Asia. Currently, he works as a consultant for the World Bank, Central Banks and Government Agencies and typically advises on financial sector regulation, supervision and setting up various pension and insurance schemes. Prior to consulting, Mr Vugs served as an executive at NAMFISA, the non-bank financial sector regulator in Namibia. He has also worked as a pricing actuary for Swiss Re Life and Health in the Netherlands and as an actuarial consultant for Alexander Forbes Financial Services in Namibia. He holds a BSc in Actuarial Science from the London School of Economics, an MBA from the University of Cape Town and is a fellow of the Institute of Actuaries in the UK.

### Ms Helena H. Kapenda

Ms. Kapenda is a versatile Human Resource expert who has more than 20 years of experience in the field of Human Resources Management. She current serves as a Human Resource Manager in the public sector and has been a NASRIA board member since 2017. She also boasts of procurement experience having served as secretary to Tender Board of Namibia as well as the Central Procurement Board of Namibia (CPBN). Ms. Kapenda holds a Bachelor of Administration Degree from University of the North-West (RSA) and a Masters Degree in Business Administration from MANCOSA.

### Mr. Ferdinand Otto

Mr. Otto is a highly experienced insurance sector practitioner with over 43 years of experience. Since 1978, Mr Otto has served in various capacities in the insurance sector including being the Chief Executive Officer of Insurance Company of Namibia limited (Inscon). He has also served on the Steering Committee for the formation of Namibia Re-insurance Corporation (Namib-Re) and is also the chairperson of the steering committee of Namibia Financial Sector Strategy Credit Guarantee Scheme. Mr Otto has undertaken the new manager's programme and the programme for management development both at the Graduate School of Business at the University of Cape Town as well as the advanced project management programme at the Cranfield School of Management in England.

### Mr. Paavo Amunjela

Mr Amunjela is a seasoned public servant with training experience spanning over 18 years in the tax space. He is conversant with the general public service rules and policies through diverse responsibilities held and some he continues to hold. Furthermore, Mr Amunjela has extensive experience and exposure in the fields of auditing, strategy, policy development, project management and organizational development, labour and employee relations. Among other qualifications, he holds a Masters of Business Administration (MBA) degree from the Management College of Southern Africa.



### Ms. Chrishilde Loubser

Ms Loubser is seasoned and professional Accountant with experience spanning more than 25 years. In her experience, she has served in all aspects of operational finance in the diamond mining industry having held key roles at Namibia's diamond flagship company, Namdeb. She also has extensive experience and expertise in VAT and import VAT legislation pertaining to Namibia and South Africa. She holds a B.Com Financial Accounting degree from the University of Stellenbosch, B.Com Honours from the University of South Africa as well as a CIMA Professional Qualification.





## 4 MANAGING DIRECTOR'S REPORT

### OVERVIEW

As the leader of NASRIA, the Managing Director plays a critical role in driving the organisation's strategic direction and ensuring its mandate is effectively fulfilled. Tasked with overseeing operations, financial performance, and risk management, the Managing Director steers NASRIA towards sustainable growth while maintaining alignment with best insurance practices. His report in this Annual Report for the financial year 2024 provides key insights into NASRIA's achievements, challenges, and future outlook, reinforcing its commitment to protecting Namibian assets against extraordinary risks.





# MANAGING DIRECTOR'S REPORT

Dear Stakeholders,

As I present the CEO's statement for NASRIA's 2024 Integrated Annual Report, I am filled with pride reflecting on a year of significant progress and achievements. This year has been pivotal in our journey, characterized by strategic advancements that have strengthened our solid foundation and enhanced our capacity to serve the Namibian community.

## Our Financial Performance

The fiscal year 2024 financial performance of NASRIA is evidence of our dedication to prudent financial management, strategic expansion, and the production of value proposition for our stakeholders. As we adapt to the ever-changing insurance market, our commitment to honesty and openness in handling company funds will not waver.

In the reporting period, the total assets increased significantly, from N\$841 million to N\$869 million. Financial assets growth was the primary driver of this expansion, demonstrating the success of our investment strategies and prudent assets management. The company's reserves likewise increased significantly, from N\$709 million to N\$802 million, all at the same time. Our financial stability and resilience were reinforced by the increased profit earned over the period under review, which is the reason for this rise.

From N\$129 million in 2023 to N\$67 million in 2024, a reduction of 48%, of the total liabilities on the other hand, saw a considerable decrease. We are committed to maintaining a healthy balance sheet and returning value to our customers and stakeholders, and this reduction is a result of our effective settlement of the reinsurance liabilities and dividend payment to our shareholder.

The insurance revenue for NASRIA showed signs of improvement, rising by 6% from N\$79 million in 2023 to N\$84 million in 2024. Our efforts to increase our market presence and improve our service offerings were rewarded with this growth, which was mostly driven by renewals and new business. In addition, the settlement of NAMIBRE reinsurance, which was N\$22 million in June 2023, greatly reduced net expenses from reinsurance contracts.

Achieving investment income totaling N\$83 million is a great feature of this reporting period. This is a watershed moment for NASRIA, as our investment income has finally caught up to our insurance revenue for the first time ever. Furthermore, the net profit surpassed N\$100 million for the first time in our history, with the exact audited profit after taxes coming in at N\$103 million. Our strong operational performance and strategy emphasis on sustainable long-term growth and profitability are both reflected in this year's sterling achievement.

## Operational Excellence

Collaboration has been a key focus for NASRIA this year, exemplified by the signing of Memoranda of Understanding with the Environmental Investment Fund and the Development Bank of Namibia. These partnership agreements are designed to enhance our

ability to support sustainable development initiatives across the country.

In line with our strategic vision, NASRIA underwent a corporate rebranding, transitioning from our original image to a vibrant new brand that reflects our readiness to navigate future competitive market challenges. This rebranding effort is aimed at solidifying our position in the industry and enhancing our visibility among stakeholders. Beyond this, we allocated a total of N\$420,000.00 towards various sponsorship requests from educational institutions (schools) and community-based projects, demonstrating our unwavering support for the communities in which we operate in.

## Gratitude

I would like to take this opportunity to express my heartfelt gratitude to our Board, fellow Executive Management team, dedicated Staff, and all Stakeholders for their unwavering support throughout the 2024 financial year. Your commitment and collaboration have been instrumental in driving our success and achieving our strategic objectives. Together, we have built a resilient organization poised for future growth.

As we look to the future, NASRIA is committed to navigating the evolving landscape of the insurance sector while remaining focused on our mission. We will continue to innovate and adapt, ensuring that we meet the needs of our clients and stakeholders effectively.

JOHN UUSIKU  
MANAGING DIRECTOR

## 4.1 EXECUTIVE TEAM



**Mr. John Uusiku**

Mr. Uusiku is a seasoned senior executive with over twenty-six (27) years management experience and financial sector expertise specialising in insurance. He has strong technical skills in insurance and financial fields coupled with a proactive approach to identifying and implementing improvements in business processes. His role does not only require understanding the technical aspects deeply but also continuously seeking ways to streamline operations, enhance efficiency, and optimise outcomes of our strategic plan. Mr. Uusiku holds a Master's Degree - International Business, a Post-Graduate Diploma in Business Management, a Diploma in Nurse Science and a variety of specialist insurance qualifications.



**Ms. Ndapona Schleberger**

Ms. Schleberger is THE 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.



**Ms. Anna Basson**

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 insurance and administration, her contribution to the development and success of NASRIA cannot be overstated.



**Ms. Elsabé Engelbrecht**

Ms. Engelbrecht is our Head of Underwriting Department who has been part of NASRIA for 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 the effectiveness and efficiency of the company.



**Ms. Tatenda Nyamutamba**

Ms. Nyamutamba is the 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.



**Mr. Hitjiua Tjiho**

Mr. Tjiho has 12 years of experience in the insurance, regulatory and supervisory sectors. Mr. Tjiho holds a Bachelor of Laws (Honours) degree, a Postgraduate Diploma in Compliance, Certificate in Board Governance; Certificate in Risk Management, Certificate in Money Laundering Control, a Management Development Programme certification and is currently completing a Master of Laws in International Economic Law. He is furthermore an admitted legal practitioner of the High Court of Namibia and a member of the Law Society of Namibia and the Compliance Institute of Southern Africa.





## 5 INTERNAL AUDIT & RISK MANAGEMENT

### OVERVIEW

Effective internal audit and risk management are essential pillars of NASRIA's operational resilience and financial sustainability. As a provider of special risk insurance, NASRIA operates in a dynamic and often unpredictable environment, making robust risk identification, assessment, and mitigation critical to fulfilling its mandate. This section of the Integrated Annual Report for the financial year 2024 highlights NASRIA's approach to managing material risks, underwriting practices, and policy administration. By maintaining a strong risk management framework, NASRIA enhances its ability to provide reliable insurance solutions while upholding the highest standards of accountability and governance.



# INTERNAL AUDIT & RISK MANAGEMENT

## Addressing Material Risks For Growth

Our risk management philosophy is based on a clear understanding of first line risk ownership, a mature risk culture and effective risk oversight to create a clear and comprehensive view of the risk landscape in the business. This enables us to proactively assess risks and opportunities and respond effectively; influence stakeholders; initiate risk management and strategic interventions; and further mature the organisational risk culture. We also focus on improving operational resilience through a range of proactive initiatives to deal with a higher frequency of unforeseen risk events.

## Strengthening Financial Performance in a New Dawn

NASRIA takes great pride in maintaining its Audited Financial Statements up to date, achieving clean Audit Opinions since its inception. This commitment to transparency and accountability underscores our dedication to sound financial management and governance. For the financial year ending 31 March 2024, NASRIA prepared its first set of financial statements in accordance with the new International Financial Reporting Standard (IFRS 17) Insurance Contracts. This transition reflects our proactive approach to aligning with global best practices in financial reporting, ensuring clarity and consistency in our financial disclosures.

## Our 2024 Financial Performance

Total assets experienced a notable increase, rising from N\$841 million in 2023 to N\$869 million in 2024.

This growth was primarily driven by an increase in financial assets, highlighting our strategic investment initiatives and effective asset management. Concurrently, the company's reserves also saw a substantial increase, growing from N\$709 million to N\$802 million. This rise is attributed to the increased profit earned during the year, reinforcing our financial stability and resilience.

In contrast, total liabilities experienced a significant decline, decreasing by 48% from N\$129 million in 2023 to N\$67 million in 2024. This reduction can be attributed to the successful settlement of reinsurance liabilities and the payment of dividends to our shareholder, reflecting our commitment to maintaining a strong balance sheet and returning value to our stakeholders.

NASRIA's insurance revenue also demonstrated positive growth, increasing by 6% from N\$79 million in 2023 to N\$84 million in 2024. This growth was primarily driven by renewals and new business, indicating our successful efforts in expanding our market presence and enhancing our service offerings. Furthermore, net expenses from reinsurance contracts decreased significantly due to the settlement of NAMIBRE reinsurance, which amounted to N\$22 million in June 2023.

A remarkable highlight of this reporting period is the achievement of investment income totaling N\$83 million. This marks a historic milestone for NASRIA, as it is the first time that our investment income has equaled our insurance revenue. Additionally, for the first time in our history, net profit exceeded N\$100

million, with the actual audited profit after tax standing at N\$103 million. This accomplishment not only reflects our robust operational performance but also our strategic focus on sustainable growth and profitability.

In summary, NASRIA's financial performance for the fiscal year 2024 demonstrates our commitment to sound financial practices, strategic growth, and value creation for our stakeholders. We remain dedicated to upholding the highest standards of financial integrity and transparency as we continue to navigate the evolving landscape of the insurance industry.

With regards with the Credit Guarantee

Total assets experienced a notable increase from 2023 to 2024

**N\$ 841m to N\$ 869m**

liabilities experienced a significant decline

**48% Decline**

revenue demonstrated positive growth from 2023 to 2024

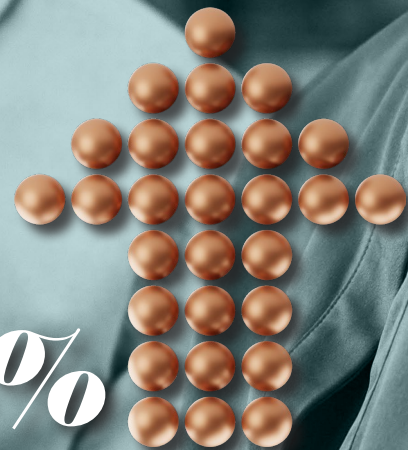
**N\$ 79m to N\$ 84m**







**6.3%  
Increase  
Gross Written Premiums (GWP)**



## 6 UNDERWRITING & POLICY ADMINISTRATION

### Underwriting Performance

In view of our flagship product PVT, Gross Written Premiums (GWP) increased year-over-year, indicating that the department did rather well throughout the reporting year. During the reporting period, GWP increased by 6.3%, or N\$84,280,944, compared to the 2022/3 fiscal year, which was N\$79,274,179. However, this increase was lower than the budgeted 11%, or N\$88,000,000.

Renewals of current clients accounted for 72 percent of premiums written for the reviewed year (N\$60,726,164), making them the primary driver of the GWP. Commercial policies accounted for 85% of the renewals, while personal policies accounted for 15%.

Notably, cancellations reached a low of only 0.95 percent over the reporting period. New business accounted for three percent of the overall Gross Written Premium during the evaluation period. Key GWP contributors for the reporting period were the Commercial Risks class (49.26%), the Domestic Risks class (23.52%), and the Business Interruption class (11.85%).

### Underwriting & Policy Administration

In order to help the organisation reach its goals and objectives, the Underwriting & Policy Administration department works to strategically lead and direct the business' core operational function, related risks, and inherent operations of underwriting and policy administration. This includes developing and maintaining existing business models. The department strives to maintain strong relationships with both internal and external stakeholders while delivering the highest quality services through the implementation of a Customer Service Charter.

The top five Intermediaries for the Political, Violence and Terrorism (PVT) cover recorded for the period under review are:

- *Marsh Namibia (Pty) Ltd;*
- *Minet Namibia Insurance Brokers (Pty) Ltd;*
- *Hollard Insurance Company of Namibia Ltd;*
- *National Insurance Brokers;*
- *Standard Insurance Brokers (Pty) Ltd.*



# 7 COLLABORATIONS

Scheme (CGS), it is pleasing to report that the scheme, in which four Lending Institutions (Bellatrix SME Finance, First National Bank Namibia, Nedbank Namibia and Standard Bank) are participating recorded GWP of N\$244,115 for the period under review. The amount of CGS cover utilized for the period are as follows:

|                                      |                       |
|--------------------------------------|-----------------------|
| ■ <i>First National Bank Namibia</i> | <i>N\$ 18,199,944</i> |
| ■ <i>Nedbank Namibia</i>             | <i>N\$ 7,174,035</i>  |
| ■ <i>Bellatrix SME Finance</i>       | <i>N\$ 5,879,848</i>  |
| ■ <i>Standard Bank Namibia</i>       | <i>N\$ 3,794,630</i>  |

## Strategic Initiatives

During the period under review, we focused on several key initiatives. These included engaging with stakeholders, creating and implementing a customer service charter, establishing a charter for the insurance and reinsurance board committee, and automating underwriting processes to better serve the intermediaries.

## Future Outlook

In an effort to streamline and enhance underwriting procedures, the department is always exploring new technological avenues to pursue. We are committed to enhancing our underwriting procedures through ongoing investment in modern digital technologies. Operations can be streamlined and processing times can be reduced by automating common underwriting activities.

## Embraces Stakeholders in a New Dawn

From the very beginning, we have strived to make our organisation more focused on the needs and perspectives of our stakeholders. We are being

more proactive in all aspects of our operations and enhancing our stakeholder engagement in accordance with our strategic orientation, which is in line with our strategic business plan. The importance of stakeholders to our value creation and long-term viability is more apparent than ever before, and we are doing all we can to strengthen our ties with them.

## Strategic Stakeholders

|                           |                                                  |
|---------------------------|--------------------------------------------------|
| <b>Share Holders</b>      | Government Of Namibia                            |
| <b>Interest Groups</b>    | Namibia Insurance Association Board of Directors |
| <b>Regulators</b>         | NAMFISA                                          |
| <b>Suppliers</b>          | ICT Service Providers                            |
| <b>Customers</b>          | Brokers                                          |
| <b>Strategic Partners</b> | Short-Term Insurance Companies                   |
| <b>Employees</b>          | Management staff                                 |

## Collaborations

An MoU was inked between NASRIA and EIF to work together on a number of fronts, with a focus on WIBLI funding—a product that assesses risks associated with climate change. To improve the sourcing of funds from different stakeholders and donors’ funders, NASRIA and EIF formed a Taskforce.

Additionally, NASRIA reached out to the RFA regarding a potential “Road Damage Insurance” product. Also, NASRIA has begun collaborating with major oil and gas companies to create a product that would manage all energy risks in Namibia, particularly in the upstream sector.





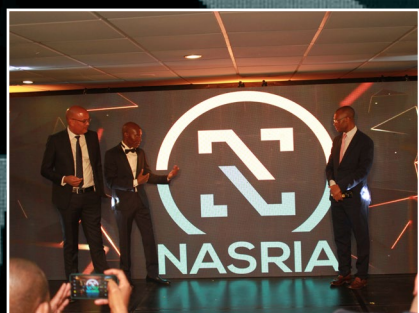
## 8 MARKETING & PROMOTION

### REBRAND

Having served the market for over three decades, the previous brand identity became less relevant following NASRIA's transformation into a Public Enterprise in 2019. This conversion has provided us with the opportunity to innovate and introduce new special risks products that effectively address the needs of our target market.

On September 19, 2023, we launched the new logo internally, recognizing that our employees are the custodians of the brand. It was essential to inform them first before the public unveiling. This was followed by a segment on Good Morning Namibia, where we explained the rationale behind the new logo and the necessity for the rebranding.

The media launch took place on September 20, 2024, during a breakfast session attended by various media houses, allowing us to disseminate information to the public effectively. Later that evening, we held the official launch, officiated by the Honorable Ipumbu Shiimi, Minister of Finance and Public Enterprises. The event was well attended by board members, NASRIA staff, intermediaries, stakeholders, and media representatives, marking a significant milestone in our journey towards a modernized brand identity.





# MARKETING AND PROMOTION

## Stakeholder Engagement

### Roadshows

NASRIA undertook two roadshows in Ondangwa and Oshakati in conjunction with NBC. The roadshow was attended by brokers in the two towns. In order to attract and educate the public about NASRIA, its activities, and its product offering, a live broadcast was conducted prior to the training to gauge public interest.

### Participation at local trade fairs

#### The Windhoek Show

In order to maintain the brand's momentum during the performance, the new logo was unveiled right after. The fresh and exciting brand that NASRIA has created to represent the fourth industrial revolution has been met with widespread congratulations. Many passers-by were curious about the specific risks insurance options available to them at the NASRIA table, where we displayed our products including PVT, WIBLI, and CGS.

#### The Erongo Trade Fair

The business symposium session, where the platform was used to introduce NASRIA and its products to exhibitors and other companies, was a resounding success. We observed an increase in foot traffic at the NASRIA stand following the presentation, indicating that the fair was a success. As part of a training session to equip brokers in the Erongo region, the Broker Consultant spent half a day going over the PVT with the intermediaries and public.

### Engaging Governor's on looming new products

With a focus on the WIBLI product line in particular, the division has begun engaging stakeholders. In an effort to get political support, NASRIA reached out

to the governors of the five regions that were going to participate in the WIBLI pilot: Omaheke, Hardap, Otjozondjupa, Ohangwena, and Omusati.

### Sponsorships/Outreach

In 2024, NASRIA allocated a total of N\$420,000 towards various sponsorship requests from schools and community projects, demonstrating our unwavering support for education and development. Below is a summary of our contributions:

1. Ondjamba Combined School: We donated a Sound System for Ondjamba Combined School to the tune of N\$13,610.78. This enhanced communication and engagement in educational activities, fostering a better learning environment for students. NASRIA also donated Photocopy Paper at a value of N\$6,380.31. This provided essential resources for educational materials, supporting effective teaching and learning processes.

2. Chris Lotter and Ariamsvlei Primary Schools: This project donated Stationery for Chris Lotter and Ariamsvlei Primary Schools valued at N\$40,000.00. Essentially therefor, we supplied necessary stationery, promoting student preparedness and participation in academic activities.

3. Daweb Secondary and Klein Aub Primary Schools: The project donated IT Equipment for Daweb Secondary and Klein Aub Primary Schools to the value of N\$39,924.35. This improved technological access and learning opportunities, enabling students to develop essential digital skills.

4. Romanus Kamunoko School: We donated Bricks and Cement Bags for Romanus Kamunoko School

amounting to N\$51,393.11. We therefore contributed to infrastructure development, creating a safe and conducive learning environment for students.

5. Women and Agriculture Summit: We invested in a Bronze Package for Women and Agriculture Summit for N\$10,000.00. This was done to promote women's empowerment in agriculture, fostering community development and economic growth.

6. NAHA Awards: We sponsored the NAHA Awards with N\$30,000.00. This helped in recognized and celebrated agricultural achievements, encouraging innovation and excellence in the sector.

7. Namibian Pavilion sponsorship: We partook in the Namibian Pavilion sponsorship at the 2023 Dubai Expo with a donation of N\$50,000.00. This was our part in the endeavour to showcase Namibia's commitment to environmental sustainability, promoting awareness and education on ecological issues.

8. NUST's Research Project and Prize Giving: NASRIA sponsored NUST's Research Project and Prize Giving with N\$4,000.00 in a bid to encourage academic research and excellence, fostering a culture of innovation and inquiry among students.

9. Knockout Project for Brave Warriors AFCON 2024: We also donated in the Knockout Project for Brave Warriors AFCON 2024, donating N\$50,000.00 to this cause and promoted national pride and unity through sports, enhancing community spirit and engagement.

10. Greenhouse Establishment project: We partook in a Greenhouse Establishment project in Omaheke region to Alleviate Malnutrition with a donation of N\$50,000.00. The idea behind the project is to address food security and nutrition, contributing to the health and well-being of the community.

11. CJ Brandt School: In this project, we donated 100 Chairs to the value of N\$11,816.43 and thus improved seating facilities in educational institutions, enhancing student comfort and focus during lessons.

12. Olutsiidhi Primary School: NASRIA donated a Desktop Computer and Printer which amounted to N\$19,519.60. This enhanced technological capabilities, supporting digital literacy and educational efficiency.

13. Kampelo Primary School: Lastly, we donated a Photocopier and Sound System valued at N\$35,231.56 and thus improved resource availability for teaching and communication, contributing to a more effective educational experience.

Through these sponsorships, NASRIA reaffirms its commitment to sustainable development and community enhancement. Each contribution not only addresses immediate needs but also builds a foundation for long-term empowerment and growth. We are proud to play a role in shaping a brighter future for Namibia, fostering resilience and opportunity within our communities.





# 9 HUMAN RESOURCES

## OVERVIEW

Human resources (HR) is the department within an organization that manages the people who work there. HR's role is to support employees and help the business achieve its goals.

HR's goal is to maximize employee performance and help the business gain a competitive advantage. HR's work involves analyzing the market, consulting stakeholders, and managing budgets.

## Sustainability and Growth Driven by Human Capital

While it is not always possible for an employee's personal vocation to seamlessly coincide with their daily responsibilities, we remain committed to our core competencies. Our goal is to create a work environment where employees seek a sense of purpose and belonging, which is considered to be the primary characteristic that distinguishes high-performing teams.

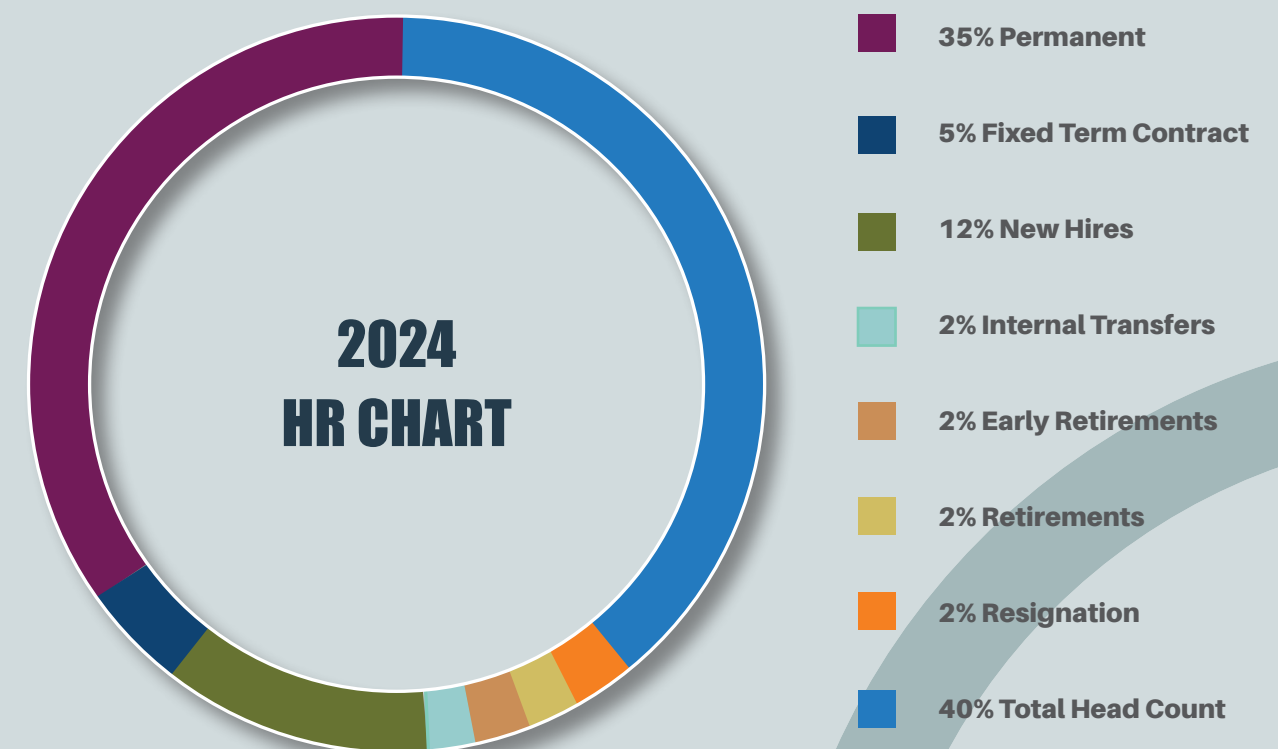
In order to achieve long-term success, we recognize that our employees' competence and organization will be crucial to our success in the future. We are committed to creating and maintaining a work environment that provides equitable opportunities for all employees, with a well-organized and comfortable workspace that aims to build the critical skills required to meet NASRIA's strategic goals.

## Investment in Human Capital

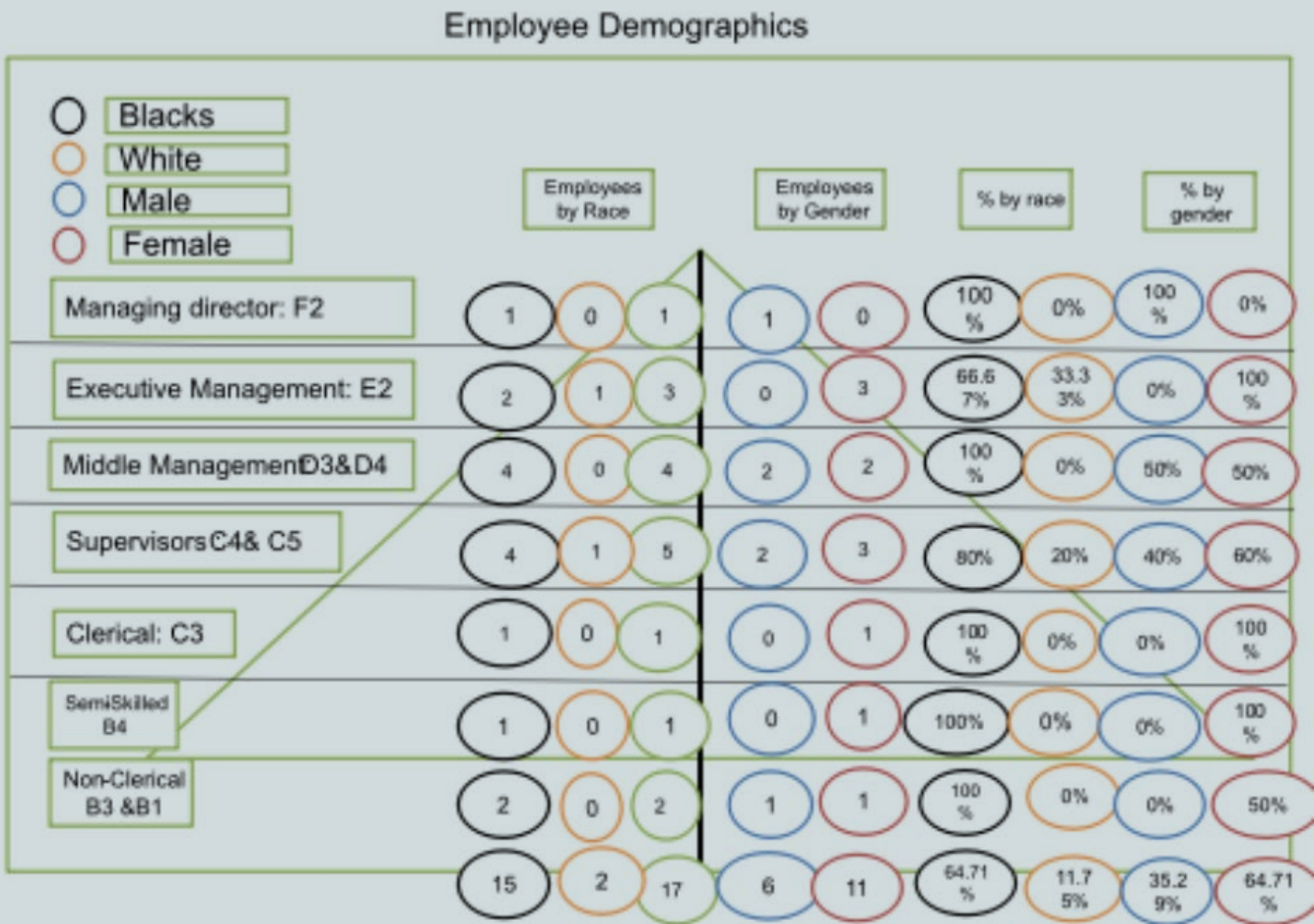
NASRIA recognizes that the competence and organization of its workforce are pivotal to long-term success. We are committed to maintaining an equitable work environment that includes well-organized and comfortable workspaces, aimed at developing essential skills aligned with NASRIA's strategic goals.

## Diversity and Inclusivity

NASRIA prioritizes gender diversity and inclusivity throughout its operations. Currently, our workforce composition reflects 64.71% female employees and 35.29% male employees, underscoring our commitment to gender mainstreaming.







**Workforce Expansion**

For NASRIA to grow and advance economically, the workforce must be increased. NASRIA may effectively expand its workforce to meet shifting market demands and exploit expanding opportunities by understanding the factors driving growth, addressing the related challenges, and carrying out effective strategies. Automation, the rise of the younger generation, and the combination of HR software and technology will continue to impact NASRIA's workforce expansion plan in the future.

**Training and Development**

NASRIA aimed at enriching employees with skills that contributes to its operational excellence.

| No. of Employees Trained | Type of Training/Qualification                     |
|--------------------------|----------------------------------------------------|
| 1                        | 3 years Degree in Advertising & Digital Marketing  |
| 3                        | Certificate in Marketing and Sales ( Short Course) |

**Performance Management System**

In order for NASRIA to create a well-organized performance framework that is implemented across the organisation in line with the Integrated Business Strategic Plan, NASRIA launched a Performance Management System for the first time in its history. Consequently, the system was synchronized with NASRIA's Tier 1 Balanced Scorecard and Strategic Business Plan, ensuring alignment from top-level goals to individual job roles.

**Employee Recognition**

Acknowledging employee contributions is integral to NASRIA's growth journey. Acknowledgement enables employees to recognise and feel that their employer appreciates their efforts and contributions to the team's and organization's overall success. This was a very crucial factor, especially as NASRIA is simultaneously evolving and expanding. Staff

appreciation fosters a sense of belonging and security among employees, motivating them to maintain high performance and extend their employment. We celebrated long-serving employees during a recent event, fostering a sense of belonging and motivation where employees with a tenure of one year or more were presented service certificates, with the longest serving employee recognised for 17 years of service. No financial recognition occurred during the engagement; thus, the Remuneration & Recognition Policy was authorised only in November 2023. Therefore, financial recognition for tenures of 5, 10, 15, 20, 25 years, etc., will commence in the 2025 financial year.

**Employee wellness**

An NASRIA-wide engagement was conducted with Namibia Medical Care, a medical aid fund, who presented an open Employee Wellness Day for staff at the end of October 2023. Additionally, initiatives like the Employee Wellness Day and participation in events such as the Swakopmund Rössing Marathon promote employee well-being and enhance productivity.

The Swakopmund Rössing Marathon, with 10, 21, and 42 km races, was created to enhance employee wellbeing and encourage healthy living for increased productivity. Employees participated in the 10 km run in Swakopmund on 09 March 2024. The Rössing Marathon, for the first time in history, drew 2,000 participants for the 2024 event, indicating a growing commitment among individuals to prioritise their health and seize opportunities for wellness.

**Approved HR Policies**

NASRIA's commitment to effective HR management is underscored by the adoption of various policies by the Board of Directors. The approved policies were as follows:

- Flexible Working Hours Policy
- Health & Safety
- Leave Policy
- Performance Management Policy
- Recruitment Policy
- Remuneration & Recognition Policy
- Subsistence & Travel Policy
- Disciplinary Policy
- Workplace Discrimination, Bullying,
- Harassment & Grievance Procedure Policy

**Future Outlook**

Considering the future Human Resources anticipates the future by observing crucial adjustments driving change that will not only fulfil pressing organizational needs but additionally lay the groundwork for a sustainable future for NASRIA. The suggested workforce strategy by NASRIA calls for shifting its emphasis in order to conform to the evolving requirements of the contemporary workforce. HR-related activities will be reformulated to prioritize internal value creation participants. Human Resources is taking the initiative to advocate for significant change that transcends its conventional role, fostering a workplace where employees can thrive. The aforementioned changes position HR to embark on an exhilarating journey filled with opportunities, challenges, and the potential for Human Resources Department to play a pivotal role in enhancing the workplace for everyone.





# 10 INFORMATION COMMUNICATION TECHNOLOGY

## Manufactured Capital Towards Greater Efficiency With Improved IT Systems

With Namibia having adopted an Industry 4.0 focus in this industrial revolution, NASRIA is taking significant strides toward greater technology utilization, focusing on enhancing efficiency and service delivery through advanced ICT solutions. Our commitment to embracing cloud technologies and modern systems positions us to better meet the evolving needs of our organization and our stakeholders.

### Cloud Technologies and CRM Implementation

We are set to leverage cloud technologies, including a state-of-the-art Customer Relationship Management (CRM) system, to streamline our service delivery processes. By transitioning to cloud-based solutions, we aim to create IT systems that are flexible, scalable, and easily accessible, ensuring they are always aligned with our operational requirements.

The implementation of a cloud-based CRM system will be pivotal in connecting all departments within NASRIA. This integration will facilitate the management of stakeholder interactions, allowing us to track data and automate processes seamlessly. With real-time access to information, our teams will be empowered to respond to inquiries more swiftly and resolve issues more effectively, ultimately enhancing stakeholder satisfaction.

## Data-Driven Insights

The data collected through our new systems will provide valuable insights into stakeholder behaviour and service trends. This information will enable us to make informed decisions and continuously refine our operational strategies. The ability to access these systems from any location ensures that our team can deliver exceptional service, whether working in the office or remotely.

### Enhanced Stakeholder Experience

By fully embracing cloud technologies and CRM systems, NASRIA is dedicated to transforming the stakeholder experience. Our focus on speed and personalization will lead to quicker turnaround times and improved service quality, resulting in happier clients. This technological advancement not only enhances our operational efficiency but also reinforces our commitment to providing top-notch service in a rapidly evolving digital landscape.

In summary, NASRIA's investment in ICT reflects our strategic vision for the future, positioning us to better serve our customers and adapt to changing market demands through innovative technology solutions.

# 11 ENVIRONMENTAL IMPACT

## Environmental Preservation for Future Use

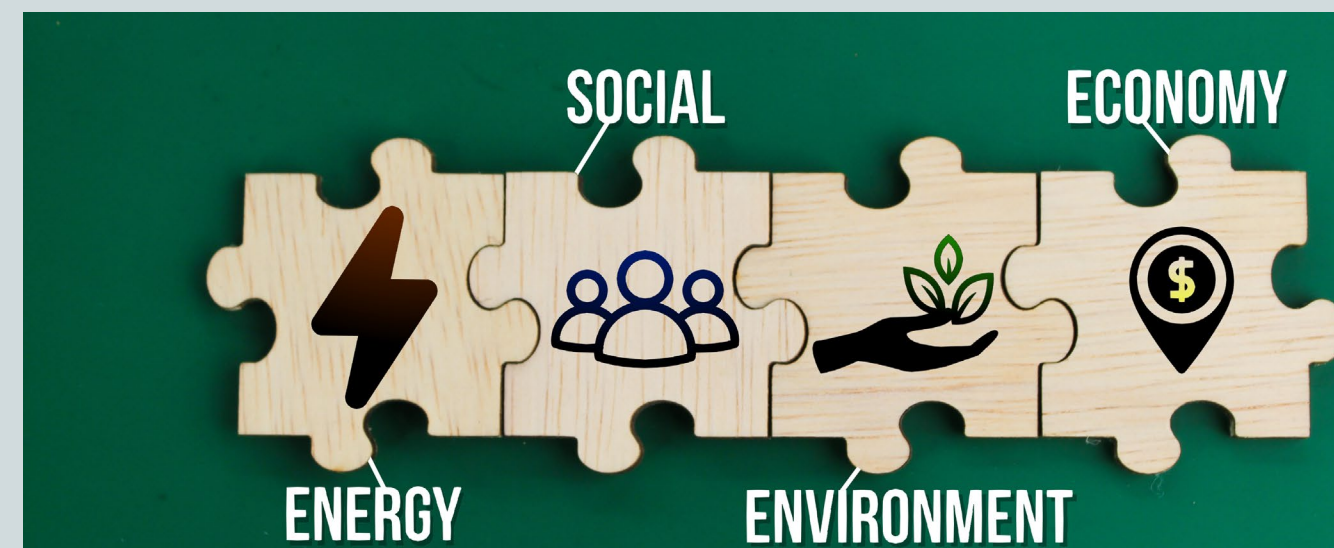
We are committed to fostering a sustainable future through proactive environmental measures. In the year under review, we have implemented several initiatives aimed at reducing our ecological footprint and promoting responsible resource management. Minimal Paper Usage: We encourage our colleagues to embrace digital solutions by utilizing electronic signatures and minimizing paper consumption. This initiative not only streamlines our operations but also significantly reduces waste, contributing to a more sustainable workplace.

**Water Conservation:** To promote water conservation, we advise our colleagues to forgo the use of NASRIA-branded water bottles in favor of personal containers. This approach not only reduces single-use plastic waste but also encourages the reuse of containers. Our central water stations are designed to facilitate easy access to drinking water

while promoting sustainable practices among both staff and visitors.

**Energy Efficiency:** In our ongoing efforts to enhance energy efficiency, NASRIA is transitioning from desktop computers to laptops. Laptops are inherently more energy-efficient, as they consume less power and do not require continuous operation. This shift not only reduces our energy consumption but also supports our commitment to sustainable technology solutions.

Through these initiatives, NASRIA aims to lead by example in environmental stewardship, demonstrating our dedication to sustainable practices that benefit our community and the planet. We recognize that every small action contributes to a larger impact, and we are committed to continually improving our sustainability efforts in the years to come.







# 12 ANNUAL FINANCIAL STATEMENTS

## OVERVIEW

The Annual Financial Statements serve as a cornerstone of NASRIA's commitment to financial transparency, accountability, and sustainable performance. As a state-owned enterprise entrusted with managing special risk insurance, NASRIA is dedicated to sound financial management and prudent resource allocation. This section of the Integrated Annual Report for the financial year 2024 presents the company's financial position, performance, and overall fiscal health for the year under review. By providing a comprehensive financial statements we ensure our stakeholders have a clear understanding of NASRIA's financial stability and ability to fulfil its mandate effectively.



Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

General Information

|                                             |                                                             |                    |
|---------------------------------------------|-------------------------------------------------------------|--------------------|
| Country of incorporation and domicile       | Namibia                                                     |                    |
| Nature of business and principal activities | Special risks insurance                                     |                    |
| Directors                                   | J Uusiku                                                    | Managing Director  |
|                                             | A Vugs                                                      | Chairperson        |
|                                             | HH Kapenda                                                  | Deputy Chairperson |
|                                             | C Loubser                                                   |                    |
|                                             | F Otto                                                      |                    |
| Registered office                           | P Amunjela                                                  |                    |
|                                             | Fifth Floor                                                 |                    |
|                                             | Namlex Chambers                                             |                    |
|                                             | Independence Avenue                                         |                    |
|                                             | Windhoek Namibia                                            |                    |
| Business address                            | Fifth Floor                                                 |                    |
|                                             | Namlex Chambers                                             |                    |
|                                             | Independence Avenue                                         |                    |
|                                             | Windhoek Namibia                                            |                    |
|                                             |                                                             |                    |
| Postal address                              | P O Box 417                                                 |                    |
|                                             | Windhoek                                                    |                    |
|                                             | Namibia                                                     |                    |
|                                             |                                                             |                    |
| Holding entity                              | Government of the Republic of Namibia (Ministry of Finance) |                    |
| Bankers                                     | Nedbank Namibia Limited                                     |                    |
|                                             | First National Bank of Namibia Limited                      |                    |
|                                             | Bank Windhoek Limited                                       |                    |
|                                             |                                                             |                    |
| Auditors                                    | PricewaterhouseCoopers                                      |                    |
|                                             | Registered Accountants and Auditors                         |                    |
|                                             | Chartered Accountants (Namibia)                             |                    |
| Secretary                                   | Starc Secretarial Services                                  |                    |

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

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Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

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 directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the 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.

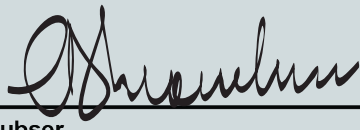
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any 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 2025 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 4 to 6.

The consolidated and separate annual financial statements set out on pages 10 to 83, which have been prepared on the going concern basis, were approved by the board of directors. The annual financial statements have been authorised for issue by the board of directors and no authority was given to anyone to amend the annual financial statements after the date of issue. The financial statements were signed on behalf of the board of directors by:

  
A Vugs  
Chairperson

  
C Loubser  
Audit Committee Chairperson

Date: 04 / 09 / 2024  
Windhoek  
Director

Independent Auditor's Report

To the Shareholder 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 10 to 83, which comprise the consolidated and separate statements of financial position as at 31 March 2024, statement of profit or loss and other comprehensive income, consolidated and separate statements 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 material accounting policy information.

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 2024, 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, 3 and 4A) (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 2024", which includes the Directors' Report as required by the Companies Act of Namibia and the supplementary information as set out on pages 84 to 85. 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.



## Independent auditor's report

To the Members of Namibia Special Risks Insurance Association Limited

### Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Namibia Special Risks Insurance Association Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia .

What we have audited

Namibia Special Risks Insurance Association Limited's consolidated and separate financial statements set out on pages 7 to 83 comprise:

- the directors' report for the year ended 31 March 2024;
- the consolidated and separate statements of financial position as at 31 March 2024;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit* of the consolidated and separate financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standard) (Code of Conduct) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the Code of Conduct and in accordance with other ethical requirements applicable to performing audits in Namibia.

PricewaterhouseCoopers, Registered Auditors  
Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Khomas Region, Republic of Namibia  
P O Box 1571, Windhoek, Khomas Region, Republic of Namibia  
T: + 264 (61) 284 1000, F: +264 (61) 284 1001, [www.pwc.com/na](http://www.pwc.com/na)

Country Senior Partner: Chantell N Husselmann  
The Firm's principal place of business is at Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Khomas Region, Republic of Namibia  
Partners: Anna EJ Rossouw (Partner in charge: Coast), Gerrit Esterhuyse, Samuel N Ndahangwapo, Hans F Hashagen, Willem A Burger, Nina A Coetzer  
Practice Number 9406, VAT reg no. 00203281-015



### 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 Limited (Registration Number 1987/0201) Consolidated and Separate Annual Financial Statements for the year ended 31 March 2024". The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company’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 and the Company’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 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 or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*PricewaterhouseCoopers*  
PricewaterhouseCoopers  
Registered Accountants and Auditors  
Chartered Accountants (Namibia)  
Per: Hans Hashagen  
Partner  
Windhoek, Namibia  
Date: 04 September 2024

# Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

## 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 and the group for the year ended 31 March 2024.

### 1. Incorporation

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

### 2. Nature of business

Namibia Special Risks Insurance Association Ltd was incorporated in Namibia with interests in the insurance industry. The activities of the group are undertaken through the company and its principal subsidiaries. The group operates in Namibia.

There have been no material changes to the nature of the group's business from the prior year.

### 3. 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 the adoption of new or revised accounting standards as set out in note 1.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated and separate annual financial statements.

### 4. Share capital

Refer to note 15 of the consolidated and separate annual financial statements for detail of the movement in authorised and issued share capital.

### 5. Dividends

A dividend of N\$ 10 000 000 (2023: N\$ 17 700 000) was declared during the year.

### 6. Directorate

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

| Directors       | Office             | Designation               | Nationality | Changes                    |
|-----------------|--------------------|---------------------------|-------------|----------------------------|
| J Uusiku        | Managing Director  | Executive                 | Namibian    | Appointed 15 March 2024    |
| A Vugs          | Chairperson        | Non-executive Independent | Namibian    | Appointed 18 December 2020 |
| HH Kapenda      | Deputy Chairperson | Non-executive Independent | Namibian    | Appointed 1 December 2020  |
| C Loubser       |                    | Non-executive Independent | Namibian    | Appointed 18 December 2020 |
| F Otto          |                    | Non-executive Independent | Namibian    | Appointed 1 May 2020       |
| P Amunjela      |                    | Non-executive Independent | Namibian    | Appointed 18 December 2020 |
| NHM Tjonzongoro |                    | Executive                 | Namibian    | Retired 30 June 2023       |

### 7. Interests in subsidiaries

Details of material interests in subsidiary companies are presented in the consolidated and separate annual financial statements in note 7.

### 8. 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.

### 9. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Directors' Report

9. Going concern (continued)

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 and that it has access to sufficient borrowing facilities 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.

10. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company 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.

11. Secretary

The company secretary is Starc Secretarial Services.

Postal address: P O Box 417  
Windhoek  
Namibia

Business address: Third Floor  
Namlex Chambers  
Independence Avenue  
Windhoek Namibia

12. Auditors

PricewaterhouseCoopers Namibia will continue in office for the next financial period.

13. Date of authorisation for issue of financial statements

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

14. 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. The company's reinsurance arrangements expired on 31 March 2023 and efforts are ongoing to renew the reinsurance arrangements.

Currently the company's reinsurance is placed with Namibia National Reinsurance Corporation Limited.

15. 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.

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Directors' Report

15. Credit Guarantee Scheme (continued)

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. The Cooperation Agreement entered by NASRIA Limited and the Development Bank of Namibia was terminated in August 2023 and the CGS is now fully administered by NASRIA Limited.

No funding was received in the current year from the Government of Namibia.

16. Acknowledgements

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



Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Consolidated and Separate Statements of Financial Position as at 31 March 2024

| Figures in Namibia Dollar<br>thousand       | Note(s) | Group          |                |                | Company        |                |                |
|---------------------------------------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                             |         | 2024           | 2023           | 2022           | 2024           | 2023           | 2022           |
|                                             |         |                | Restated *     | Restated *     |                | Restated *     | Restated *     |
|                                             |         |                |                |                |                |                |                |
| <b>Assets</b>                               |         |                |                |                |                |                |                |
| <b>Non-Current Assets</b>                   |         |                |                |                |                |                |                |
| Property, plant and equipment               | 4       | 3 281          | 1 656          | 28 196         | 3 281          | 1 656          | 1 942          |
| Investment property                         | 5       | 18 544         | 18 544         | -              | 18 544         | 18 544         | -              |
| Intangible assets                           | 6       | -              | 47             | 101            | -              | 47             | 101            |
| Deferred tax                                | 8       | -              | 9 105          | 6 484          | -              | 9 105          | 6 484          |
|                                             |         | <b>21 825</b>  | <b>29 352</b>  | <b>34 781</b>  | <b>21 825</b>  | <b>29 352</b>  | <b>8 527</b>   |
|                                             |         |                |                |                |                |                |                |
| <b>Current Assets</b>                       |         |                |                |                |                |                |                |
| Loan to related party                       | 9       | -              | -              | -              | -              | -              | 26 498         |
| Trade and other receivables                 | 10      | 3 120          | 1 894          | 524            | 2 823          | 1 597          | 227            |
| Other financial assets                      | 11      | 158 436        | 607 506        | 570 339        | 158 436        | 607 506        | 570 339        |
| Current tax receivable                      | 12      | -              | 1 340          | 892            | -              | 1 340          | 892            |
| Credit guarantee scheme financial assets    | 13      | 88 872         | 166 229        | 154 801        | 88 872         | 166 229        | 154 801        |
| Cash and cash equivalents                   | 14      | 596 761        | 34 490         | 25 233         | 596 759        | 34 488         | 25 231         |
|                                             |         | <b>847 189</b> | <b>811 459</b> | <b>751 789</b> | <b>846 890</b> | <b>811 160</b> | <b>777 988</b> |
| <b>Total Assets</b>                         |         | <b>869 014</b> | <b>840 811</b> | <b>786 570</b> | <b>868 715</b> | <b>840 512</b> | <b>786 515</b> |
|                                             |         |                |                |                |                |                |                |
| <b>Equity and Liabilities</b>               |         |                |                |                |                |                |                |
| <b>Equity</b>                               |         |                |                |                |                |                |                |
| Share capital                               | 15      | 8 000          | 8 000          | 8 000          | 8 000          | 8 000          | 8 000          |
| Reserves                                    |         | 183 548        | 155 034        | 142 678        | 183 548        | 155 034        | 142 678        |
| Retained income                             |         | 609 978        | 545 948        | 533 029        | 609 679        | 545 652        | 532 974        |
|                                             |         | <b>801 526</b> | <b>708 982</b> | <b>683 707</b> | <b>801 227</b> | <b>708 686</b> | <b>683 652</b> |
|                                             |         |                |                |                |                |                |                |
| <b>Liabilities</b>                          |         |                |                |                |                |                |                |
| <b>Non-Current Liabilities</b>              |         |                |                |                |                |                |                |
| Deferred tax                                | 8       | 292            | -              | -              | 292            | -              | -              |
| Retirement benefit obligation               | 18      | 233            | 2 350          | 1 467          | 233            | 2 350          | 1 467          |
|                                             |         | <b>525</b>     | <b>2 350</b>   | <b>1 467</b>   | <b>525</b>     | <b>2 350</b>   | <b>1 467</b>   |
|                                             |         |                |                |                |                |                |                |
| <b>Current Liabilities</b>                  |         |                |                |                |                |                |                |
| Trade and other payables                    | 19      | 2 273          | 2 324          | 3 130          | 2 273          | 2 321          | 3 130          |
| Current tax payable                         | 12      | 1 740          | -              | -              | 1 740          | -              | -              |
| Provisions                                  | 20      | 409            | 4 034          | 3 388          | 409            | 4 034          | 3 388          |
| Dividend payable                            | 21      | -              | 17 700         | -              | -              | 17 700         | -              |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000         | 50 000         | 50 000         | 50 000         | 50 000         |
| Insurance contract liabilities              | 23      | 10 300         | 9 104          | 8 367          | 10 300         | 9 104          | 8 367          |
| Reinsurance contract liabilities            | 24      | 2 241          | 46 317         | 36 511         | 2 241          | 46 317         | 36 511         |
|                                             |         | <b>66 963</b>  | <b>129 479</b> | <b>101 396</b> | <b>66 963</b>  | <b>129 476</b> | <b>101 396</b> |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.  
The above statement of financial position should be read in conjunction with the accompanying notes.

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Consolidated and Separate Statements of Financial Position as at 31 March 2024

|                                       |         | Group   |            |            | Company |            |            |
|---------------------------------------|---------|---------|------------|------------|---------|------------|------------|
| Figures in Namibia Dollar<br>thousand | Note(s) | 2024    | 2023       | 2022       | 2024    | 2023       | 2022       |
|                                       |         |         | Restated * | Restated * |         | Restated * | Restated * |
|                                       |         |         |            |            |         |            |            |
| Total Liabilities                     |         | 67 488  | 131 829    | 102 863    | 67 488  | 131 826    | 102 863    |
| Total Equity and Liabilities          |         | 869 014 | 840 811    | 786 570    | 868 715 | 840 512    | 786 515    |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.  
The above statement of financial position should be read in conjunction with the accompanying notes.

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Statement of Profit or Loss and Other Comprehensive Income

| Figures in Namibia Dollar thousand             | Note(s) | Group          |                    | Company        |                    |
|------------------------------------------------|---------|----------------|--------------------|----------------|--------------------|
|                                                |         | 2024           | 2023<br>Restated * | 2024           | 2023<br>Restated * |
| Insurance revenue                              | 25      | 83 912         | 76 829             | 83 912         | 76 829             |
| Insurance service expenses                     | 26      | (27 495)       | (27 101)           | (27 495)       | (27 101)           |
| Net expenses from reinsurance contracts        | 27      | 2 377          | (25 525)           | 2 377          | (25 525)           |
| <b>Insurance service result</b>                |         | <b>58 794</b>  | <b>24 203</b>      | <b>58 794</b>  | <b>24 203</b>      |
| Investment income                              | 28      | 54 196         | 42 133             | 54 196         | 42 133             |
| Fair value gains                               | 29      | 28 720         | 8 585              | 28 720         | 8 585              |
| <b>Net insurance and investment result</b>     |         | <b>141 710</b> | <b>74 921</b>      | <b>141 710</b> | <b>74 921</b>      |
| Other income                                   | 30      | 93             | 1 224              | 93             | 1 224              |
| Movement in credit loss allowances             | 31      | -              | -                  | -              | (10 617)           |
| Other operating expenses                       | 31      | (21 750)       | (29 297)           | (21 751)       | (18 921)           |
| <b>Profit before taxation</b>                  |         | <b>120 053</b> | <b>46 848</b>      | <b>120 052</b> | <b>46 607</b>      |
| Taxation                                       | 32      | (16 982)       | (6 069)            | (16 982)       | (6 069)            |
| <b>Profit for the year</b>                     |         | <b>103 071</b> | <b>40 779</b>      | <b>103 070</b> | <b>40 538</b>      |
| Other comprehensive income                     |         | -              | -                  | -              | -                  |
| <b>Total comprehensive income for the year</b> |         | <b>103 071</b> | <b>40 779</b>      | <b>103 070</b> | <b>40 538</b>      |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.

The above statement of profit or loss and comprehensive income should be read in conjunction with the accompanying notes.

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)  
Consolidated And Separate Annual Financial Statements for the year ended 31 March 2024

Consolidated and Separate Statements of Changes in Equity

| Figures in Namibia Dollar thousand                                                                 | Share capital | General reserve fund | Capital contributions reserve | Total reserves | Retained income | Total equity    |
|----------------------------------------------------------------------------------------------------|---------------|----------------------|-------------------------------|----------------|-----------------|-----------------|
| <b>Group</b>                                                                                       |               |                      |                               |                |                 |                 |
| Opening balance as previously reported                                                             | 8 000         | 34 700               | 107 978                       | 142 678        | 533 649         | 684 327         |
| Adjustments                                                                                        |               |                      |                               |                |                 |                 |
| Change in accounting policy (refer to note 2)                                                      | -             | -                    | -                             | -              | (620)           | (620)           |
| <b>Balance at 1 April 2022 as restated</b>                                                         | <b>8 000</b>  | <b>34 700</b>        | <b>107 978</b>                | <b>142 678</b> | <b>533 029</b>  | <b>683 707</b>  |
| Profit for the year                                                                                | -             | -                    | -                             | -              | 40 779          | 40 779          |
| Other comprehensive income                                                                         | -             | -                    | -                             | -              | -               | -               |
| <b>Total comprehensive income for the year</b>                                                     | <b>-</b>      | <b>-</b>             | <b>-</b>                      | <b>-</b>       | <b>40 779</b>   | <b>40 779</b>   |
| Transfer between reserves                                                                          | -             | 12 356               | -                             | 12 356         | (12 356)        | -               |
| IFRS 17 change movement                                                                            | -             | -                    | -                             | -              | 2 196           | 2 196           |
| Dividends                                                                                          | -             | -                    | -                             | -              | (17 700)        | (17 700)        |
| <b>Total contributions by and distributions to owners of company recognised directly in equity</b> | <b>-</b>      | <b>12 356</b>        | <b>-</b>                      | <b>12 356</b>  | <b>(27 860)</b> | <b>(15 504)</b> |
| <b>Balance at 1 April 2023</b>                                                                     | <b>8 000</b>  | <b>47 056</b>        | <b>107 978</b>                | <b>155 034</b> | <b>545 948</b>  | <b>708 982</b>  |
| Profit for the year                                                                                | -             | -                    | -                             | -              | 103 071         | 103 071         |
| Other comprehensive income                                                                         | -             | -                    | -                             | -              | -               | -               |
| <b>Total comprehensive income for the year</b>                                                     | <b>-</b>      | <b>-</b>             | <b>-</b>                      | <b>-</b>       | <b>103 071</b>  | <b>103 071</b>  |
| Transfer between reserves                                                                          | -             | 28 514               | -                             | 28 514         | (28 514)        | -               |
| IFRS 17 change movement                                                                            | -             | -                    | -                             | -              | (527)           | (527)           |
| Dividends                                                                                          | -             | -                    | -                             | -              | (10 000)        | (10 000)        |
| <b>Total contributions by and distributions to owners of company recognised directly in equity</b> | <b>-</b>      | <b>28 514</b>        | <b>-</b>                      | <b>28 514</b>  | <b>(39 041)</b> | <b>(10 527)</b> |
| <b>Balance at 31 March 2024</b>                                                                    | <b>8 000</b>  | <b>75 570</b>        | <b>107 978</b>                | <b>183 548</b> | <b>609 978</b>  | <b>801 526</b>  |
| Note(s)                                                                                            | 15            | 16                   | 17                            |                |                 |                 |

Dividends per share

|           | 2024 | 2023 | 2022 |
|-----------|------|------|------|
| Final (c) | 1.25 | 2.21 | -    |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.

The above statement of changes in equity should be read in conjunction with the accompanying notes.



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Consolidated and Separate Statements of Changes in Equity

|                                                                                                                | Share capital | General<br>reserve fund | Capital<br>contributions<br>reserve | Total reserves | Retained<br>income | Total equity    |
|----------------------------------------------------------------------------------------------------------------|---------------|-------------------------|-------------------------------------|----------------|--------------------|-----------------|
| Figures in Namibia Dollar<br>thousand                                                                          |               |                         |                                     |                |                    |                 |
| <b>Company</b>                                                                                                 |               |                         |                                     |                |                    |                 |
| Opening balance as previously<br>reported                                                                      | 8 000         | 34 700                  | 107 978                             | 142 678        | 533 594            | 684 272         |
| Adjustments                                                                                                    |               |                         |                                     |                |                    |                 |
| Change in accounting policy<br>(refer to note 2)                                                               | -             | -                       | -                                   | -              | (620)              | (620)           |
| <b>Balance at 1 April 2022 as<br/>restated</b>                                                                 | <b>8 000</b>  | <b>34 700</b>           | <b>107 978</b>                      | <b>142 678</b> | <b>532 974</b>     | <b>683 652</b>  |
| Profit for the year                                                                                            | -             | -                       | -                                   | -              | 40 538             | 40 538          |
| Other comprehensive income                                                                                     | -             | -                       | -                                   | -              | -                  | -               |
| <b>Total comprehensive income<br/>for the year</b>                                                             | <b>-</b>      | <b>-</b>                | <b>-</b>                            | <b>-</b>       | <b>40 538</b>      | <b>40 538</b>   |
| Transfer between reserves                                                                                      | -             | 12 356                  | -                                   | 12 356         | (12 356)           | -               |
| IFRS 17 change movement                                                                                        | -             | -                       | -                                   | -              | 2 196              | 2 196           |
| Dividends                                                                                                      | -             | -                       | -                                   | -              | (17 700)           | (17 700)        |
| <b>Total contributions by and<br/>distributions to owners of<br/>company recognised directly<br/>in equity</b> | <b>-</b>      | <b>12 356</b>           | <b>-</b>                            | <b>12 356</b>  | <b>(27 860)</b>    | <b>(15 504)</b> |
| <b>Balance at 1 April 2023</b>                                                                                 | <b>8 000</b>  | <b>47 056</b>           | <b>107 978</b>                      | <b>155 034</b> | <b>545 650</b>     | <b>708 684</b>  |
| Profit for the year                                                                                            | -             | -                       | -                                   | -              | 103 070            | 103 070         |
| Other comprehensive income                                                                                     | -             | -                       | -                                   | -              | -                  | -               |
| <b>Total comprehensive income<br/>for the year</b>                                                             | <b>-</b>      | <b>-</b>                | <b>-</b>                            | <b>-</b>       | <b>103 070</b>     | <b>103 070</b>  |
| Transfer between reserves                                                                                      | -             | 28 514                  | -                                   | 28 514         | (28 514)           | -               |
| IFRS 17 change movement                                                                                        | -             | -                       | -                                   | -              | (527)              | (527)           |
| Dividends                                                                                                      | -             | -                       | -                                   | -              | (10 000)           | (10 000)        |
| <b>Total contributions by and<br/>distributions to owners of<br/>company recognised directly<br/>in equity</b> | <b>-</b>      | <b>28 514</b>           | <b>-</b>                            | <b>28 514</b>  | <b>(39 041)</b>    | <b>(10 527)</b> |
| <b>Balance at 31 March 2024</b>                                                                                | <b>8 000</b>  | <b>75 570</b>           | <b>107 978</b>                      | <b>183 548</b> | <b>609 679</b>     | <b>801 227</b>  |
| Note(s)                                                                                                        | 15            | 16                      | 17                                  |                |                    |                 |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.  
The above statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated and Separate Statements of Cash Flows

|                                                                    |         | Group           |                    | Company         |                    |
|--------------------------------------------------------------------|---------|-----------------|--------------------|-----------------|--------------------|
| Figures in Namibia Dollar thousand                                 | Note(s) | 2024            | 2023<br>Restated * | 2024            | 2023<br>Restated * |
| <b>Cash flows from operating activities</b>                        |         |                 |                    |                 |                    |
| Cash generated from/(used in) operations                           | 33      | (13 978)        | 19 343             | (13 978)        | 19 892             |
| Tax paid                                                           | 34      | (4 505)         | (9 138)            | (4 505)         | (9 138)            |
| <b>Net cash from operating activities</b>                          |         | <b>(18 483)</b> | <b>10 205</b>      | <b>(18 483)</b> | <b>10 754</b>      |
| <b>Cash flows from investing activities</b>                        |         |                 |                    |                 |                    |
| Purchase of property, plant and equipment                          | 4       | (2 043)         | (105)              | (2 043)         | (105)              |
| Purchases of investment property                                   | 5       | -               | (2 115)            | -               | (2 115)            |
| Loan advanced to related party                                     | 9       | -               | -                  | -               | (549)              |
| Proceeds from sales of investments at fair value                   | 11      | 534 350         | -                  | 534 350         | -                  |
| Proceeds from sales of credit guarantee scheme financial<br>assets | 13      | 72 555          | -                  | 72 555          | -                  |
| Interest received                                                  | 28      | 3 592           | 1 272              | 3 592           | 1 272              |
| <b>Net cash from investing activities</b>                          |         | <b>608 454</b>  | <b>(948)</b>       | <b>608 454</b>  | <b>(1 497)</b>     |
| <b>Cash flows from financing activities</b>                        |         |                 |                    |                 |                    |
| Dividends paid                                                     | 21      | (27 700)        | -                  | (27 700)        | -                  |
| <b>Total cash movement for the year</b>                            |         | <b>562 271</b>  | <b>9 257</b>       | <b>562 271</b>  | <b>9 257</b>       |
| Cash and cash equivalents at the beginning of the year             |         | 34 490          | 25 233             | 34 488          | 25 231             |
| <b>Cash and cash equivalents at the end of the year</b>            | 14      | <b>596 761</b>  | <b>34 490</b>      | <b>596 759</b>  | <b>34 488</b>      |

\* Refer to note 2 for restatement of balances following IFRS 17 adoption.

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## Accounting Policies

### 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these consolidated and separate annual financial statements.

#### 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 Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements and the Companies Act of Namibia as amended.

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 material 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 the changes set out in note 2.

#### 1.2 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.

##### Impairment testing

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

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## Accounting Policies

cash generating unit to which the asset belongs.



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Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

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.

Provisions

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

1.3 Investment property

Investment property consists of undeveloped land. These properties are held to earn rentals and for capital appreciation rather than being occupied by the group.

Investment property is initially recognised at cost, including transaction costs.

Cost for additions to or replacement of parts of investment property, are included in the costs of the investment property when they will result in future economic benefits. The carrying amount of replaced parts are derecognised.

Transfer to or from the investment property will be made where there is a change in the use of the property. The end of owner-occupation of the property would result in a transfer from the property, plant and equipment to investment property.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

1.4 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

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.

Property, plant and equipment is subsequently measured at cost less accumulated depreciation and impairment losses, except for 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. Amounts recognised in the revaluation reserve are not distributable to shareholders.

Revaluations of buildings are made every 3 years based on management's assessment that this interval will ensure that that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year.

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Accounting Policies

1.4 Property, plant and equipment (continued)

Gains and losses on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve in equity. However, losses are recognised in profit or loss to the extent that they exceed amounts previously accumulated from gains in equity. Subsequent gains are recognised in profit or loss to the extent that they reverse revaluation decreases of the same asset previously recognised in profit or loss.

On revaluation, the accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

The revaluation reserve related to a specific asset is transferred directly to retained income when the asset is derecognised.

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             |
| Computer equipment     | Straight line       | 2 years             |

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

1.5 Intangible assets

Intangible assets are initially recognised at cost.

Intangible assets are subsequently measured at cost less any accumulated amortisation and impairment losses.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item              | Depreciation method | Average useful life |
|-------------------|---------------------|---------------------|
| Computer software | Straight line       | 2 years             |

The useful life and amortisation method of intangible assets are reviewed at the end of each reporting year. No material changes were made.

There were no indicators of impairment for intangible assets and no impairment tests were performed.

1.6 Financial instruments

Financial instruments are recognised when the group becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any, except for financial instruments at fair value through profit or loss which exclude transaction costs.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the group are presented below:

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Accounting Policies

1.6 Financial instruments (continued)

Loans receivable at amortised cost

Management have assessed and classified loan to related party, loans to shareholders, loans to directors, managers and employees, and loans receivable as financial assets at amortised cost.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan in the application of the effective interest method. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

Refer to the loss allowances and write offs accounting policy for impairment of loans receivable.

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, 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.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Impairment - Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. 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 conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The group writes off an instrument 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. Instruments written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in profit or loss.

Investments in equity instruments

The group holds investments in various listed and unit trusts. Refer to note 11.

They are subsequently measured at fair value, with fair value gains or losses recognised in profit or loss. Details of the valuation policies and processes are presented in note 39.

Dividends received on equity investments are recognised in profit or loss when the group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Investments in debt instruments at fair value through profit or loss

The group holds investments in government bonds which are measured at fair value through profit or loss. Although they are debt instruments, management have concluded that they do not qualify to be measured at amortised cost or fair value through other comprehensive income. Refer to note 11.

Details of the valuation policies and processes are presented in note 39 for details.

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Accounting Policies

1.6 Financial instruments (continued)

Trade and other payables

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

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments 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 initially and subsequently measured at amortised cost.

The group writes off cash and cash equivalents 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 bankruptcy proceedings. Cash and cash equivalents written off may still be subject to enforcement activities under the group recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss. There were no cash and cash equivalents written off during the period.

Derecognition

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.

The group derecognises financial liabilities when its 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.

Reclassification

The group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

1.7 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.

Tax assets and liabilities are offset at the taxpayer level and in same jurisdiction as the law allows net settlement. The different balances are shown accordingly either as assets or liabilities on the statement of financial position.



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Accounting Policies

1.7 Tax (continued)

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

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.

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.

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

Deferred tax assets and liabilities are offset at the taxpayer level and in same jurisdiction as the law allows net settlement. The different balances are shown accordingly either as assets or liabilities on the statement of financial position.

Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.8 Impairment of non-financial assets

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

1.9 Share capital and equity

Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

1.10 Employee benefits

Short-term employee benefits

Short-term employee benefits, which consist of 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 obligation to make such payments as a result of past performance.

Defined contribution plans

Payments are charged as an expense as they fall due.

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Accounting Policies

1.10 Employee benefits (continued)

Defined benefit plans

The group operates the post-retirement medical aid benefits to all its employees appointed before the year 2007 subject to the years of uninterrupted service with the group which is a defined benefit medical plan.

The cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries.

Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling and return on plan assets (excluding interest) are recognised immediately to the consolidated and separate statements of financial position and to other comprehensive income in the period they occur. The amount recognised in other comprehensive income is not subsequently reclassified to profit or loss.

Current service costs are recognised are recognised as an expense in the period in which the related services are performed.

Net interest income or expense are recognised in investment income and finance costs respectively.

1.11 Provisions and contingencies

The group recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the group will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

1.12 Other income

Other income comprises of surety income. Other income is recognised to the extent that it is probable that economic benefits will flow to the entity and revenue can be reliably measured, regardless of when the payment is received.

1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17

1.13.1 Scope & Separation

Scope

As a default, contracts are assessed individually. Although not identified, where a set or series of insurance contracts be entered into with the same or a related counterparty achieve, or be designed to achieve, an overall commercial effect, these contracts will be considered as a whole and not individually in accordance with IFRS 17.9. This applies to NASRIA's agreements with several financiers where individual risks, be it default risks under Credit Guarantee or risks arising from acts of Political Violence and Terrorism (PVT), are insured at a portfolio level.

Contractual Assessment – Direct Business:

NASRIA underwrites the following products within the following business classes:

- Nasria's specific business classes under PVT include the following:
  - Commercial Risks;
  - Construction Plant;
  - Contract Works;
  - Domestic Risks;
  - Marine Cargo / Goods in Transit;
  - Marine Hull;
  - Money;
  - Motor; and
  - Registered Welfare Institutions.
- Credit Guarantee.

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Accounting Policies

1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

NASRIA's Credit Guarantee product provides credit guarantees to lenders (commercial banks and other financial institutions) by guaranteeing credit for borrowers whose access to finance is impeded by the fact that they do not have the collateral required by the lenders. This program is particularly geared towards individuals or entities seeking funds to start, expand, or acquire businesses. Under the Credit Protection Policy, NASRIA covers losses incurred due to a debtor's failure to repay their debt as stipulated in the Credit Agreement.

The PVT product encompasses a range of specialized coverages, including:

- 1. Material Damage Special Risks Insurance;
- 2. Consequential Loss Special Risks Insurance;
- 3. Motor Policy of Insurance for Special Risks; and
- 4. Contract Works and/or Construction Plant Special Risks Insurance.

All products have been assessed and meet the defination of insurance contracts.

NASRIA's financial guarantee contracts, specifically the credit guarantees, solely transfer financial risk and not non-financial risks. However, they have historicall been treated as insurance contracts under IFRS 4. NASRIA continues with this treatment and thus considers that its financial guarantee contracts fall within the scope of IFRS 17.

Contractual Assessment – Reinsurance Agreements:

NASRIA mitigates its insurance risk by entering into significant reinsurance arrangements. As at financial year 31 March 2023, the following reinsurance arrangements were in place:

- 1. Arrangements through reinsurance brokers.
- 2. Reinsurance placements with Lloyds.
- 3. Reinsurance placements with NamibRe.

NASRIA's reinsurance arrangements expired on 31 March 2023, and efforts are ongoing to renew these arrangements. In the interim, NASRIA is self-insured.

The contractual terms for reinsurance agreements were assessed using the same list of requirements used for the assessment of the direct business products. Of particular importance was the establishment of whether the insurance risk transferred to the reinsurer was first transferred to NASRIA from the policyholder. If this test was to fail, the agreement would not fall within the scope of insurance contracts and be treated as an expense for accounting purposes.

All reinsurance agreements qualify as reinsurance contracts held.

Separation of insurance components

An insurance contract may contain one or more components that would be within the scope of another Standard if they were separate contracts. In particular, this relates to:

- Distinct investment components,
- Embedded derivatives not closely related to the host insurance contract, and
- Distinct goods and services.

Distinct investment component

NASRIA does not have exposure to investment components within any of its insurance contracts or reinsurance contracts held and has no plans to offer this product feature in the foreseeable future.

None of NASRIA’s products or reinsurance agreements include goods or services other than insurance contract services. There are also no plans to include these product features in the foreseeable future.

Embedded derivative not closely related to the host insurance contract

NASRIA does not have exposure to embedded derivatives within any of its insurance contracts or reinsurance contracts held and has no plans to incorporate any in the foreseeable future.

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Risk Adjustment

A confidence level technique, calibrated to a 75th percentile confidence level of the risk, is used to determine the level of the risk adjustment required. This technique requires the calculation of the liability at a higher level than the best estimate of the liability (which has a 50% chance of being insufficient). The 75th confidence level is selected based on Nasria’s need (in accordance with its risk appetite) for the liability to be sufficient to meet the outstanding obligations without the need for further capital. The Risk Adjustment is then the difference between this liability and the best estimate liability.

The rates and corresponding risk adjustment is as follows:

| 2024              |           |            |                 |
|-------------------|-----------|------------|-----------------|
| IFRS 17 Portfolio | Gross LIC | LIC RA (%) | Risk Adjustment |
| PVT               | 1 235 821 | 0.30%      | 3 695           |
| CGS               | -         | -          | -               |
| Total             | 1 235 821 | -          | 3 695           |

| 2023              |                |            |                 |
|-------------------|----------------|------------|-----------------|
| IFRS 17 Portfolio | Discounted LIC | LIC RA (%) | Risk Adjustment |
| PVT               | 1 323 754      | 0.30%      | 3 958           |
| CGS               | -              | -          | -               |
| Total             | 1 323 754      |            | 3 958           |

| 2022              |                |            |                 |
|-------------------|----------------|------------|-----------------|
| IFRS 17 Portfolio | Discounted LIC | LIC RA (%) | Risk Adjustment |
| PVT               | 1 461 905      | 0.30%      | 3 757           |
| CGS               | -              | -          | -               |
| Total             | 1 461 905      |            | 3 757           |

1.13.2 Contract Recognition and Derecognition

Contract recognition – insurance and reinsurance contracts issued

The Standard, under paragraph IFRS 17.25, requires that contracts be recognised from the earlier of one of three dates:

- 1. the contract start date,
- 2. the premium due date, or
- 3. the date of acceptance of risk if the contract is onerous

For all product types, the contract terms and conditions were assessed to determine the recommended contract recognition dates. The outcome is summarised in the table below with the considerations behind the recommendations following after the table.

| Product Type                 | IFRS 17 contract recognition date |
|------------------------------|-----------------------------------|
| Political Violence Terrorism | Commencement Date                 |
| Credit Guarantee Scheme      | Premium Due Date                  |

[a] First premium payment received prior to due date and commence date]



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In certain cases, particularly with NASRIA’s special risk insurance products, policyholders may choose to pay the premium before the due date or the contract commencement date. In such instances, since the contract has not yet been recognized, these premiums do not fall within the scope of IFRS 17 and are held as a non-IFRS 17 current liability. This practice aligns with NASRIA’s current approach.

[(b) Annual contracts with a monthly contract boundary]

For annual policies, where the premium is due in advance, but the IFRS 17 contract boundary is short (e.g. one month), twelve individual contracts are theoretically recognised on the premium due date. Due to the ability to terminate the contract by giving 30 days notice, NASRIA has assumed that it will issue this notice immediately after each contract boundary period. The balance of the annual premium payment will be held within the current IFRS 17 group as a premium refund amount at the end of each month and will “receive” the full balance of the annual premium at the start of the following month into the IFRS 17 group that is applicable in that month.

Contract recognition – reinsurance contracts held

IFRS 17.62, requires that reinsurance contracts held be recognised from the earlier of one of two dates:

- 1. the beginning of the coverage period, or
- 2. the date an onerous group of underlying insurance contracts is recognised where the reinsurance agreement terms establish coverage for these contracts on or prior to this date.

In most cases the reinsurance agreements will be recognised from the agreement’s commencement date, but, where reinsurance agreements are annually renewable, if the onerous underlying contracts are recognised prior to the renewal date but will cede into the renewed agreement, the contract recognition date may be brought forward.

To the extent that reinsurance agreements are put in place prior to the commencement date of the first underlying contract that will cede to this agreement, the contract recognition date in respect of this group of reinsurance contracts held will be deferred until the first underlying contract is recognised in accordance with paragraph IFRS 17.62A.

Contract derecognition

A contract to be derecognised when NASRIA is no longer at risk and is therefore no longer required to transfer any economic resources to satisfy the insurance contract. The practical application of contract derecognition within NASRIA is specific to the liability component in question. This level of granularity is dealt with fully under the Measurement Approach Application policy. The general principles proposed are as follows:

- For contracts measured under the liability for remaining coverage,
  - a. when the contract’s coverage period has come to an end,
  - b. the policy has been cancelled, or
  - c. the policy has contractually terminated due to a claim and/or policyholder death if the latter isn’t an insured benefit, and all premium debtors or commission creditors directly related to that contract have been settled (or written off), the contract will be derecognised from the liability for remaining coverage and not be included in the calculations for any IFRS 17 group.
- Under the liability for incurred claims, any liability in respect of the contract will be derecognised when all of the following are true:
  - a. Where a claim has been reported and this claim is fully settled or repudiated,
  - b. Where the full coverage period up until the renewal or expiry date has passed and the claim notification period for reporting claims has passed, and
  - c. In respect of other benefit payments (such as a maturity benefit), these have been fully settled.

The requirement to derecognise a contract from a group due to a contract modification is not necessary for NASRIA as there were no contract modifications identified that would result in a change in the allocation of the IFRS 17 group.

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1.13.3 Measurement Approach Application

A. Determining the present value of future cash flows

1. Determining the probability-weighted mean

The present value of future cash flows is required under the liability for remaining coverage and the liability for incurred claims. Where the premium allocation approach is applied to a group of insurance contracts, the requirement to determine the present value of future cash flows under the liability for remaining coverage is only needed if the contract is onerous or in some cases to demonstrate the eligibility of approach to the group.

Paragraph IFRS17.33 requires an entity to estimate the probability-weighted mean of the full range of possible outcomes when determining the present value of future cash flows. Application Guidance paragraph B39, does not require insurers to perform detailed simulations where simplified models, requiring a small number of parameters will produce a result with an acceptable range of precision.

NASRIA has adopted a simplified approach to produce the probability-weighted mean.

For the liability for incurred claims, which aren’t assumed to be settled within the month the claim is incurred, historic experience is used to derive the balance of claims still to be settled and the settlement pattern. Where data is insufficient, a point estimate of the ultimate claim ratio is used often in combination with the historic claim data. A similar point estimate approach is used to set the ultimate claim ratio and expense assumptions required to model all general insurance products measured under the general measurement model.

Where significant past events have resulted in experience in that year differing from the “norm”, this experience is separated out for analysis purposes and assessed separately for inclusion in the projection assumptions at an appropriate level given the likelihood of this experience repeating itself in the future.

The number of years of historical data used is chosen to:

- enable the level of data to be credible,
- include a range of good, bad and average years of experience, and
- be relevant to future periods to which the assumptions will apply.

This approach to setting assumptions is deemed to be appropriate to produce a reasonable estimate of the probability-weighted mean.

2. Cashflows included

The list of cashflows that are included where they are relevant to the product being measured and the liability component are as follows:

| Paragraph reference | Cashflow category                                                      | Cashflow                                                                                                                                                                                                                                                                                                                                        |
|---------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| B65.a)              | premiums and any additional cash flows that result from those premiums | <ul style="list-style-type: none"><li>• Premiums due and received/paid</li><li>• Commission due and paid</li><li>• (Reinsurance groups) Reinsurance commission due and received/paid (not contingent on claims)</li></ul>                                                                                                                       |
| B65.b)              | payments to a policyholder                                             | <ul style="list-style-type: none"><li>• Claims paid</li><li>• Claims reporting but not yet assessed / settled</li></ul> <p>Reinsurance groups:</p> <ul style="list-style-type: none"><li>• Reinsurance recoverables due and received</li><li>• Claim contingent portion of reinsurance commission</li><li>• Reinsurance deposits made</li></ul> |

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3. Estimation of reinsurance cash flows

Groups of reinsurance contracts held must be measured using consistent assumptions where the measurement approach for the underlying groups of insurance contracts (i.e. the insurance contracts ceded to the reinsurance group) is the same (Paragraph IFRS 17.63).

In addition, NASRIA continue to use the IFRS 4 approach to determine the reinsurance liability for incurred claims, which is to multiply the liability for the underlying groups of insurance cash flows by the proportion ceded to the reinsurers. The adjustment in respect of the expected reinsurer recoveries for the risk of non-performance (which is covered in a separate accounting policy) is made at a later stage in the IFRS 17 liability determination processes and not within the actuarial model.

4. Estimation of expected claim and claim-related expense cashflows

Under IFRS 4, general insurance entities typically recognized liabilities for incurred claims (LIC) as a combination of the outstanding claim reserve (OCR) and the incurred but not reported claim reserve (IBNR). However, in the case of NASRIA, the entity does not maintain such reserves due to its historically low claim frequency and volume.

Given NASRIA's unique claim profile, the standard approaches for reserve estimation such as the Cape Cod, Chain Ladder, or Bornhuetter-Ferguson methods, which utilize claims paid or claims incurred triangles, are not applicable. These methods generally involve analysing claims paid or incurred split by accident year or underwriting year and collating this data over various timeframes (quarterly, monthly, annual) to estimate the delay period for claim settlements. Both the OCR and the IBNR were undiscounted.

Under IFRS 17, NASRIA has adapted the approach used in IFRS 4 for determining total remaining claims under the liability for incurred claims (LIC). In NASRIA's context, claims that have been approved for payment but are yet to be settled are included as part of the LIC. However, given NASRIA's low claims history, these are not significant enough to be held as a current liability on the balance sheet, a deviation from the norm established under IFRS 4.

New to IFRS 17 is the requirement to separately disclose experience variances relating to claims incurred prior to the start of the reporting period (“past” claims) from the current year claims incurred. There is no need to determine the current year experience variances from the date the claim is incurred until the end of the current reporting period. NASRIA, however, has chosen to do so to enable the monitoring of claim experience fully over the year.

All claims paid in the period are separated out between past claims and current year claims.

The claims expected to be paid during the reporting period in respect of the prior year’s closing LIC are estimated using an analysis of historic settlement patterns.

The past experience variance is determined using the following formula:

(claims paid in the period /less expected claims paid in the period)

Plus

(claim liability at the end of the reporting period in respect of past claims /less expected claim liability at the end of the period)

The expected claim liability is determined by subtracting the claims expected to be paid in the reporting period from the prior year’s closing LIC.

For the current year claims incurred, this amount is equal to the claims paid in the year in respect of the current year claims incurred and the LIC held at the end of the reporting period in respect of the current year claims incurred. This amount is split into two parts:

i. Initial claims incurred estimate

This is the sum of the estimated ultimate claim payments to be made in respect of claims expected to incur over the reporting period. NASRIA determines these amounts by multiplying the earned premium for each month over the reporting period by the expected ultimate, discounted claim ratio.

ii. New claim experience variance

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Current year claim variance is determined using the same formula that is used for the past claims experience variance except that the expected claim liability at the end of the reporting period is determined by subtracting the claims expected to be paid from the date incurred until the end of the reporting period from the initial claims incurred estimate.

The claim-related expenses liability is expressed as a percentage of the claim liability. Claim-related expense liabilities raised and the variance over the reporting period are determined in the same manner as described above.

5. VAT treatment

VAT is raised on an accruals basis, i.e. when the originating cash flow is due. The physical settlement of each month’s accrual takes place in the month following the cash flow.

6. Incorporation of premium and commission debtors and creditors

Premium and commission debtors and creditors are no longer separately held on the balance sheet. Any provision for bad debts in respect of premiums is also no longer held separately.

Under the PAA, if premium due is earned prior to it being received, the liability for remaining coverage (“LRC”) will be in a negative, asset position. Thus, a premium debtor is only held on the balance sheet to the extent that it has been earned.

NASRIA does not recognise revenue it does not expect to receive. Thus, any debtor within the LRC is net of bad debts and expected premium reversals/cancellations.

The treatment of commission creditors under the PAA, depends on the option chosen by NASRIA with respect to expensing insurance acquisition cash flows as they are incurred versus amortising them over the coverage period. NASRIA amortise commission but expense all other insurance acquisition cash flows.

In light of this, commission creditors would thus be treated in the same way as the premium debtors are treated under IFRS 17. Only commission creditors related to amounts already amortised are held in the LRC and hence on the balance sheet. When determining the amount of commission to amortise in the reporting period, both the amounts already paid as well as the amounts still outstanding (and expected to be paid) would be taken into account.

7. Discounting under the premium allocation approach

Discounting within the liability for remaining coverage is only required where there is deemed to be a significant financing component (paragraph IFRS 17.56). This is where the period from when the premium is due until the end of the risk coverage period ends to which the premium relates is longer than one year.

NASRIA interprets this to include the amounts deemed to not be contingent on claim experience in respect of any profit sharing or sliding scale reinsurance commission included within a reinsurance contract held.

Since the amount of earned premium or premium refund due after the one-year period is immaterial, NASRIA does not apply discounting to the liability for remaining coverage.

Under IFRS 17’s simplified approach, where it is expected that all claims incurred will be paid or received in one year or less from the date the claims are incurred, NASRIA has the option to not incorporate discounting within the liability for incurred claims.

NASRIA’s claim settlement pattern is one year for all of its groups of insurance contracts measured under the PAA and thus does not incorporate discounting within the liability for incurred claims.

B. Treatment of directly attributable expenses not related to insurance acquisition cash flows or claims

All policy administration and maintenance expenses allocated in accordance with NASRIA’s expense allocation policy are assumed to be due to the current service provision. No liability is raised in advance of these types of expenses incurring. As each month’s expenses are incurred, these amounts are raised within the liability for incurred claims and released from the LIC once paid.



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From a budget monitoring perspective, NASRIA chose, going forward, to raise the budgeted amount at the start of each month and then adjust to the actual amount incurred at the end of the month. This approach does not impact the IFRS 17 financial results but enables more enhanced management reporting.

C. Definition of “Paid”

Notwithstanding the VAT treatment considered earlier (refer above to point 5 "Measurement Approach Application") and the decision to non-commission insurance acquisition cash flows under the PAA, all other payments related to IFRS 17 cash flows are accounted for within an IFRS 17 liability component.

Thus, any asset or liability in respect of premiums, commission, claim payments or directly attributable expenses is held in either the liability for remaining coverage or the liability for incurred claims and is only released once the amount is paid/received.

D. Disaggregation of IBNR

Given NASRIA's low claims history, the entity does not maintain Incurred But Not Reported (IBNR) reserves. This is a unique aspect of NASRIA's financial management, as it deviates from the typical practice under IFRS 4 where general insurance entities recognize liabilities for incurred claims, including IBNR.

Paragraph IFRS 17.24 allows an entity to estimate the fulfilment cash flows at a higher level of aggregation than the group or portfolio, provided the entity is able to include the appropriate fulfilment cash flows in the measurement of each group by allocating such estimates to groups of contracts.

Nasria determines its IBNR in total at an IFRS 17 portfolio level per accident year. The approach to disaggregate the IBNR estimate down to an IFRS 17 group is to use the total earned premium per group over the relevant cohort year in question. This applies to both the gross and the reinsurance IBNR. The implicit assumptions using this disaggregation metric are:

- the earned premium is spread similarly across each of the IFRS 17 groups for each cohort year;
- the loss ratio is similar for all IFRS 17 groups in respect of that cohort year; and
- the settlement pattern is similar for all IFRS 17 groups in respect of that cohort year.

The actual EP ratios that were used to disaggregate the IBNR are as follows:

| IFRS 17 Group ID       | EP Ratio-opening<br>IBNR FY<br>Mar 2023 | Actual<br>IBNR | EP ratio-closing<br>IBNR FY<br>Mar 2023 | Actual<br>IBNR | EP ratio-closing<br>IBNR FY<br>Mar 2024 | Actual<br>IBNR |
|------------------------|-----------------------------------------|----------------|-----------------------------------------|----------------|-----------------------------------------|----------------|
| Commercial Risks Prior | 0.25                                    | 328 377        | -                                       | -              | -                                       | -              |
| Commercial Risks 2022  | 0.61                                    | 816 102        | 0.25                                    | 323 878        | -                                       | -              |
| Commercial Risks 2023  | -                                       | -              | 0.61                                    | 804 920        | -                                       | -              |
| Motor Prior            | 0.03                                    | 38 839         | -                                       | -              | -                                       | -              |
| Motor 2022             | 0.11                                    | 149 881        | 0.03                                    | 38 307         | -                                       | -              |
| Motor 2023             | -                                       | -              | 0.11                                    | 147 827        | 0.21                                    | 263 622        |
| Motor 2024             | -                                       | -              | -                                       | -              | 0.79                                    | 967 907        |

The IBNR reserve was only held for the IFRS Groups that have incurred claims from the historical claims of NASRIA Limited.

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Settlement patterns

| Month | PVT Claims Pattern |
|-------|--------------------|
| 0     | 0.00145            |
| 3     | 0.00144            |
| 6     | 0.00986            |
| 9     | 0.01407            |
| 12    | 0.97318            |

The size of the liability for incurred claims is only needed to be known at a portfolio level such that this liability, together with the portfolio's liability for remaining coverage and any asset for insurance acquisition cash flows can be assessed to establish whether the portfolio is in an overall asset or liability position.

Whilst it is acknowledged that the earned premium metric does have shortfalls, trying to determine a more advanced metric would require additional assumptions and increase the risk of errors and difficulty in validating the outcome. Overall, a more advanced metric would not lead to more accurate financial statements.

E. Allowance for future new contracts to be ceded to groups of reinsurance contracts held and groups of reinsurance contracts issued

There are two contract boundaries contained within proportional reinsurance contracts:

- The period over which existing contracts ceded under the reinsurance agreement will continue to receive cover, and
- The period over which new contracts, yet to be written (or renewed) are obligated to be ceded under the reinsurance contract.

Given that both the insurer and the reinsurer are under an obligation to cede / accept new underlying contracts written between the valuation date and the period when either party can terminate the contract with respect to these contracts, the cash flows expected in relation to these new underlying contracts falls within the scope of the measurement of the group of reinsurance contracts.

The premium provision is a retrospective calculation. Prior reinsurance premiums paid (net of fixed reinsurance commission and reinsurance profit share amounts not contingent on claim experience where applicable) are accumulated.

The net reinsurance premiums are recognised as the current service is rendered. As such, any future obligation to pay premiums and recognise reinsurance premium as an expense is not included in the measurement approach and can be ignored.

F. Application of the premium allocation approach since the contract boundary is under 1 year

Annual premiums are payable for the PAA products PVT and CGS. These contracts have a contract boundary of 30 days due to the presence of a termination clause. Every 30 days, these contracts are notionally cancelled and then renewed for the next 30-day period. Theoretically, in accordance with the policy conditions, the balance of the annual premium is assumed to be refunded at the end of the 30-day period and then repaid on the same day. Where the current year's IFRS 17 group is still open, the contracts “renew” into the same cohort. Otherwise, the contract “renews” into the following year's IFRS 17 group.

1.13.4 PAA Insurance Revenue Recognition

The premium allocation approach (“PAA”) whether applied to groups of insurance or reinsurance contracts issued or groups of reinsurance contracts held requires the expected premium receipts to be recognised over time in accordance with the expected insurance service expenses provided over the period. Two main questions (and hence assumptions) are therefore needed:

- What constitutes expected premium receipts?
- What is the pattern of expected insurance service expenses?

These are explored individually below.

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Definition of expected premium receipts

- Each policy has a premium due attached to it. This premium due may take many forms, for example:
- Single or annual premium fixed at outset
  - Initial deposit premium with a final premium following the coverage period on the exact coverage provided can be established
  - Monthly premium fixed at outset
  - Monthly premium set each month based on the cover provided (or exposure) in that month

For all contracts where the premium is fixed at outset, this is the amount of the expected premium receipts (prior to considerations around premium debtors which is considered below).Nasria currently underwrites policies in the form of an annual premium fixed at outset.

For contracts where the premium due is not fully known at outset, the expected premium due may change over time as more is known about the true exposure insured in a particular month. For monthly payable policies, the actual premium due is known during the course of the month. Up until this time the expected premium due will be based on the expected coverage/exposure to be provided in that month.

From a practical perspective, for annual policies where a deposit premium is payable it is assumed that the deposit premium is reflective of the expected coverage to be and that actual coverage is only known at the end of coverage period, even though there may be some evidence during the period that the actual coverage provided does differ to originally assumed.

Any recognition prior to knowing the actual coverage will be based on the original expected premium due. A correction to revenue recognition, for the current and all prior months, will be made in the month that the actual coverage is known.

Prior to the adoption of IFRS 17, insurance contract premium debtors are classified as a financial asset and accounted for under IFRS 9. From an IFRS 4 perspective, the full premium due is raised as written premium within the income statement regardless of whether the premium is expected to actually be received due to the policyholder not paying the premium or the collector of the premium, who is a third party receiving premium into an account not under the control of NASRIA, failing to pay over the funds. Financial assets under IFRS 9 are adjusted for expected credit losses (as per IFRS 9.5.5.1 and IFRS 9.5.5.17).

Under IFRS 17, premium debtors are now accounted for within the liability for remaining coverage and the impact of debtor non-payment must now be accounted for under insurance revenue. Given the intention of the IASB to have consistency between the various IFRS, it is reasonable to assume therefore that the term “expected premium receipts” must be adjusted to only reflect premium that is actually expected to be received net of debtor write-offs.

Usually, Nasria’s board meet to decide the percentage [x%] of premium debtors to be written off. In order to adjust insurance revenue for this, the earned premium (i.e. the portion of the premium due that is to be recognised in the period based on the earning’s pattern discussed below) is adjusted downwards by an uncertainty percent which is defined as follows:

$$ukcertaikty\_percekt_{\square} = \frac{(premium_{paid} + premium_{debtors} * (1 - x\%))}{\square + \square}$$

The amount held back will be recognised in the following reporting period if the premium is received in that period. Any experience variance due to the actual premium written off being different to what was expected is recognised as insurance revenue at the time of either receiving the premium or writing off the premium debtor.

Pattern of expected insurance service expenses – Earning’s Pattern

Insurance service expenses are incurred in line with both the incidence of claims and the severity of the claim. For all NASRIA’s products measured under the PAA, there is no material difference between either over the full coverage period. A 365ths pattern of earning is thus recommended, which is consistent with current practice, where the premium is expressed as a daily rate and recognised each month in accordance with the number of days of cover provided in that month.

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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

1.13.5 Level of Aggregation

1. INTRODUCTION

- A 3-step process is followed to assign an insurance contract issued to a group:
- Step 1: Allocate the contract to a portfolio
  - Step 2:Assign the contract to a group such that the issues dates are not more than a year apart
  - Step 3: Assign the contract to a profitability bucket, which at a minimum, subject to certain conditions, must be “Onerous”, “No significant possibility of becoming onerous” (“NSPBO”) or “Remaining”.

A similar 3-step process is required to assign reinsurance contracts issued. For reinsurance contracts held, step 3 above is replaced by:

Step 3: Assign the reinsurance agreement to a profitability bucket, which at a minimum, subject to certain conditions, must be “Net Gain”, “No significant possibility of becoming a net gain” (“NSPNG”) or “Remaining”.

The sub-sections below cover each of the above steps in turn before reaching a final conclusion regarding NASRIA’s approach to aggregating (or grouping) insurance contracts issued and reinsurance contracts issued or held.

STEP 1a: Definition of a Portfolio – Direct Business

Insurance Contracts that have similar risks and are managed together need to be grouped together in what is defined as a portfolio under IFRS 17.

Similar risks

Paragraph 14 states that the various product lines would be expected to be in a separate portfolio (assuming they are managed together which is discussed next).

For NASRIA, a product line would equate to its business classes that is uses to report through to the Namibia Financial Institutions Supervisory Authority (NAMFISA) given that the business written within each business class tend to respond similarly to the same key drivers of risk.

NASRIA offers Special Risks Insurance, primarily focusing on Political Violence and Terrorism (PVT) and Credit Guarantee Scheme. The risk characteristics of these products are distinct due to the nature of the risks they cover. As such, they are grouped separately in NASRIA’s portfolio.

Managed together

- No definition is provided for what constitutes being managed together and it is left to each insurer to determine this for itself. The criteria that NASRIA has chosen to use to satisfy itself that the contracts are managed together is as follows:
- The contracts are housed on the same policy administration system,
  - Management reports do not separate these contracts to a more granular level (including by currency), and
  - The business partners involved in sharing the profits arising from the contracts do not differ.

All business is housed on system Footprint. Management reports currently do not split the contract to a more granular level than NAMFISA business lines.



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Portfolio recommendation

Based on the above arguments, the chosen portfolios to put forward for approval are:

Level of Aggregation Accounting Policy Paper" under IFRS 17 is as follows:

| Portfolio | IFRS Group            | Namfisa Line of Business |
|-----------|-----------------------|--------------------------|
| PVT       | Business Interruption | Special Risks Insurance  |
|           | Commercial Risks      | Special Risks Insurance  |
|           | Construction Plant    | Special Risks Insurance  |
|           | Contract Works        | Special Risks Insurance  |
|           | Domestic Risks        | Special Risks Insurance  |
|           | Marine Cargo          | Special Risks Insurance  |
|           | Marine Hull           | Special Risks Insurance  |
|           | Money                 | Special Risks Insurance  |
|           | Motor                 | Special Risks Insurance  |
|           | Welfare Institutions  | Special Risks Insurance  |
|           | Credit Guarantee      | Special Risks Insurance  |
| CGS       |                       |                          |

STEP 1b: Definition of a Portfolio – Reinsurance

The considerations of a portfolio for reinsurance agreements are split into two parts. The first relates to reinsurance treaties and the second to facultative placements (especially those not connected to a master treaty).

For each year, the reinsurance treaties held (where NASRIA is the protected party) are unique from each other in respect of their structure, the risks covered and the cashflows expected as a result of these risks. Each treaty is also managed separately.

All reinsurance treaties are annual policies and are renewed each year on updated reinsurance terms (and reinsurance participants where there is more than one reinsurer sharing the risk under the agreement). NASRIA groups each treaty and the renewals thereof where these are of a similar structure together in a portfolio. If a treaty provides reinsurance cover for multiple insurance contract portfolios where the treaty is combined into one for convenience purposes, the treaty is split into multiple portfolios per product type to allow for internal management reporting to view the business on a net of reinsurance basis.

Reinsurance contracts held that are placed facultatively and inwards reinsurance treaties (reinsurance contracts issued) such as those covering risks related to 'Violent Theft and Sabotage' and 'Terrorism, Riot, Strikes, and Civil Commotions' (as per NASRIA's Articles of Association), are structured similarly and cover comparable risks. They are also managed together from an administration and internal reporting perspective. It is proposed that within a product type these facultative agreements are grouped together into the same portfolio. The facultative placements in the product types such as PVT are only made if the business written exceeds the scope of the reinsurance treaty 'Annual Aggregate Cover for Violent Theft and Sabotage'. The size of risk is higher than the limits of the reinsurance treaty, which is N\$2,000,000,000 per policy or contract declaration, but the risks insured are the same. The measurement approach to be applied to both the treaty and the facultative agreements is the premium allocation approach as they are allocated them to the same portfolio.

STEP 2: Cohort Period

- Issue dates
- The practical implications of each cohort option.

From a practical perspective, it is best to set one cohort period definition that is applied across all contracts. NASRIA's business is comprised of contracts measured under the premium allocation approach. Under this approach, the profit arising over each financial year is not affected by the choice of cohort. Currently, the business is managed on an underwriting year basis which means that the contracts are grouped together based on the year the contract is issued or renewed. The underwriting year is aligned to the financial year (i.e. 1 April – 31 March).

All quota share and surplus reinsurance agreements are also structured on an underwriting year basis. For the reinsurance agreements, however, the underwriting year is defined by the year of cover and does sometimes straddle two financial years. This is exemplified by agreements like the Annual Aggregate Cover, which has a coverage period from 1 April 2021 to 31 March 2022. Non-proportional treaties are written on a loss occurring and risk attaching basis and will cover claims occurring

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during the coverage period (which is again aligned to the financial year.

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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

Taking all of the above considerations into account, a one-year cohort period is applied for all product types given that this is aligned to the financial period.

For the reporting Financial periods, the reinsurance portfolios proposed, further broken down by cohort year, are as follows:

| Reinsurance Agreement             | Reporting Group Name | IFRS 17 portfolio |
|-----------------------------------|----------------------|-------------------|
| Aggregate Cover                   | AGC_PVT              | Non-Proportional  |
| Quota Share Reinsurance Agreement | QS_PVT               | Proportional      |
| Facultative                       | Facultative          | Facultative       |

STEP 3: Profitability Buckets

Insurance and reinsurance contracts issued – Level of granularity.

There are no legal or insurance regulations that prevent NASRIA from having the practical ability to set a different price or level of benefits for policyholders with different characteristics. As such the minimum level of aggregation required, after allocating contracts to portfolios and ensuring that issues dates are not more than one year apart, is to assign each contract based on the profitability expectations at initial recognition to a profitability bucket:

- i. No significant possibility of becoming onerous (“NSPBO”)
- ii. Onerous
- iii. Remaining

This is the minimum level of aggregation required by IFRS 17. NASRIA's internal reporting structure, which may be more granular than this minimum requirement, is supported by the functionalities of its IFRS 17 software (RiskIntegrity™ IFRS 17 or equivalent), allowing for further segmentation within these buckets. This could include splits by product type, distribution channel, or other relevant criteria, chosen to monitor business segments more effectively for targeted management actions.

Whilst this level of detail is still considered necessary, there are no material differences in profit expectations at initial recognition that would warrant a separate IFRS 17 group to be assigned to each sub-set. Nasria’s IFRS 17 software (called RiskIntegrity™ IFRS 17) allows for the use of sub-groups within an IFRS 17 group. The data is entered at the sub-group level but the loss component (where applicable) is determined at the higher IFRS 17 group level. NASRIA makes use of this functionality to meet its internal reporting needs.

Insurance and reinsurance contracts issued – Premium allocation approach

Under the premium allocation approach, no contracts are assumed to be onerous at initial recognition unless facts and circumstances indicate otherwise. For NASRIA, these facts and circumstances will be informed by the process to set policy premium rates or from business-as-usual profitability monitoring and internal reporting processes. NASRIA's underwriting policy does not allow insurance contracts to be written where they are expected to make a loss. Some freedom is given to insurance brokers to negotiate their commission rate (with this lower commission rate recorded in the policy record) and underwriters to provide a discount on expense loadings but this is usually only done for a large potential client and is not general practice. This latter discount is never allowed to fall below a minimum threshold, although note that this discount granted is not recorded anywhere on the policy administration system.

Expected profitability can only be determined at a cohort year level and not on a per policy basis.

The Standard does allow insurers to assign contracts per cohort year to a profitability group as a whole where it has reasonable and supportable information to conclude that the profit expectations are similar across the contracts such that they would end up in the same group if assessed on a case-by-case basis.

On a best-estimate basis, no contract or groups of contracts per cohort year will be considered onerous at initial recognition. This is also true from a risk-adjusted IFRS 17 basis, where, (i.e. allowing for an allocation of directly attributable expenses and an adjustment for the compensation required for exposure to non-financial risks), there are no products that are expected to fall within the onerous category.

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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

Threshold for NSPBO

In order to divide the current profitable contracts into those with no significant possibility of becoming onerous and those with, the volatility of prior claim experience was analysed on a per-product basis. If, in any of these years, a contract was loss-making, the product is automatically assumed to not have a NSPBO profitability bucket. Only two profitability buckets are therefore established (i.e. Remaining and Onerous).

In circumstances where there is no history or where there is no prior loss recorded, the likelihood of their being an increase in the loss ratio and expense ratio to the extent needed to produce a loss is established. Where this increase is higher than the 95<sup>th</sup> percentile above the mean, there is a NSPBO. Otherwise there is not.

All Nasria’s products are classified into the NSPBO bucket as follows:

| Portfolio | IFRS Group            | Profitability Bucket |
|-----------|-----------------------|----------------------|
| PVT       | Business_Interruption | NSPBO                |
|           | Commercial_Risks      | NSPBO                |
|           | Construction_Plant    | NSPBO                |
|           | Contract_Works        | NSPBO                |
|           | Domestic_Risks        | NSPBO                |
|           | Marine_Cargo          | NSPBO                |
|           | Marine_Hull           | NSPBO                |
|           | Money                 | NSPBO                |
|           | Motor                 | NSPBO                |
|           | Welfare_Institutions  | NSPBO                |
|           | Credit_Guarantee      | NSPBO                |
|           |                       |                      |
|           |                       |                      |
| CGS       |                       |                      |

Contract Modification

If a contract is modified in a way that would have altered the IFRS standard, the IFRS 17 measurement approach or the IFRS 17 group that applied when initially recognising the contract, paragraph 72 requires that the contract be derecognised from the group it was originally assigned to and placed in the group that it would have been assigned to had the contract been in its amended form at outset.

It is noted from the standard that if a contract gives the policyholder to option to amend their contract in a defined way, any exercise of this option is not considered a contract medication.

Nasria has not identified any contract modifications that can arise that would result in a different IFRS 17 group being required. Contract modification has thus not been implemented by Entity within its IFRS 17 processes.

Review of Aggregation Assumptions

Any detailed profitability and profitability criteria assumptions will be reviewed annually prior to the end of annual financial reporting period. If new products are launched during the year, the premium rate setting assumptions will be used to incorporate the new product within the aggregation processes.

Implementation of Aggregation Procedures

The naming convention used for the Entity’s groups is as follows:

Insurance contracts issued: IFRS 17 group code\_ cohort year (4 digits)\_ profitability code (R for Remaining, O for Onerous and N for No Significant Possibility of Becoming Onerous)

Reinsurance contracts held: IFRS 17 portfolio code (6 letters)\_ reinsurance type (6 letters)\_cohort year (4 digits)\_ profitability code (R for Remaining, G for Net Gain and N for No Significant Possibility of Becoming a Net Gain)

Premium allocation approach

Contracts are assigned to a group based on a set of pre-defined rules. These rules used the product and contract’s specific features such as:



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- Product features:
- Measurement approach
  - IFRS 17 Contract boundary
  - Profitability bucket (split by effective date to allow for changes over time)
  - IFRS 17 Portfolio

- Contract features:
- Inception date
  - Renewal date

The group assigned is not recorded but derived when needed based on the rule set. All contract transactions extracted from the policy administration system are aggregated together based on the code.

1.13.6 Expense allocation

1. Introduction

IFRS 17 provides principle-based guidance on the determination of expenses which should be included in the measurement of insurance contracts and how each expense category should be measured. Expenses which are regarded as “directly attributable” are within the scope of IFRS 17 (as per paragraph IFRS 17.B65 and IFRS 17.B66).

There are no explicit definitions or prescribed methodologies for the allocation of these qualifying expenses across the expense types and down to an IFRS 17 group of insurance contracts level. IFRS 17 only requires that the approach followed be consistently applied and properly documented.

IFRS 17 expenses have a significant impact on the profitability of contracts and the measurement outcome per financial period.

Given the significance of the expense allocation methodology to the presentation of the financial statements and the overall profit recognition pattern over each group of insurance contract’s coverage period, the approach taken and the application thereof each year will be subject to significant scrutiny by management. As such, the expenses incurred by NASRIA are analysed in detail.

2. Approach

The group performs regular expense analysis and applies judgement to determine the extent to which overheads are directly attributable to fulfilling insurance contracts. The group identifies directly attributable expenses by analysing expenses on a line-by-line basis and allocating overheads, where applicable. These directly attributable expenses are included in the measurement of insurance contracts.

**Other directly attributable expenses:**  
All policy administration and maintenance expenses determined to be directly attributable to insurance contracts are assumed to be due to current service provision. No liability is raised in advance of these types of expenses incurring. As each month’s expenses are incurred, these amounts are raised within the LIC and released from the LIC to insurance service expense.

**Insurance acquisition cashflows:**  
In respect of insurance contracts measured applying the PAA, Nasria has an accounting policy choice of whether to expense the insurance acquisition cashflows when incurred or amortise them over the coverage period. Commissions have been identified to be insurance acquisition cashflows, Nasria has elected to amortise commissions over the coverage period.

NASRIA uses the proportional and general allocation approaches for expense allocation. These strategic and principled approaches are driven by the unique nature of the group’s operations in the insurance sector. The approaches aligns with NASRIA’s overarching objective of providing stakeholders with transparent and reliable financial statements.

Insurance acquisition cash flows have been allocated by number of new policies, claims handling allocated by number of claims settled, policy administration and maintenance costs allocated by number of policies sold.

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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

3. Category of Expenses and Accounting Treatment

- Paragraph IFRS 17.65 lists the expenses that would be considered directly attributable. For NASRIA, these include:
- an allocation of insurance acquisition cash flows;
  - claim handling costs;
  - policy administration and maintenance costs, such as costs of premium billing and handling policy changes;
  - value added taxes that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis; and
  - an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts.

The accounting treatment of expenses depends on the category to which it is allocated. NASRIA has defined four expense categories:

A. Insurance Acquisition Cash Flows

Insurance acquisition cash flows are the costs incurred to sell, underwrite or start an insurance contract issued or reinsurance contract issued (see the definition section in Appendix A). These costs may be attributable to an insurance contract, product or portfolio without needing to first ratio or split the costs or may need to be split first. The allocation down to an IFRS 17 group level must be done on a systematic and rational manner (see paragraph IFRS 17.28A).

Paragraph IFRS 17.4 states that where the word “issued” is added to insurance contracts within the Standard’s paragraph, this paragraph does not include reinsurance contracts held. As such, reinsurance contracts held are excluded from qualifying for an insurance acquisition cash flows category. Any activity by NASRIA to place its reinsurance contracts is therefore accounted for as specific directly attributable reinsurance expenses (whether specific or non-specific).

The general principle under IFRS 17 is that insurance acquisition cash flows must be amortised over the coverage period. The exception for insurance contracts measured under the premium allocation where every contract has a coverage period under one year is that there is an option to rather expense these costs when they incur. NASRIA has elected to amortise the insurance acquisition cash flows over the coverage period.

Theoretically, where these costs are incurred prior to the commencement of an insurance contract that is to be measured under the general measurement model, these amounts are capitalised as an “insurance acquisition cash flow asset” which is held at an IFRS 17 portfolio level (see the aggregation policy for more details). As the insurance contracts to which these costs are to be allocated are recognised, these costs are derecognised from this asset and recognised within the group of insurance contract’s liability.

Both for the above allocated insurance acquisition cash flows and those that are incurred on or after the date of insurance contract recognition, these costs are included as part of the fulfilment cash flows within the liability for remaining coverage. A portion of the premiums receivable under the contracts are set aside to cover these insurance acquisition cash flows and these costs and the corresponding premium are recognised together over the coverage period.

NASRIA does not incur material insurance acquisition cash flows prior to the recognition of an insurance contract. The lead-time from the incurrance of these costs until the contracts for which these costs were incurred are recognised is also typically under one month. As such, NASRIA has concluded not to incorporate the use of the insurance acquisition cash flow asset as at the current reporting date. Insurance acquisition cash flows will thus be allocated directly to groups of insurance contracts as they are incurred.

B. Specific Directly Attributable (Re)Insurance Expenses excluding Insurance Acquisition Cash Flows

These are expenses that are deemed to be directly attributable to an insurance contract, product or portfolio without needing to first ratio or split the costs.

These costs are expensed as they are incurred. The expected future specific directly attributable expenses will be held within the liability for remaining coverage and released when they are expected to be incurred. A corresponding expense incurred liability will be established within the liability for incurred claims.

There are two types of specific directly attributable costs. The first category are claim-related costs that are incurred to administer, measure and settle incurred claims. The second category relates to the balance of the expenses and are

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referred to for the purpose of this expense allocation policy as “policy administration and maintenance expenses”.

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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

As the expenses are paid, the liability for incurred claims is released.

C. Non-Specific Directly Attributable (Re)Insurance Expenses Excluding Insurance Acquisition Cash Flows

These are expenses that are deemed to be directly attributable to fulfilling the obligations under insurance contracts but first need an allocation methodology applied to split the costs.

Once allocated, the accounting treatment is the same as for the specific directly attributable expenses. The costs largely result from the allocation of fixed and variable overheads.

D. Non-Attributable Expenses

These expenses (either in total or in part) are deemed not necessary to fulfilling insurance and reinsurance contracts and therefore must not be included with the measurement of insurance contracts under IFRS 17.

These costs are expensed as they are incurred, or under the required accounting approach defined by the relevant IFRS standard.

4. Expense Allocation Principles

Under IFRS 17, insurance acquisition cash flows and other directly attributable expenses must be allocated down to a group of (re)insurance contracts level. The expenses are allocated at the portfolio level either directly – for the expenses that are specific to the portfolio; or are allocated to the portfolio based on predetermined allocation methodology. The methodology is reviewed on a regular basis and updates are made if necessary as business circumstances or conditions change. The allocation methodology considers a number of factors such as size of premiums, in force policies, head count amongst other considerations.

5. Expense Sub-categories

Each expense category can have the following sub-categories:

- A. Office Expenses
- B. Professional Fees
- C. Claims and Settlement Expenses
- D. Premium Billing and Handling Policy Changes
- E. Reinsurance Expenses
- F. Other Expenses

6. Allocation methods

The Company uses a combination of proportional allocation and general allocation to allocate expenses.

7. Expense Allocation Process

The IFRS 17 expense allocation process is structured to have the following steps:

A. Collate Data Inputs Including:

- i. Expenses incurred at the most granular level recorded for the relevant financial period (i.e. in the general ledger and the policy administration system - which for NASRIA is Excel).
- ii. Easily obtainable metrics from which to choose (for the initial expense allocation) or the chosen metrics (for ongoing expense allocations).

B. Define/Review Allocation Process And Metrics:

Where a direct tracing approach can be used, there is no need for a metric to be defined. For the remaining expenses, a two-step allocation process is adopted.



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1.13 Accounting principles and methods specific to insurance operations after adopting IFRS 17 (continued)

Each expense sub-category is first split into the four expense categories. A metric is defined for this allocation. For IFRS 17 expenses, the cost per expense category and sub-category is then disaggregated down to a group of insurance contracts. A second metric is chosen from those available that gives the most appropriate allocation. The chosen metrics are documented together with any justification necessary to justify why the metric is considered appropriate.

On an annual basis, the continued appropriateness of the previous metrics is reviewed and if required, amended. These metrics are expected to change infrequently. The main reasons behind a need to change the metrics would be a change to NASRIA’s operating structure or an extension of its product range. Another reason could be the availability of a new and more appropriate metric that was previously not obtainable.

C. Build/Maintain The Allocation Process:

The expense allocation process is formula driven within an Excel workbook. This workbook contains a place to paste the expense inputs for the relevant reporting period, the metric values for the relevant reporting period and the outcome of the allocation.

The workbook also contains documentation regarding the allocation model as well as a version control section.

8. Amortisation Of Insurance Acquisition Cash Flows

NASRIA capitalise its insurance acquisition cash flows as it incurs those costs.

1.14 Accounting principles and methods specific to insurance operations before adopting IFRS 17

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.

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1.14 Accounting principles and methods specific to insurance operations before adopting IFRS 17 (continued)

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. 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.

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.

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2. Changes in accounting policy

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

Disclosure of accounting policies: Amendments to IAS 1 and Practice Statement 2

The group adopted the amendments to IAS 1 and Practice Statement 2, which now require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment did not result in changes to measurement or recognition of financial statement items, but management reviewed the accounting policies and made changes to ensure that only material accounting policy information is disclosed.

IFRS 17 Insurance contracts

The group has adopted IFRS 17 by applying the full retrospective approach for groups of contracts in force as at 1 April 2022, as required by IFRS 17. Under the full retrospective approach, the group identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied. The full retrospective approach was used for all groups of insurance contracts issued and reinsurance contracts held by the group.

Application of IFRS 17 at 1 April 2022, required the group to:

- Identify, recognise and measure group of insurance contracts as if IFRS 17 had always been applied;
- Identify, recognise and measure any asset for insurance acquisition cashflows as if IFRS 17 had always been applied except the recoverability assessment not applied before 1 April 2022;
- De-recognise any existing balances that would not exist had IFRS 17 been applied and recognise the IFRS 17 balances that replace these; and
- Recognise any resulting net difference in equity.

The group’s insurance contracts issued are all eligible to be measured by applying the Premium Allocation Approach (PAA).

Impact on the statement of comprehensive income

The statement of profit or loss and other comprehensive income has been re-presented for the year ended 31 March 2023 to reflect the changes in the opening balance sheet at 1 April 2022. The transitional requirements of IFRS 17 do not require a reconciliation between the previous format of profit or loss and the new format of profit or loss.

Reclassification adjustments

Insurance related receivables and payables are no longer presented separately from insurance liabilities and insurance assets, leading to a reduction of total assets and liabilities as follows:

- Receivables arising out of insurance arrangements and deferred acquisition costs have been reclassified from assets and netted off against insurance contract liabilities;
- Portfolios of contracts that have asset balances and those that have liability balances are presented separately on each side of the statement of financial position.

The group's judgements applied in the application of IFRS 17 as well as the IFRS 17 accounting policies are set out in note 1.13.

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2. Changes in accounting policy (continued)

Impact of the adoption of IFRS 17

The aggregate effect of the changes on the statement of financial position as at 31 March 2023 is as follows:

|                                  | Reported<br>N\$ '000 | Adjustment<br>N\$ '000 | Adjusted<br>N\$ '000 |
|----------------------------------|----------------------|------------------------|----------------------|
| <strong>Assets</strong>          |                      |                        |                      |
| Trade and other receivables      | 12 249               | (10 355)               | 1 894                |
| Deferred acquisition costs       | 4 395                | (4 395)                | -                    |
|                                  |                      | (14 750)               |                      |
| <strong>Liabilities</strong>     |                      |                        |                      |
| Reinsurance contract liabilities | -                    | (46 317)               | (46 317)             |
| Insurance contract liabilities   | -                    | (9 104)                | (9 104)              |
| Trade and other payables         | (49 527)             | 47 203                 | (2 324)              |
| Insurance liabilities            | (22 647)             | 22 647                 | -                    |
|                                  |                      | 14 429                 |                      |
| Net impact on retained earnings  |                      | (321)                  |                      |

The aggregate effect of the changes on the statement of financial position as at 31 March 2022 is as follows:

|                                  | Reported<br>N\$ '000 | Adjustment<br>N\$ '000 | Adjusted<br>N\$ '000 |
|----------------------------------|----------------------|------------------------|----------------------|
| <strong>Assets</strong>          |                      |                        |                      |
| Trade and other receivables      | 9 616                | (9 092)                | 524                  |
| Deferred acquisition costs       | 3 895                | (3 895)                | -                    |
|                                  |                      | (12 987)               |                      |
| <strong>Liabilities</strong>     |                      |                        |                      |
| Reinsurance contract liabilities |                      | (36 511)               | (36 511)             |
| Insurance contract liabilities   | -                    | (8 367)                | (8 367)              |
| Trade and other payables         | (40 367)             | 37 237                 | (3 130)              |
| Insurance liabilities            | (20 008)             | 20 008                 | -                    |
|                                  |                      | 12 367                 |                      |
| Net impact on retained earnings  |                      | (620)                  |                      |



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3. New Standards and Interpretations

3.1 Standards 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:

International tax reform - Pillar two model rules - amendments to IAS 12

The amendments incorporate into IAS 12, taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. As an exception, deferred tax assets and liabilities shall not be recognised, nor information about them disclosed related to Pillar Two income taxes. Disclosures about applying this exception to deferred tax are required. Any current tax income or expense related to Pillar Two income taxes is required to be disclosed separately. In addition, where the legislation is enacted or substantively enacted, but not yet in effect, management are required to disclose known or reasonably estimable information of the entity's exposure to Pillar Two taxes arising from that legislation.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the consolidated and separate annual financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is set out in note 2 Changes in Accounting Policy.

Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in consolidated and separate annual financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after 1 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

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3. New Standards and Interpretations (continued)

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 1 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

The effective date of the standard is for years beginning on or after 1 January 2023.

The group expects to adopt the standard for the first time in the 2024 consolidated and separate annual financial

statements. The impact of the standard is set out in note 2 Changes in Accounting Policy.

3.2 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 2024 or later periods:

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|------------------------------------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|---------------------|--------------------------|----------------|
| Figures in Namibia Dollar thousand |                     |                          |                |                     |                          |                | 2024                | 2023                     | 2023           |
| 4. Property, plant and equipment   |                     |                          |                |                     |                          |                |                     |                          |                |
| Group                              | 2024                |                          |                | 2023                |                          |                | 2022                |                          |                |
|                                    | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value |
| Land                               | -                   | -                        | -              | -                   | -                        | -              | 33 517              | (7 263)                  | 26 254         |
| Buildings                          | 1 855               | (661)                    | 1 194          | 1 855               | (624)                    | 1 231          | 1 855               | (587)                    | 1 268          |
| Furniture and fixtures             | 631                 | (548)                    | 83             | 544                 | (526)                    | 18             | 544                 | (493)                    | 51             |
| Motor vehicles                     | 512                 | (512)                    | -              | 1 191               | (997)                    | 194            | 1 191               | (828)                    | 363            |
| Office equipment                   | 1 887               | (45)                     | 1 842          | 45                  | (44)                     | 1              | 45                  | (43)                     | 2              |
| Computer equipment                 | 1 399               | (1 237)                  | 162            | 1 287               | (1 075)                  | 212            | 1 183               | (925)                    | 258            |
| Total                              | 6 284               | (3 003)                  | 3 281          | 4 922               | (3 266)                  | 1 656          | 38 335              | (10 139)                 | 28 196         |
| Company                            |                     |                          |                |                     |                          |                |                     |                          |                |
| Company                            | 2024                |                          |                | 2023                |                          |                | 2022                |                          |                |
|                                    | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value |
| Buildings                          | 1 855               | (661)                    | 1 194          | 1 855               | (624)                    | 1 231          | 1 855               | (587)                    | 1 268          |
| Furniture and fixtures             | 631                 | (548)                    | 83             | 544                 | (526)                    | 18             | 544                 | (493)                    | 51             |
| Motor vehicles                     | 512                 | (512)                    | -              | 1 191               | (997)                    | 194            | 1 191               | (828)                    | 363            |
| Office equipment                   | 1 887               | (45)                     | 1 842          | 45                  | (44)                     | 1              | 45                  | (43)                     | 2              |
| Computer equipment                 | 1 399               | (1 237)                  | 162            | 1 287               | (1 075)                  | 212            | 1 183               | (925)                    | 258            |
| Total                              | 6 284               | (3 003)                  | 3 281          | 4 922               | (3 266)                  | 1 656          | 4 818               | (2 876)                  | 1 942          |

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|------------------------------------|--|--|--|---------|------|------|
| Figures in Namibia Dollar thousand |  |  |  | 2024    | 2023 | 2022 |

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2024

|                        | Opening balance | Additions | Disposals | Depreciation allocated to insurance service expenses | Depreciation | Total |
|------------------------|-----------------|-----------|-----------|------------------------------------------------------|--------------|-------|
| Buildings              | 1 231           | -         | -         | (23)                                                 | (14)         | 1 194 |
| Furniture and fixtures | 18              | 87        | -         | (22)                                                 | -            | 83    |
| Motor vehicles         | 194             | -         | (120)     | (74)                                                 | -            | -     |
| Office equipment       | 1               | 1 842     | -         | (1)                                                  | -            | 1 842 |
| Computer equipment     | 212             | 112       | -         | (162)                                                | -            | 162   |
|                        | 1 656           | 2 041     | (120)     | (282)                                                | (14)         | 3 281 |

Reconciliation of property, plant and equipment - Group - 2023

|                        | Opening balance | Additions | Transfer to investment property | Depreciation allocated to insurance service expenses | Total |
|------------------------|-----------------|-----------|---------------------------------|------------------------------------------------------|-------|
| Land                   |                 | 26 254    | -                               | (26 254)                                             | -     |
| Buildings              | 1 268           | -         | -                               | (37)                                                 | 1 231 |
| Furniture and fixtures | 51              | -         | -                               | (33)                                                 | 18    |
| Motor vehicles         | 363             | -         | -                               | (169)                                                | 194   |
| Office equipment       | 2               | -         | -                               | (1)                                                  | 1     |
| Computer equipment     | 258             | 105       | -                               | (151)                                                | 212   |
|                        | 28 196          | 105       | (26 254)                        | (391)                                                | 1 656 |

Reconciliation of property, plant and equipment - Group - 2022

|                           | Opening balance | Additions | Transfers | Depreciation | Total  |
|---------------------------|-----------------|-----------|-----------|--------------|--------|
| Land                      | 21 560          | -         | 4 694     | -            | 26 254 |
| Buildings                 | 1 304           | -         | -         | (36)         | 1 268  |
| Assets under construction | 3 452           | 1 242     | (4 694)   | -            | -      |
| Furniture and fixtures    | 85              | -         | -         | (34)         | 51     |
| Motor vehicles            | 533             | -         | -         | (170)        | 363    |
| Office equipment          | 2               | -         | -         | -            | 2      |
| Computer equipment        | 61              | 278       | -         | (81)         | 258    |
|                           | 26 997          | 1 520     | -         | (321)        | 28 196 |



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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company - 2024

|                        | Opening balance | Additions | Disposals | Depreciation allocated to insurance service expenses | Depreciation | Total |
|------------------------|-----------------|-----------|-----------|------------------------------------------------------|--------------|-------|
| Buildings              | 1 231           | -         | -         | (23)                                                 | (14)         | 1 194 |
| Furniture and fixtures | 18              | 87        | -         | (22)                                                 | -            | 83    |
| Motor vehicles         | 194             | -         | (120)     | (74)                                                 | -            | -     |
| Office equipment       | 1               | 1 842     | -         | (1)                                                  | -            | 1 842 |
| Computer equipment     | 212             | 112       | -         | (162)                                                | -            | 162   |
|                        | 1 656           | 2 041     | (120)     | (282)                                                | (14)         | 3 281 |

Reconciliation of property, plant and equipment - Company - 2023

|                        | Opening balance | Additions | Depreciation allocated to insurance service expenses | Total |
|------------------------|-----------------|-----------|------------------------------------------------------|-------|
| Buildings              | 1 268           | -         | (37)                                                 | 1 231 |
| Furniture and fixtures | 51              | -         | (33)                                                 | 18    |
| Motor vehicles         | 363             | -         | (169)                                                | 194   |
| Office equipment       | 2               | -         | (1)                                                  | 1     |
| Computer equipment     | 258             | 105       | (151)                                                | 212   |
|                        | 1 942           | 105       | (391)                                                | 1 656 |

Reconciliation of property, plant and equipment - Company - 2022

|                        | Opening balance | Additions | Depreciation | Total |
|------------------------|-----------------|-----------|--------------|-------|
| Buildings              | 1 304           | -         | (36)         | 1 268 |
| Furniture and fixtures | 85              | -         | (34)         | 51    |
| Motor vehicles         | 533             | -         | (170)        | 363   |
| Office equipment       | 2               | -         | -            | 2     |
| Computer equipment     | 61              | 278       | (81)         | 258   |
|                        | 1 985           | 278       | (321)        | 1 942 |

Revaluations

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

|           |       |       |        |       |       |   |
|-----------|-------|-------|--------|-------|-------|---|
| Land      | -     | -     | 33 517 | -     | -     | - |
| Buildings | 1 304 | 1 304 | 1 304  | 1 304 | 1 304 | - |
|           | 1 304 | 1 304 | 34 821 | 1 304 | 1 304 | - |

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

4. Property, plant and equipment (continued)

Details of properties

Buildings

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\$ 3.2 million which is based on market conditions and considered to be equal to its insured value.

Land

In the previous reporting period, land was transferred to investment property. Land was transferred to NASRIA from Cathral Investments Eighty Two (Pty) Ltd and Quality Vehicles and Bakkie Centre (Pty) Ltd at a cost of N\$ 16.4 million with the addition of transfer costs amounting to N\$ 2.1 million. Refer to note 5 for further disclosure of the property.

Capitalised expenditure

|                                       |          |          |        |       |       |       |
|---------------------------------------|----------|----------|--------|-------|-------|-------|
| Purchase price: 1998                  | 1 331    | 1 331    | 1 331  | 1 331 | 1 331 | 1 331 |
| Additions: 2000                       | 40       | 40       | 40     | 40    | 40    | 40    |
| Additions: 2001                       | 50       | 50       | 50     | 50    | 50    | 50    |
| Additions: 2009                       | 12       | 12       | 12     | 12    | 12    | 12    |
| Additions: 2016                       | 120      | 120      | 120    | 120   | 120   | 120   |
| Additions: 2018                       | 302      | 302      | 302    | 302   | 302   | 302   |
| Purchase price: 2020                  | 28 823   | 28 823   | 28 823 | -     | -     | -     |
| Additions: 2021                       | 3 452    | 3 452    | 3 452  | -     | -     | -     |
| Additions: 2022                       | 1 242    | 1 242    | 1 242  | -     | -     | -     |
| Transfer to investment property: 2023 | (33 517) | (33 517) | -      | -     | -     | -     |
|                                       | 1 855    | 1 855    | 35 372 | 1 855 | 1 855 | 1 855 |

5. Investment property

| Group               | 2024   |                          |                | 2023   |                          |                |
|---------------------|--------|--------------------------|----------------|--------|--------------------------|----------------|
|                     | Cost   | Accumulated depreciation | Carrying value | Cost   | Accumulated depreciation | Carrying value |
| Investment property | 18 544 | -                        | 18 544         | 18 544 | -                        | 18 544         |

| Group               | 2022 |                          |                |
|---------------------|------|--------------------------|----------------|
|                     | Cost | Accumulated depreciation | Carrying value |
| Investment property | -    | -                        | -              |

| Company             | 2024   |                          |                | 2023   |                          |                |
|---------------------|--------|--------------------------|----------------|--------|--------------------------|----------------|
|                     | Cost   | Accumulated depreciation | Carrying value | Cost   | Accumulated depreciation | Carrying value |
| Investment property | 18 544 | -                        | 18 544         | 18 544 | -                        | 18 544         |

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| Figures in Namibia Dollar<br>thousand | Group |      |      | Company |      |      |
|---------------------------------------|-------|------|------|---------|------|------|
|                                       | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

5. Investment property (continued)

| Company             | 2022 |                          |                |
|---------------------|------|--------------------------|----------------|
|                     | Cost | Accumulated depreciation | Carrying value |
| Investment property | -    | -                        | -              |

Reconciliation of investment property - Group - 2024

| Investment property | Opening balance | Total  |
|---------------------|-----------------|--------|
|                     | 18 544          | 18 544 |

Reconciliation of investment property - Group - 2023

|                     | Opening balance | Additions | Transfer from property, plant and equipment | Impairments | Total  |
|---------------------|-----------------|-----------|---------------------------------------------|-------------|--------|
| Investment property | -               | 2 115     | 26 254                                      | (9 825)     | 18 544 |

Reconciliation of investment property - Company - 2024

| Investment property | Opening balance | Total  |
|---------------------|-----------------|--------|
|                     | 18 544          | 18 544 |

Reconciliation of investment property - Company - 2023

| Investment property | Opening balance | Additions | Total  |
|---------------------|-----------------|-----------|--------|
|                     | -               | 18 544    | 18 544 |

Other disclosures

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.

Amounts recognised in profit and loss for the year

|                                   |   |         |   |   |   |   |
|-----------------------------------|---|---------|---|---|---|---|
| Impairment of investment property | - | (9 825) | - | - | - | - |
|-----------------------------------|---|---------|---|---|---|---|

6. Intangible assets

| Group             | 2024 |                          |                | 2023 |                          |                |
|-------------------|------|--------------------------|----------------|------|--------------------------|----------------|
|                   | Cost | Accumulated amortisation | Carrying value | Cost | Accumulated amortisation | Carrying value |
| Computer software | 272  | (272)                    | -              | 272  | (225)                    | 47             |

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| Figures in Namibia Dollar<br>thousand | Group |      |      | Company |      |      |
|---------------------------------------|-------|------|------|---------|------|------|
|                                       | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

6. Intangible assets (continued)

| Group             | 2022 |                          |                |
|-------------------|------|--------------------------|----------------|
|                   | Cost | Accumulated amortisation | Carrying value |
| Computer software | 272  | (171)                    | 101            |

| Company           | 2024 |                          |                | 2023 |                          |                |
|-------------------|------|--------------------------|----------------|------|--------------------------|----------------|
|                   | Cost | Accumulated amortisation | Carrying value | Cost | Accumulated amortisation | Carrying value |
| Computer software | 272  | (272)                    | -              | 272  | (225)                    | 47             |

| Company           | 2022 |                          |                |
|-------------------|------|--------------------------|----------------|
|                   | Cost | Accumulated amortisation | Carrying value |
| Computer software | 272  | (171)                    | 101            |

Reconciliation of intangible assets - Group - 2024

|                   | Opening balance | Other changes | Amortisation | Total |
|-------------------|-----------------|---------------|--------------|-------|
| Computer software | 47              | (8)           | (39)         | -     |

Reconciliation of intangible assets - Group - 2023

|                   | Opening balance | Amortisation | Total |
|-------------------|-----------------|--------------|-------|
| Computer software | 101             | (54)         | 47    |

Reconciliation of intangible assets - Group - 2022

|                   | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|-------|
| Computer software | 2               | 110       | (11)         | 101   |

Reconciliation of intangible assets - Company - 2024

|                   | Opening balance | Amortisation | Total |
|-------------------|-----------------|--------------|-------|
| Computer software | 47              | (47)         | -     |

Reconciliation of intangible assets - Company - 2023

|                   | Opening balance | Amortisation | Total |
|-------------------|-----------------|--------------|-------|
| Computer software | 101             | (54)         | 47    |



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|                                    | Group |      |      | Company |      |      |
|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

6. Intangible assets (continued)

Reconciliation of intangible assets - Company - 2022

|                   | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|-------|
| Computer software | 2               | 110       | (11)         | 101   |

7. 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                  | % holding | % holding | %    | Carrying amount | Carrying amount |
|------------------------------------------|-----------|-----------|------|-----------------|-----------------|
|                                          | 2024      | 2023      | 2022 | 2024            | 2023            |
| Cathral Investments Eighty Two (Pty) Ltd | 100       | 100       | 100  | -               | -               |

The carrying amount of the company's investment in Cathral Investments Eighty Two (Pty) Ltd is N\$100.

8. Deferred tax

Deferred tax liability

|                                          |         |         |         |         |         |         |
|------------------------------------------|---------|---------|---------|---------|---------|---------|
| Property plant and equipment             | (14)    | (87)    | (163)   | (14)    | (87)    | (163)   |
| Provision for deferred acquisition costs | (1 441) | (1 406) | (1 246) | (1 441) | (1 406) | (1 246) |
| Total deferred tax liability             | (1 455) | (1 493) | (1 409) | (1 455) | (1 493) | (1 409) |

Deferred tax asset

|                                                                              |       |        |       |       |        |       |
|------------------------------------------------------------------------------|-------|--------|-------|-------|--------|-------|
| Provision for doubtful debts                                                 | 371   | 34     | 34    | 371   | 34     | 34    |
| Provision for other staff benefits                                           | 75    | 992    | 666   | 75    | 992    | 666   |
| Reinsurance liability                                                        | 717   | -      | -     | 717   | -      | -     |
| Deferred tax balance from temporary differences other than unused tax losses | 1 163 | 1 026  | 700   | 1 163 | 1 026  | 700   |
| NAMIBRE reinsurance provision                                                | -     | 9 572  | 7 193 | -     | 9 572  | 7 193 |
| Total deferred tax asset                                                     | 1 163 | 10 598 | 7 893 | 1 163 | 10 598 | 7 893 |

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                   | (1 455) | (1 493) | (1 409) | (1 455) | (1 493) | (1 409) |
| Deferred tax asset                       | 1 163   | 10 598  | 7 893   | 1 163   | 10 598  | 7 893   |
| Total net deferred tax (liability) asset | (292)   | 9 105   | 6 484   | (292)   | 9 105   | 6 484   |

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

8. Deferred tax (continued)

Reconciliation of deferred tax asset / (liability)

|                                                                                         |         |       |       |         |       |       |
|-----------------------------------------------------------------------------------------|---------|-------|-------|---------|-------|-------|
| At beginning of year                                                                    | 9 105   | 6 484 | 5 026 | 9 105   | 6 484 | 5 026 |
| Taxable temporary difference on NAMIBRE reinsurance provision                           | (9 572) | 2 378 | 2 110 | (9 572) | 2 378 | 2 110 |
| Increases (decrease) in valuation allowance of provision for deferred acquisition costs | (35)    | (160) | (79)  | (35)    | (160) | (79)  |
| Taxable / (deductible) temporary difference movement on tangible fixed assets           | 73      | 76    | (89)  | 73      | 76    | (89)  |
| Taxable / (deductible) temporary difference on provision for other staff costs          | (917)   | 44    | (194) | (917)   | 44    | (194) |
| Taxable / (deductible) temporary difference movement investments impairment             | 337     | 283   | (290) | 337     | 283   | (290) |
| Taxable / (deductible) temporary difference movement reinsurance liability              | 717     | -     | -     | 717     | -     | -     |
|                                                                                         | (292)   | 9 105 | 6 484 | (292)   | 9 105 | 6 484 |

9. Loan to related party

Subsidiaries

|                                          |   |   |   |   |   |        |
|------------------------------------------|---|---|---|---|---|--------|
| Cathral Investments Eighty Two (Pty) Ltd | - | - | - | - | - | 26 498 |
|------------------------------------------|---|---|---|---|---|--------|

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.

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 - 2024

|                                          | Basis of loss allowance | Gross Carrying amount | Loss allowance |
|------------------------------------------|-------------------------|-----------------------|----------------|
| Loans to subsidiaries                    |                         |                       |                |
| Cathral Investments Eighty Two (Pty) Ltd | 12m ECL                 | 17 880                | (17 880)       |

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|                                    | Group |      |      | Company |      |      |
|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

9. Loan to related party (continued)

Company - 2023

|                                          | Basis of loss allowance | Gross Carrying Loss allowance amount |          |
|------------------------------------------|-------------------------|--------------------------------------|----------|
| Loans to subsidiaries                    |                         |                                      |          |
| Cathral Investments Eighty Two (Pty) Ltd | 12m ECL                 | 17 880                               | (17 880) |

Company - 2022

|                                          | Basis of loss allowance | Gross Carrying Loss allowance amount | Amortised cost |
|------------------------------------------|-------------------------|--------------------------------------|----------------|
| Loans to subsidiaries                    |                         |                                      |                |
| Cathral Investments Eighty Two (Pty) Ltd | 12m ECL                 | 33 761                               | (7 263) 26 498 |

Reconciliation of loss allowances

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

|                                            |   |   |   |   |          |         |
|--------------------------------------------|---|---|---|---|----------|---------|
| Opening balance                            | - | - | - | - | (7 263)  | (7 263) |
| Loss allowance recognised for new exposure | - | - | - | - | (10 617) | -       |
| Closing balance                            | - | - | - | - | (17 880) | (7 263) |

10. Trade and other receivables

|                                   |       |       |     |       |       |     |
|-----------------------------------|-------|-------|-----|-------|-------|-----|
| Other receivable                  | -     | -     | 189 | -     | -     | 189 |
| Non-financial instruments:        |       |       |     |       |       |     |
| VAT                               | 3 120 | 1 894 | 297 | 2 823 | 1 597 | -   |
| Prepayments                       | -     | -     | 38  | -     | -     | 38  |
| Total trade and other receivables | 3 120 | 1 894 | 524 | 2 823 | 1 597 | 227 |

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

|                           |       |       |     |       |       |     |
|---------------------------|-------|-------|-----|-------|-------|-----|
| At amortised cost         | -     | -     | 189 | -     | -     | 189 |
| Non-financial instruments | 3 120 | 1 894 | 335 | 2 823 | 1 597 | 38  |
|                           | 3 120 | 1 894 | 524 | 2 823 | 1 597 | 227 |

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due. The group has no significant credit risk.

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

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| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

10. Trade and other receivables (continued)

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

11. Other financial assets

|                                                                                 |         |         |         |         |         |         |
|---------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|
| Investments held by the group which are measured at fair value, are as follows: |         |         |         |         |         |         |
| Equity investments designated as at fair value through profit or loss           | 144 428 | 593 494 | 564 328 | 144 428 | 593 494 | 564 328 |
| Debt investments designated as at fair value through profit or loss             | 14 000  | 14 000  | 6 000   | 14 000  | 14 000  | 6 000   |
| Amortised cost                                                                  | 8       | 12      | 11      | 8       | 12      | 11      |
|                                                                                 | 158 436 | 607 506 | 570 339 | 158 436 | 607 506 | 570 339 |

Amortised cost

|                                                                                                                                                     |   |    |    |   |    |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---|----|----|---|----|----|
| Fixed - term deposits                                                                                                                               | 8 | 12 | 11 | 8 | 12 | 11 |
| Fixed term deposits are held with financial institutions. The interest rates range between 3.95% to 8.2% (2023: 3.95% to 8.2%; 2022: 4.00% to 8.1%) |   |    |    |   |    |    |

At fair value through profit or loss - designated

|                                                             |         |         |         |         |         |         |
|-------------------------------------------------------------|---------|---------|---------|---------|---------|---------|
| Listed shares                                               | 15 898  | 125 777 | 120 397 | 15 898  | 125 777 | 120 397 |
| -Share portfolio listed on the Johannesburg Stock Exchange; |         |         |         |         |         |         |
| -Share portfolio listed on the Namibian Stock Exchange; and |         |         |         |         |         |         |
| -Share portfolio listed on International Stock Exchanges.   |         |         |         |         |         |         |
| Unit trusts                                                 | 128 530 | 467 717 | 443 931 | 128 530 | 467 717 | 443 931 |
| Bonds                                                       | 14 000  | 14 000  | 6 000   | 14 000  | 14 000  | 6 000   |
| Corporate bonds held at Bank Windhoek Ltd                   |         |         |         |         |         |         |

|                        |         |         |         |         |         |         |
|------------------------|---------|---------|---------|---------|---------|---------|
| Total financial assets | 158 436 | 607 506 | 570 339 | 158 436 | 607 506 | 570 339 |
|------------------------|---------|---------|---------|---------|---------|---------|

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

Fixed - term deposits

|                                                                                            |   |   |       |   |   |       |
|--------------------------------------------------------------------------------------------|---|---|-------|---|---|-------|
| Opening balance                                                                            | - | - | 907   | - | - | 907   |
| Increase in the provision recognised in profit or loss in other expenses during the period | - | - | (907) | - | - | (907) |
| Total                                                                                      | - | - | -     | - | - | -     |



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| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

12. Current tax (payable) receivable

|            |         |       |     |         |       |     |
|------------|---------|-------|-----|---------|-------|-----|
| Normal tax | (1 740) | 1 340 | 892 | (1 740) | 1 340 | 892 |
|------------|---------|-------|-----|---------|-------|-----|

|                    |         |         |         |         |         |         |
|--------------------|---------|---------|---------|---------|---------|---------|
| Opening balance    | 1 340   | 892     | (9 399) | 1 340   | 892     | (9 399) |
| Current tax charge | (7 585) | (8 690) | (7 766) | (7 585) | (8 690) | (7 766) |
| Payments           | 4 505   | 9 138   | 18 057  | 4 505   | 9 138   | 18 057  |
|                    | (1 740) | 1 340   | 892     | (1 740) | 1 340   | 892     |

13. Credit guarantee scheme financial assets

At fair value through profit or loss - designated

|             |        |         |         |        |         |         |
|-------------|--------|---------|---------|--------|---------|---------|
| Unit trusts | 24 122 | 101 479 | 90 051  | 24 122 | 101 479 | 90 051  |
| Bonds       | 64 750 | 64 750  | 64 750  | 64 750 | 64 750  | 64 750  |
|             | 88 872 | 166 229 | 154 801 | 88 872 | 166 229 | 154 801 |

Refer to note 11 of the directors report for further information about the Scheme.

14. Cash and cash equivalents

Cash and cash equivalents consist of:

|                     |         |        |        |         |        |        |
|---------------------|---------|--------|--------|---------|--------|--------|
| Bank balances       | 596 650 | 34 394 | 16 173 | 596 648 | 34 392 | 16 171 |
| Short-term deposits | 111     | 96     | 9 060  | 111     | 96     | 9 060  |
|                     | 596 761 | 34 490 | 25 233 | 596 759 | 34 488 | 25 231 |

The expected credit losses for cash and cash equivalents was considered immaterial after considering historical default data, current and future market data that can affect the probability of default.

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                            |         |        |        |         |        |        |
| AAA (First National Bank of Namibia Ltd) | 111     | 96     | 9 060  | 111     | 96     | 9 060  |
| AA (Bank Windhoek Limited)               | 9       | 8      | 48     | 7       | 5      | 45     |
| A (Nedbank Namibia Limited)              | 596 641 | 34 386 | 16 125 | 596 641 | 34 387 | 16 126 |
|                                          | 596 761 | 34 490 | 25 233 | 596 759 | 34 488 | 25 231 |

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| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

15. Share capital

|                                                          |       |       |       |       |       |       |
|----------------------------------------------------------|-------|-------|-------|-------|-------|-------|
| Authorised<br>8 000 000 Ordinary shares of N\$ 1.00 each | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 |
|----------------------------------------------------------|-------|-------|-------|-------|-------|-------|

Reconciliation of number of shares issued:

|                                   |       |       |       |       |       |       |
|-----------------------------------|-------|-------|-------|-------|-------|-------|
| Reported as at 1 April            | 8 000 | 8 000 | -     | 8 000 | 8 000 | -     |
| Issue of shares – ordinary shares | -     | -     | 8 000 | -     | -     | 8 000 |
|                                   | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 |

Issued

|                                            |       |       |       |       |       |       |
|--------------------------------------------|-------|-------|-------|-------|-------|-------|
| 8 000 000 Ordinary shares of N\$ 1.00 each | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 | 8 000 |
|--------------------------------------------|-------|-------|-------|-------|-------|-------|

16. 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 35) of the Company contemplated by section 23 of the Namibia Special Risks Insurance Association Act.

|                               |        |        |        |        |        |        |
|-------------------------------|--------|--------|--------|--------|--------|--------|
| Opening balance               | 47 056 | 34 700 | 26 725 | 47 056 | 34 700 | 26 725 |
| Transfer from retained income | 28 514 | 12 356 | 7 975  | 28 514 | 12 356 | 7 975  |
|                               | 75 570 | 47 056 | 34 700 | 75 570 | 47 056 | 34 700 |

17. Capital contribution reserve

The reserve was created from the funds received from Government of the Republic of Namibia for the Credit Guarantee Scheme under the Namibia Financial Sector Strategy. Refer to note 11 (Credit Guarantee Scheme) of the directors' report for further information on the scheme.

|                                          |         |         |         |         |         |         |
|------------------------------------------|---------|---------|---------|---------|---------|---------|
| Opening balance                          | 107 978 | 107 978 | 98 978  | 107 978 | 107 978 | 98 978  |
| Shareholder's contribution to the scheme | -       | -       | 9 000   | -       | -       | 9 000   |
|                                          | 107 978 | 107 978 | 107 978 | 107 978 | 107 978 | 107 978 |

18. Retirement benefit obligation

|                                                                            |     |       |       |     |       |       |
|----------------------------------------------------------------------------|-----|-------|-------|-----|-------|-------|
| Present value of the defined benefit obligation-partially or wholly funded | 233 | 2 350 | 1 467 | 233 | 2 350 | 1 467 |
|----------------------------------------------------------------------------|-----|-------|-------|-----|-------|-------|

|                            |         |       |       |         |       |       |
|----------------------------|---------|-------|-------|---------|-------|-------|
| Opening balance            | 2 350   | 1 467 | 2 200 | 2 350   | 1 467 | 2 200 |
| Movement during the period | (2 117) | 883   | (733) | (2 117) | 883   | (733) |
|                            | 233     | 2 350 | 1 467 | 233     | 2 350 | 1 467 |

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

18. Retirement benefit obligation (continued)

Key assumptions used

Assumptions used on last valuation on 31 March 2014.

|                                   |         |         |        |         |         |        |
|-----------------------------------|---------|---------|--------|---------|---------|--------|
| Discount rates used               | 11.00 % | 11.00 % | 7.50 % | 11.00 % | 11.00 % | 7.50 % |
| Expected rate of return on assets | 5.95 %  | 5.95 %  | 4.16 % | 5.95 %  | 5.95 %  | 4.16 % |

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.

19. Trade and other payables

Financial instruments:

|                                  |       |       |       |       |       |       |
|----------------------------------|-------|-------|-------|-------|-------|-------|
| Trade payables                   | -     | 1 748 | 1 738 | -     | 1 745 | 1 738 |
| Commission payable               | -     | -     | (27)  | -     | -     | (27)  |
| Sundry creditors                 | 1 519 | 576   | (113) | 1 519 | 576   | (113) |
| Credit Guarantee Scheme accruals | -     | -     | 1 212 | -     | -     | 1 212 |
| Reinsurer balances               | 754   | -     | -     | 754   | -     | -     |

Non-financial instruments:

|     |       |       |       |       |       |       |
|-----|-------|-------|-------|-------|-------|-------|
| VAT | -     | -     | 320   | -     | -     | 320   |
|     | 2 273 | 2 324 | 3 130 | 2 273 | 2 321 | 3 130 |

Financial instrument and non-financial instrument components of reinsurance and other payables

|                           |       |       |       |       |       |       |
|---------------------------|-------|-------|-------|-------|-------|-------|
| At amortised cost         | 2 273 | 2 324 | 2 810 | 2 273 | 2 321 | 2 810 |
| Non-financial instruments | -     | -     | 320   | -     | -     | 320   |
|                           | 2 273 | 2 324 | 3 130 | 2 273 | 2 321 | 3 130 |

Fair value of reinsurance and other payables

The fair value of trade and other payables approximates their carrying amounts.

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| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

20. Provisions

Reconciliation of provisions - Group - 2024

|                             | Opening balance | Utilised during the year | Total |
|-----------------------------|-----------------|--------------------------|-------|
| Provision for leave pay     | 1 466           | (1 057)                  | 409   |
| Provision for severance pay | 751             | (751)                    | -     |
| Performance bonus provision | 1 817           | (1 817)                  | -     |
|                             | 4 034           | (3 625)                  | 409   |

Reconciliation of provisions - Group - 2023

|                             | Opening balance | Additions | Total |
|-----------------------------|-----------------|-----------|-------|
| Provision for leave pay     | 957             | 509       | 1 466 |
| Provision for severance pay | 614             | 137       | 751   |
| Performance bonus provision | 1 817           | -         | 1 817 |
|                             | 3 388           | 646       | 4 034 |

Reconciliation of provisions - Group - 2022

|                                  | Opening balance | Additions | Utilised during the year | Total |
|----------------------------------|-----------------|-----------|--------------------------|-------|
| Provision for leave pay          | 831             | 126       | -                        | 957   |
| Provision for severance pay      | 487             | 127       | -                        | 614   |
| Performance bonus provision      | 982             | 835       | -                        | 1 817 |
| Provision for outstanding claims | 5 586           | -         | (5 586)                  | -     |
|                                  | 7 886           | 1 088     | (5 586)                  | 3 388 |

Reconciliation of provisions - Company - 2024

|                             | Opening balance | Utilised during the year | Total |
|-----------------------------|-----------------|--------------------------|-------|
| Provision for leave pay     | 1 466           | (1 057)                  | 409   |
| Provision for severance pay | 751             | (751)                    | -     |
| Performance bonus provision | 1 817           | (1 817)                  | -     |
|                             | 4 034           | (3 625)                  | 409   |

Reconciliation of provisions - Company - 2023

|                             | Opening balance | Additions | Total |
|-----------------------------|-----------------|-----------|-------|
| Provision for leave pay     | 957             | 509       | 1 466 |
| Provision for severance pay | 614             | 137       | 751   |
| Performance bonus provision | 1 817           | -         | 1 817 |
|                             | 3 388           | 646       | 4 034 |



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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

20. Provisions (continued)

Reconciliation of provisions - Company - 2022

|                                  | Opening balance | Additions | Utilised during the year | Total |
|----------------------------------|-----------------|-----------|--------------------------|-------|
| Provision for leave pay          | 831             | 126       | -                        | 957   |
| Provision for severance pay      | 487             | 127       | -                        | 614   |
| Performance bonus provision      | 982             | 835       | -                        | 1 817 |
| Provision for outstanding claims | 5 586           | -         | (5 586)                  | -     |
|                                  | 7 886           | 1 088     | (5 586)                  | 3 388 |

21. Dividends paid

|                                  |          |          |         |          |          |         |
|----------------------------------|----------|----------|---------|----------|----------|---------|
| Balance at beginning of the year | (17 700) | -        | (6 800) | (17 700) | -        | (6 800) |
| Dividends                        | (10 000) | (17 700) | -       | (10 000) | (17 700) | -       |
| Balance at end of the year       | -        | 17 700   | -       | -        | 17 700   | -       |
|                                  | (27 700) | -        | (6 800) | (27 700) | -        | (6 800) |

22. Credit Guarantee Scheme financial liability

|                                             |        |        |        |        |        |        |
|---------------------------------------------|--------|--------|--------|--------|--------|--------|
| Credit Guarantee Scheme financial liability | 50 000 | 50 000 | 50 000 | 50 000 | 50 000 | 50 000 |
| Opening balance                             | 50 000 | 50 000 | 41 000 | 50 000 | 50 000 | 41 000 |
| Movement during the period                  | -      | -      | 9 000  | -      | -      | 9 000  |
|                                             | 50 000 | 50 000 | 50 000 | 50 000 | 50 000 | 50 000 |

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

23. Insurance contract liabilities

Insurance contracts issued that are liabilities:

|                                                                      |        |       |       |        |       |       |
|----------------------------------------------------------------------|--------|-------|-------|--------|-------|-------|
| Liability for remaining coverage:                                    |        |       |       |        |       |       |
| Liability for remaining coverage of contracts measured under the PAA | 9 060  | 7 776 | 6 901 | 9 060  | 7 776 | 6 901 |
| Liability for incurred claims:                                       |        |       |       |        |       |       |
| Estimates of present value of future cash flows                      | 1 236  | 1 324 | 1 466 | 1 236  | 1 324 | 1 466 |
| Risk adjustment for non-financial risk                               | 4      | 4     | -     | 4      | 4     | -     |
|                                                                      | 10 300 | 9 104 | 8 367 | 10 300 | 9 104 | 8 367 |

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

23. Insurance contract liabilities (continued)

|                                                                                   | Liabilities for Remaining Coverage          | Liabilities for Incurred claims                 |                                        |          |
|-----------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------|----------------------------------------|----------|
|                                                                                   | Present value of expected future cash flows | Estimates of Present Value of Future Cash Flows | Risk Adjustment for Non-financial risk | Total    |
| 31 March 2024                                                                     |                                             |                                                 |                                        |          |
| Opening Insurance contract assets                                                 | -                                           | -                                               | -                                      | -        |
| Opening Insurance contract liabilities                                            | 7 776                                       | 1 324                                           | 4                                      | 9 104    |
|                                                                                   | 7 776                                       | 1 324                                           | 4                                      | 9 104    |
| Insurance Revenue                                                                 |                                             |                                                 |                                        |          |
| Full Retrospective approach                                                       | (83 912)                                    | -                                               | -                                      | (83 912) |
| Total Insurance revenue - All Transition Methods                                  | (83 912)                                    | -                                               | -                                      | (83 912) |
| Insurance Service Expenses                                                        |                                             |                                                 |                                        |          |
| Incurred insurance service expenses:                                              |                                             |                                                 |                                        |          |
| Claims                                                                            | -                                           | 1 120                                           | 3                                      | 1 123    |
| Expenses                                                                          | -                                           | 11 428                                          | -                                      | 11 428   |
| Other movements related to current service                                        | -                                           | -                                               | -                                      | -        |
| Amortisation of insurance acquisition cash flows                                  | 16 151                                      | -                                               | -                                      | 16 151   |
| Changes that relate to past service (changes in fulfilment cash flows re LIC)     | -                                           | (1 204)                                         | (3)                                    | (1 207)  |
| Total Insurance Service Expenses                                                  | 16 151                                      | 11 344                                          | -                                      | 27 495   |
| Total Insurance Service Result                                                    | (67 761)                                    | 11 344                                          | -                                      | (56 417) |
| Total Changes in the Statement of Financial Performance                           | (67 761)                                    | 11 344                                          | -                                      | (56 417) |
| Cash flows (Actual cashflows in the period)                                       |                                             |                                                 |                                        |          |
| Premiums and premium tax received                                                 | 85 313                                      | -                                               | -                                      | 85 313   |
| Claims and other insurance service expenses paid, including investment components | -                                           | (11 432)                                        | -                                      | (11 432) |
| Insurance acquisition cash flows                                                  | (16 268)                                    | -                                               | -                                      | (16 268) |
| Total Cash flows                                                                  | 69 045                                      | (11 432)                                        | -                                      | 57 613   |
| Net Closing balance                                                               | 9 060                                       | 1 236                                           | 4                                      | 10 300   |
| Closing Insurance contract assets                                                 | -                                           | -                                               | -                                      | -        |
| Closing Insurance contract liabilities                                            | 9 060                                       | 1 236                                           | 4                                      | 10 300   |
|                                                                                   | 9 060                                       | 1 236                                           | 4                                      | 10 300   |

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|---------------------------------------|------|-------|------|------|---------|------|
| Figures in Namibia Dollar<br>thousand | 2024 | 2023  | 2022 | 2024 | 2023    | 2022 |

## 2023

|                                                                                      |                 |                 |          |                 |
|--------------------------------------------------------------------------------------|-----------------|-----------------|----------|-----------------|
| Opening Insurance contract assets                                                    | -               | -               | -        | -               |
| Opening Insurance contract liabilities                                               | 6 901           | 1 462           | 4        | 8 367           |
|                                                                                      | <b>6 901</b>    | <b>1 462</b>    | <b>4</b> | <b>8 367</b>    |
| <b>Insurance Revenue</b>                                                             |                 |                 |          |                 |
| Full Retrospective approach                                                          | (76 829)        | -               | -        | (76 829)        |
| <b>Total Insurance revenue - All Transition Methods</b>                              | <b>(76 829)</b> | <b>-</b>        | <b>-</b> | <b>(76 829)</b> |
| <b>Insurance Service Expenses</b>                                                    |                 |                 |          |                 |
| <b>Incurred insurance service expenses:</b>                                          |                 |                 |          |                 |
| <i>Claims</i>                                                                        | -               | 12 731          | 4        | 12 735          |
| <i>Expenses</i>                                                                      | -               | 1 205           | 3        | 1 208           |
| <i>Other movements related to current service</i>                                    | -               | 11 526          | -        | 11 526          |
| Amortisation of insurance acquisition cash flows                                     | -               | -               | 1        | 1               |
| Changes that relate to past service<br>(changes in fulfilment cash flows re LIC)     | 14 838          | (468)           | (4)      | 14 838          |
| <b>Total Insurance Service Expenses</b>                                              | <b>14 838</b>   | <b>12 263</b>   | <b>-</b> | <b>27 101</b>   |
| <b>Total Insurance Service Result</b>                                                | <b>(61 991)</b> | <b>12 263</b>   | <b>-</b> | <b>(49 728)</b> |
| <b>Total Changes in the Statement of Financial Performance</b>                       | <b>(61 991)</b> | <b>12 263</b>   | <b>-</b> | <b>(49 728)</b> |
| <b>Cash flows (Actual cashflows in the period)</b>                                   |                 |                 |          |                 |
| Premiums and premium tax received                                                    | 78 216          | -               | -        | 78 216          |
| Claims and other insurance service expenses paid,<br>including investment components | -               | (12 401)        | -        | (12 401)        |
| Insurance acquisition cash flows                                                     | (15 350)        | -               | -        | (15 350)        |
| <b>Total Cash flows</b>                                                              | <b>62 866</b>   | <b>(12 401)</b> | <b>-</b> | <b>50 465</b>   |
| <b>Net Closing balance</b>                                                           | <b>7 776</b>    | <b>1 324</b>    | <b>4</b> | <b>9 104</b>    |
| Closing Insurance contract assets                                                    | -               | -               | -        | -               |
| Closing Insurance contract liabilities                                               | 7 776           | 1 324           | 4        | 9 104           |
|                                                                                      | <b>7 776</b>    | <b>1 324</b>    | <b>4</b> | <b>9 104</b>    |

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|---------------------------------------|------|-------|------|------|---------|------|
| Figures in Namibia Dollar<br>thousand | 2024 | 2023  | 2022 | 2024 | 2023    | 2022 |

|                                                                      |              |               |               |              |               |               |
|----------------------------------------------------------------------|--------------|---------------|---------------|--------------|---------------|---------------|
| <b>Liability for remaining coverage:</b>                             |              |               |               |              |               |               |
| Liability for remaining coverage of contracts measured under the PAA | 2 241        | 46 317        | 36 511        | 2 241        | 46 317        | 36 511        |
|                                                                      | <b>2 241</b> | <b>46 317</b> | <b>36 511</b> | <b>2 241</b> | <b>46 317</b> | <b>36 511</b> |

|                                                                                |                 |          |                 |
|--------------------------------------------------------------------------------|-----------------|----------|-----------------|
| Opening reinsurance contract assets                                            | -               | -        | -               |
| Opening reinsurance contract liabilities                                       | 46 317          | -        | 46 317          |
| <b>Net opening balance</b>                                                     | <b>46 317</b>   | <b>-</b> | <b>46 317</b>   |
| <b>Allocation of the premiums paid:</b>                                        |                 |          |                 |
| Full retrospective approach                                                    | (2 377)         | -        | (2 377)         |
| <b>Net income (expenses) from reinsurance contracts held</b>                   | <b>(2 377)</b>  | <b>-</b> | <b>(2 377)</b>  |
| <b>Amounts recovered from reinsurance</b>                                      |                 |          |                 |
| Recoveries of incurred claims and other insurance service expense              | -               | -        | -               |
| Changes related to past service (changes related to incurred claims component) | -               | -        | -               |
| <b>Total Amounts Recovered from Reinsurance</b>                                | <b>-</b>        | <b>-</b> | <b>-</b>        |
| <b>Total Net Expenses from Reinsurance</b>                                     | <b>(2 377)</b>  | <b>-</b> | <b>(2 377)</b>  |
| <b>Total Changes in the Statement of Financial Performance</b>                 | <b>(2 377)</b>  | <b>-</b> | <b>(2 377)</b>  |
| <b>Cash flows (Actual cashflows in the period)</b>                             |                 |          |                 |
| Premiums and premium tax paid                                                  | (41 699)        | -        | (41 699)        |
| Amounts recovered                                                              | -               | -        | -               |
| <b>Total cash flows</b>                                                        | <b>(41 699)</b> | <b>-</b> | <b>(41 699)</b> |
| <b>Net Closing balance</b>                                                     | <b>2 241</b>    | <b>-</b> | <b>2 241</b>    |
| Closing reinsurance contract assets                                            | -               | -        | -               |
| Closing reinsurance contract liabilities                                       | 2 241           | -        | 2 241           |
| <b>Net Closing balance</b>                                                     | <b>2 241</b>    | <b>-</b> | <b>2 241</b>    |



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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

24. Reinsurance contract liabilities (continued)

| 31 March 2023                                                                  | Liability for remaining coverage | Liability for incurred claims |                        | Total    |
|--------------------------------------------------------------------------------|----------------------------------|-------------------------------|------------------------|----------|
|                                                                                | Excluding                        | Estimates of Present Value    | Risk Adjustment        |          |
|                                                                                | Loss Component                   | of Future Cash Flows          | for Non-financial risk |          |
| Opening reinsurance contract assets                                            | -                                | -                             | -                      | -        |
| Opening reinsurance contract liabilities                                       | 36 511                           | -                             | -                      | 36 511   |
| Net opening balance                                                            | 36 511                           | -                             | -                      | 36 511   |
| Allocation of the premiums paid:                                               |                                  |                               |                        |          |
| Full retrospective approach                                                    | 24 831                           | -                             | -                      | 24 831   |
| Net income (expenses) from reinsurance contracts held                          | 24 831                           | -                             | -                      | 24 831   |
| Amounts recovered from reinsurance                                             |                                  |                               |                        |          |
| Recoveries of incurred claims and other insurance service expense              | -                                | 541                           | -                      | 541      |
| Changes related to past service (changes related to incurred claims component) | -                                | 541                           | -                      | 541      |
| Total Amounts Recovered from Reinsurance                                       | -                                | 1 082                         | -                      | 1 082    |
| Total Net Expenses from Reinsurance                                            | 24 831                           | 1 082                         | -                      | 25 913   |
| Total Changes in the Statement of Financial Performance                        | 24 831                           | 1 082                         | -                      | 25 913   |
| Cash flows (Actual cashflows in the period)                                    |                                  |                               |                        |          |
| Premiums and premium tax paid                                                  | (15 025)                         | -                             | -                      | (15 025) |
| Amounts recovered                                                              | -                                | (1 082)                       | -                      | (1 082)  |
| Total cash flows                                                               | (15 025)                         | (1 082)                       | -                      | (16 107) |
| Net Closing balance                                                            | 46 317                           | -                             | -                      | 46 317   |
| Closing reinsurance contract assets                                            | -                                | -                             | -                      | -        |
| Closing reinsurance contract liabilities                                       | 46 317                           | -                             | -                      | 46 317   |
| Net Closing balance                                                            | 46 317                           | -                             | -                      | 46 317   |

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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

25. Revenue

|                                                    |        |        |        |        |
|----------------------------------------------------|--------|--------|--------|--------|
| Expected premium receipts allocation under the PAA | 83 912 | 76 829 | 83 912 | 76 829 |
|----------------------------------------------------|--------|--------|--------|--------|

26. Insurance service expenses

|                                                                              |         |         |         |         |
|------------------------------------------------------------------------------|---------|---------|---------|---------|
| Incurring insurance service expenses:                                        |         |         |         |         |
| - Claims                                                                     | 1 123   | 1 208   | 1 123   | 1 208   |
| - Expenses*                                                                  | 11 428  | 12 400  | 11 428  | 12 400  |
| - Other movements related to current service                                 | -       | 1       | -       | 1       |
| Amortisation of insurance acquisition cash flows                             | 16 151  | 14 838  | 16 151  | 14 838  |
| Changes in estimates in LIC fulfilment cash flows                            | 112     | (6)     | 112     | (6)     |
| Experience adjustments in claims and other insurance service expenses in LIC | (1 319) | (1 340) | (1 319) | (1 340) |

\*Incurred insurance service expenses for the group and company are analysed as follows:

|                                                | 2024       | 2023       |
|------------------------------------------------|------------|------------|
| Expenses audit fees                            | 962 538    | 902 685    |
| Accounting fees                                | -          | 6 160      |
| Bank charges                                   | 118 685    | 190 106    |
| Computer expenses                              | 564 248    | 564 512    |
| Depreciation                                   | 282 327    | 424 954    |
| Marketing and advertising                      | 330 424    | 1 088 873  |
| Insurance                                      | 185 709    | 204 464    |
| Leave pay                                      | (683 638)  | 329 456    |
| Medical Aid                                    | 975 763    | 612 182    |
| Petrol & Oil                                   | 9 852      | 84 914     |
| Motor vehicle expenses - repairs & maintenance | 27 681     | 9 291      |
| Pension fund                                   | 906 956    | 708 441    |
| Salaries & wages - total                       | 7 360 528  | 6 912 459  |
| Social Security Commission                     | 9 797      | 8 386      |
| Stamp duty                                     | 377 565    | 353 437    |
|                                                | 11 428 435 | 12 400 320 |

27. Net expenses from reinsurance contracts

|                                                                                                                                                               |         |        |         |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------|---------|--------|
| Allocation of the premiums paid                                                                                                                               | (2 377) | 24 443 | (2 377) | 24 443 |
| Incurring insurance service expenses: - Claims                                                                                                                | -       | 541    | -       | 541    |
| Changes that relate to past service (changes in fulfilment cash flows re LIC): - Experience adjustments in claims and other insurance service expenses in LIC | -       | 541    | -       | 541    |
|                                                                                                                                                               | (2 377) | 25 525 | (2 377) | 25 525 |

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|--------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Figures in Namibia Dollar thousand                                                                                             | 2024          | 2023          | 2024          | 2023          |
| <b>28. Investment income</b>                                                                                                   |               |               |               |               |
| <b>Dividend income</b>                                                                                                         |               |               |               |               |
| <b>Equity instruments at fair value through profit or loss:</b>                                                                |               |               |               |               |
| Listed investments                                                                                                             | 31 123        | 28 652        | 31 123        | 28 652        |
| Credit Guarantee Scheme dividend received                                                                                      | 5 708         | 2 844         | 5 708         | 2 844         |
| <b>Total dividend income</b>                                                                                                   | <b>36 831</b> | <b>31 496</b> | <b>36 831</b> | <b>31 496</b> |
| <b>Interest income</b>                                                                                                         |               |               |               |               |
| <b>Investments in financial assets:</b>                                                                                        |               |               |               |               |
| Current account                                                                                                                | 1             | 3             | 1             | 3             |
| Fixed term deposits                                                                                                            | -             | 36            | -             | 36            |
| Corporate bonds                                                                                                                | 6 790         | 6 246         | 6 790         | 6 246         |
| Credit Guarantee Scheme interest received                                                                                      | 6 983         | 3 083         | 6 983         | 3 083         |
| Funds on call                                                                                                                  | 3 591         | 1 269         | 3 591         | 1 269         |
| <b>Total interest income</b>                                                                                                   | <b>17 365</b> | <b>10 637</b> | <b>17 365</b> | <b>10 637</b> |
| <b>Total investment income</b>                                                                                                 | <b>54 196</b> | <b>42 133</b> | <b>54 196</b> | <b>42 133</b> |
| <b>29. Fair value adjustments</b>                                                                                              |               |               |               |               |
| <b>Fair value gains</b>                                                                                                        |               |               |               |               |
| Financial assets designated as at fair value through profit or loss                                                            | 28 720        | 8 585         | 28 720        | 8 585         |
| <b>30. Other income</b>                                                                                                        |               |               |               |               |
| Other income                                                                                                                   | 7             | 12            | 7             | 12            |
| Credit Guarantee Scheme management fees                                                                                        | -             | 1 212         | -             | 1 212         |
| Profit on disposal of fixed assets                                                                                             | 86            | -             | 86            | -             |
|                                                                                                                                | <b>93</b>     | <b>1 224</b>  | <b>93</b>     | <b>1 224</b>  |
| <b>31. Operating profit before net investment income</b>                                                                       |               |               |               |               |
| Operating profit before net investment income for the year is stated after charging (crediting) the following, amongst others: |               |               |               |               |
| <b>Employee costs</b>                                                                                                          |               |               |               |               |
| Salaries, wages, bonuses and other benefits                                                                                    | 10 987        | 9 819         | 10 987        | 9 819         |
| Other short-term costs                                                                                                         | (847)         | 368           | (847)         | 368           |
| Retirement benefit plans: defined benefit expense                                                                              | (189)         | 771           | (189)         | 771           |
| <b>Total employee costs</b>                                                                                                    | <b>9 951</b>  | <b>10 958</b> | <b>9 951</b>  | <b>10 958</b> |
| <b>Movement in credit loss allowances</b>                                                                                      |               |               |               |               |
| Loan to related party                                                                                                          | -             | -             | -             | 10 617        |

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Figures in Namibia Dollar thousand                                                                                                                                                                                            | 2024          | 2023          | 2024          | 2023          |
| <b>31. Operating profit before net investment income (continued)</b>                                                                                                                                                          |               |               |               |               |
| <b>Expenses by nature</b>                                                                                                                                                                                                     |               |               |               |               |
| The total selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows: |               |               |               |               |
| Advertising                                                                                                                                                                                                                   | 1 880         | 1 840         | 1 880         | 1 840         |
| Amortisation                                                                                                                                                                                                                  | 39            | 20            | 39            | 20            |
| Bank charges                                                                                                                                                                                                                  | 60            | 77            | 60            | 77            |
| Computer expenses                                                                                                                                                                                                             | 308           | 308           | 308           | 308           |
| Consulting and professional fees - legal fees                                                                                                                                                                                 | 75            | -             | 75            | -             |
| Consulting fees                                                                                                                                                                                                               | 881           | 246           | 881           | 246           |
| Credit Guarantee Scheme costs                                                                                                                                                                                                 | 29            | 169           | 29            | 169           |
| Depreciation                                                                                                                                                                                                                  | 14            | -             | 14            | -             |
| Employee costs                                                                                                                                                                                                                | 9 951         | 10 958        | 9 951         | 10 958        |
| Entertainment                                                                                                                                                                                                                 | 199           | 291           | 199           | 291           |
| Impairment                                                                                                                                                                                                                    | -             | 9 826         | -             | -             |
| Insurance                                                                                                                                                                                                                     | 9             | 11            | 9             | 11            |
| Management fees                                                                                                                                                                                                               | 853           | 1 062         | 853           | 1 062         |
| Membership fees                                                                                                                                                                                                               | 133           | 287           | 133           | 287           |
| Motor vehicle expenses                                                                                                                                                                                                        | 56            | 141           | 56            | 141           |
| Municipal expenses                                                                                                                                                                                                            | -             | 301           | -             | -             |
| New product development                                                                                                                                                                                                       | 1 668         | 1 049         | 1 668         | 1 049         |
| Office expenses                                                                                                                                                                                                               | 209           | 365           | 210           | 116           |
| Penalties and fines                                                                                                                                                                                                           | 382           | 109           | 382           | 109           |
| Personnel expenses                                                                                                                                                                                                            | 9             | 13            | 9             | 13            |
| Printing and stationery                                                                                                                                                                                                       | 174           | 234           | 174           | 234           |
| Rent and levies                                                                                                                                                                                                               | 1 269         | 382           | 1 269         | 382           |
| Repairs and maintenance                                                                                                                                                                                                       | 53            | 60            | 53            | 60            |
| Secretarial fees                                                                                                                                                                                                              | 70            | 4             | 70            | 4             |
| Security                                                                                                                                                                                                                      | 7             | 7             | 7             | 7             |
| Social upliftment                                                                                                                                                                                                             | 524           | -             | 524           | -             |
| Staff welfare                                                                                                                                                                                                                 | 232           | 105           | 232           | 105           |
| Stamp duty                                                                                                                                                                                                                    | -             | 353           | -             | 353           |
| Strategic session planning                                                                                                                                                                                                    | 317           | -             | 317           | -             |
| Subscriptions                                                                                                                                                                                                                 | 6             | 5             | 6             | 5             |
| Telephone and fax                                                                                                                                                                                                             | 481           | 419           | 481           | 419           |
| Travel - foreign                                                                                                                                                                                                              | 845           | 315           | 845           | 315           |
| Travel - local                                                                                                                                                                                                                | 1 017         | 340           | 1 017         | 340           |
|                                                                                                                                                                                                                               | <b>21 750</b> | <b>29 297</b> | <b>21 751</b> | <b>18 921</b> |



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|-----------------------------------------------------------|-----------------|----------------|-----------------|----------------|
| Figures in Namibia Dollar thousand                        | 2024            | 2023           | 2024            | 2023           |
|                                                           |                 |                |                 |                |
| <b>32. Taxation</b>                                       |                 |                |                 |                |
| <b>Major components of the tax expense</b>                |                 |                |                 |                |
| <b>Current</b>                                            |                 |                |                 |                |
| Local income tax - current period                         | 7 585           | 8 690          | 7 585           | 8 690          |
| <b>Deferred</b>                                           |                 |                |                 |                |
| Originating and reversing temporary differences           | 9 397           | (2 621)        | 9 397           | (2 621)        |
|                                                           | <b>16 982</b>   | <b>6 069</b>   | <b>16 982</b>   | <b>6 069</b>   |
|                                                           |                 |                |                 |                |
| <b>Reconciliation of the tax expense</b>                  |                 |                |                 |                |
| Reconciliation between accounting profit and tax expense. |                 |                |                 |                |
| Accounting profit                                         | 120 053         | 46 848         | 120 052         | 46 607         |
| Tax at the applicable tax rate of 32% (2023: 32%)         | 38 417          | 14 991         | 38 417          | 14 914         |
| <b>Tax effect of adjustments on taxable income</b>        |                 |                |                 |                |
| Permanent differences                                     | (21 435)        | (8 922)        | (21 435)        | (8 845)        |
|                                                           | <b>16 982</b>   | <b>6 069</b>   | <b>16 982</b>   | <b>6 069</b>   |
|                                                           |                 |                |                 |                |
| <b>33. Cash generated from/(used in) operations</b>       |                 |                |                 |                |
| Profit before taxation                                    | 120 053         | 48 744         | 120 052         | 48 502         |
| <b>Adjustments for non-cash items:</b>                    |                 |                |                 |                |
| Depreciation and amortisation                             | 335             | 446            | 335             | 446            |
| Profit on disposal of assets                              | (86)            | -              | (86)            | -              |
| Fair value gains                                          | (28 720)        | (8 585)        | (28 720)        | (8 585)        |
| Movements in provisions                                   | (3 625)         | 646            | (3 625)         | 646            |
| Movements in retirement benefit assets and liabilities    | (2 116)         | 883            | (2 116)         | 883            |
| Net impairments and movements in credit loss allowances   | -               | 9 826          | -               | 10 617         |
| Other non-cash in financial assets                        | (1 468)         | 852            | (1 470)         | 852            |
| <b>Adjust for items which are presented separately:</b>   |                 |                |                 |                |
| Interest income                                           | (17 365)        | (10 637)       | (17 365)        | (10 637)       |
| Dividends received                                        | (36 831)        | (31 496)       | (36 831)        | (31 496)       |
| <b>Changes in working capital:</b>                        |                 |                |                 |                |
| (Increase) decrease in trade and other receivables        | (1 225)         | (2 633)        | (1 225)         | (2 633)        |
| Increase (decrease) in trade and other payables           | (50)            | 9 158          | (47)            | 9 158          |
| Increase (decrease) in insurance liabilities              | 1 196           | 2 639          | 1 196           | 2 639          |
| Increase (decrease) in reinsurance contract liabilities   | (44 076)        | (500)          | (44 076)        | (500)          |
|                                                           | <b>(13 978)</b> | <b>19 343</b>  | <b>(13 978)</b> | <b>19 892</b>  |
|                                                           |                 |                |                 |                |
| <b>34. Tax paid</b>                                       |                 |                |                 |                |
| Balance at beginning of the year                          | 1 340           | 892            | 1 340           | 892            |
| Current tax recognised in profit or loss                  | (7 585)         | (8 690)        | (7 585)         | (8 690)        |
| Balance at end of the year                                | 1 740           | (1 340)        | 1 740           | (1 340)        |
|                                                           | <b>(4 505)</b>  | <b>(9 138)</b> | <b>(4 505)</b>  | <b>(9 138)</b> |

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------------------------|--------------------------|-----------------------------------------|-------------------------------|-------|
| Figures in Namibia Dollar thousand                                                                                                                                                                                                                 | 2024         | 2023                                     | 2024                     | 2023                                    |                               |       |
| <b>36. Related parties (continued)</b>                                                                                                                                                                                                             |              |                                          |                          |                                         |                               |       |
| <b>Land purchased from related parties</b>                                                                                                                                                                                                         |              |                                          |                          |                                         |                               |       |
| Cathral Investments Eighty Two (Pty) Ltd                                                                                                                                                                                                           | -            | -                                        | -                        | 11 504                                  |                               |       |
| Quality Vehicles and Bakkie Centre (Pty) Ltd                                                                                                                                                                                                       | -            | -                                        | -                        | 4 924                                   |                               |       |
|                                                                                                                                                                                                                                                    | -            | -                                        | -                        | <b>16 428</b>                           |                               |       |
| <b>Dividends declared</b>                                                                                                                                                                                                                          |              |                                          |                          |                                         |                               |       |
| Government of the Republic of Namibia                                                                                                                                                                                                              | 17 700       | 10 000                                   | 17 700                   | 10 000                                  |                               |       |
| <b>Compensation to directors and other key management</b>                                                                                                                                                                                          |              |                                          |                          |                                         |                               |       |
| Short-term employee benefits                                                                                                                                                                                                                       | 5 709        | 4 098                                    | 5 709                    | 4 098                                   |                               |       |
| Post-employment benefits - Pension - Defined contribution plan                                                                                                                                                                                     | 68           | 247                                      | 68                       | 247                                     |                               |       |
|                                                                                                                                                                                                                                                    | <b>5 777</b> | <b>4 345</b>                             | <b>5 777</b>             | <b>4 345</b>                            |                               |       |
| Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the group. |              |                                          |                          |                                         |                               |       |
| <b>37. Directors' emoluments</b>                                                                                                                                                                                                                   |              |                                          |                          |                                         |                               |       |
| <b>Executive</b>                                                                                                                                                                                                                                   |              |                                          |                          |                                         |                               |       |
| <b>2024</b>                                                                                                                                                                                                                                        |              |                                          |                          |                                         |                               |       |
|                                                                                                                                                                                                                                                    | Basic salary | Contributions paid under pension scheme  | Post retirement benefits | Total                                   |                               |       |
| NHM Tjozongoro                                                                                                                                                                                                                                     | 5 142        | 108                                      | (852)                    | 4 398                                   |                               |       |
| <b>2023</b>                                                                                                                                                                                                                                        |              |                                          |                          |                                         |                               |       |
|                                                                                                                                                                                                                                                    | Basic salary | Bonuses and performance related payments | Social Security          | Contributions paid under pension scheme | Post retirement benefits      | Total |
| NHM Tjozongoro                                                                                                                                                                                                                                     | 1 992        | 380                                      | 1                        | 379                                     | 363                           | 3 115 |
| <b>Non-executive</b>                                                                                                                                                                                                                               |              |                                          |                          |                                         |                               |       |
| <b>2024</b>                                                                                                                                                                                                                                        |              |                                          |                          |                                         |                               |       |
|                                                                                                                                                                                                                                                    |              |                                          |                          |                                         | Fees for services as director | Total |
| Directors' fees                                                                                                                                                                                                                                    |              |                                          |                          |                                         | 1 380                         | 1 380 |

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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

37. Directors' emoluments (continued)

2023

|                 | Fees for services as director | Total |
|-----------------|-------------------------------|-------|
| Directors' fees | 1 230                         | 1 230 |

2022

|                 | Fees for services as director | Total |
|-----------------|-------------------------------|-------|
| Directors' fees | 1 134                         | 1 134 |

Services as director or prescribed officer

38. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2024

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total   | Fair value |
|------------------------------------------|---------|------------------------------------------------|----------------|---------|------------|
| Listed shares                            | 11      | 15 898                                         | -              | 15 898  | 15 898     |
| Unit trusts                              | 11      | 128 530                                        | -              | 128 530 | 128 530    |
| Bonds                                    | 11      | 14 000                                         | -              | 14 000  | 14 000     |
| Fixed - term deposits                    | 11      | -                                              | 8              | 8       | -          |
| Credit guarantee scheme financial assets | 13      | 88 872                                         | -              | 88 872  | 88 872     |
| Cash and cash equivalents                | 14      | -                                              | 596 761        | 596 761 | -          |
|                                          |         | 247 300                                        | 596 769        | 844 069 | 247 300    |

Group - 2023

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total   | Fair value |
|------------------------------------------|---------|------------------------------------------------|----------------|---------|------------|
| Listed shares                            | 11      | 125 777                                        | -              | 125 777 | 125 777    |
| Unit trusts                              | 11      | 467 717                                        | -              | 467 717 | 467 717    |
| Bonds                                    | 11      | 14 000                                         | -              | 14 000  | 14 000     |
| Fixed - term deposits                    | 11      | -                                              | 12             | 12      | -          |
| Credit guarantee scheme financial assets | 13      | 166 229                                        | -              | 166 229 | 166 229    |
| Cash and cash equivalents                | 14      | -                                              | 34 490         | 34 490  | -          |
|                                          |         | 773 723                                        | 34 502         | 808 225 | 773 723    |

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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

Group - 2022

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total   | Fair value |
|------------------------------------------|---------|------------------------------------------------|----------------|---------|------------|
| Trade and other receivables              | 10      | -                                              | 189            | 189     | -          |
| Bonds                                    | 11      | 6 000                                          | -              | 6 000   | 6 000      |
| Listed shares                            | 11      | 120 397                                        | -              | 120 397 | 120 397    |
| Unit trusts                              | 11      | 443 931                                        | -              | 443 931 | 443 931    |
| Fixed - term deposits                    | 11      | -                                              | 11             | 11      | -          |
| Credit guarantee scheme financial assets | 13      | 154 801                                        | -              | 154 801 | 154 801    |
| Cash and cash equivalents                | 14      | -                                              | 25 233         | 25 233  | -          |
|                                          |         | 725 129                                        | 25 433         | 750 562 | 725 129    |

Company - 2024

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total   | Fair value |
|------------------------------------------|---------|------------------------------------------------|----------------|---------|------------|
| Listed shares                            | 11      | 15 898                                         | -              | 15 898  | 15 898     |
| Unit trusts                              | 11      | 128 530                                        | -              | 128 530 | 128 530    |
| Bonds                                    | 11      | 14 000                                         | -              | 14 000  | 14 000     |
| Fixed - term deposits                    | 11      | -                                              | 8              | 8       | -          |
| Credit guarantee scheme financial assets | 13      | 88 872                                         | -              | 88 872  | 88 872     |
| Cash and cash equivalents                | 14      | -                                              | 596 759        | 596 759 | -          |
|                                          |         | 247 300                                        | 596 767        | 844 067 | 247 300    |

Company - 2023

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total   | Fair value |
|------------------------------------------|---------|------------------------------------------------|----------------|---------|------------|
| Listed shares                            | 11      | 125 777                                        | -              | 125 777 | 125 777    |
| Unit trusts                              | 11      | 467 717                                        | -              | 467 717 | 467 717    |
| Bonds                                    | 11      | 14 000                                         | -              | 14 000  | 14 000     |
| Fixed - term deposits                    | 11      | -                                              | 12             | 12      | -          |
| Credit guarantee scheme financial assets | 13      | 166 229                                        | -              | 166 229 | 166 229    |
| Cash and cash equivalents                | 14      | -                                              | 34 488         | 34 488  | -          |
|                                          |         | 773 723                                        | 34 500         | 808 223 | 773 723    |



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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

Company - 2022

|                                          | Note(s) | Fair value through profit or loss - Designated | Amortised cost | Total          | Fair value     |
|------------------------------------------|---------|------------------------------------------------|----------------|----------------|----------------|
| Loan to related party                    | 9       | -                                              | 26 498         | 26 498         | -              |
| Trade and other receivables              | 10      | -                                              | 189            | 189            | -              |
| Listed shares                            | 11      | 120 397                                        | -              | 120 397        | 120 397        |
| Unit trusts                              | 11      | 443 931                                        | -              | 443 931        | 443 931        |
| Bonds                                    | 11      | 6 000                                          | -              | 6 000          | 6 000          |
| Fixed - term deposits                    | 11      | -                                              | 11             | 11             | -              |
| Credit guarantee scheme financial assets | 13      | 154 801                                        | -              | 154 801        | 154 801        |
| Cash and cash equivalents                | 14      | -                                              | 25 231         | 25 231         | -              |
|                                          |         | <b>725 129</b>                                 | <b>51 929</b>  | <b>777 058</b> | <b>725 129</b> |

Categories of financial liabilities

Group - 2024

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 273          | 2 273         |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>52 273</b>  | <b>52 273</b> |

Group - 2023

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 324          | 2 324         |
| Dividend payable                            | 21      | 17 700         | 17 700        |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>70 024</b>  | <b>70 024</b> |

Group - 2022

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 810          | 2 810         |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>52 810</b>  | <b>52 810</b> |

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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

Company - 2024

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 273          | 2 273         |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>52 273</b>  | <b>52 273</b> |

Company - 2023

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 321          | 2 321         |
| Dividend payable                            | 21      | 17 700         | 17 700        |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>70 021</b>  | <b>70 021</b> |

Company - 2022

|                                             | Note(s) | Amortised cost | Total         |
|---------------------------------------------|---------|----------------|---------------|
| Trade and other payables                    | 19      | 2 810          | 2 810         |
| Credit Guarantee Scheme financial liability | 22      | 50 000         | 50 000        |
|                                             |         | <b>52 810</b>  | <b>52 810</b> |

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\$ 4.0 million 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.

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|------------------------------------|-------|------|------|------|---------|------|
|                                    | 2024  | 2023 | 2024 | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

| Group                                    | 2024                  |                       |                             |                       | 2023                  |                             |                       |                             |
|------------------------------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|
|                                          | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Amortised cost / fair value |
| Other financial assets                   | 11                    | -                     | 158 436                     | 607 506               | -                     | 607 506                     | 570 339               | 570 339                     |
| Trade and other receivables              | 10                    | -                     | -                           | -                     | -                     | -                           | 189                   | 189                         |
| Cash and cash equivalents                | 14                    | -                     | 596 761                     | 34 490                | -                     | 34 490                      | 25 233                | 25 233                      |
| Credit guarantee scheme financial assets | 13                    | -                     | 88 872                      | 166 229               | -                     | 166 229                     | 154 801               | 154 801                     |
|                                          | <b>844 069</b>        | <b>-</b>              | <b>844 069</b>              | <b>808 225</b>        | <b>-</b>              | <b>808 225</b>              | <b>750 562</b>        | <b>750 562</b>              |

| Company                                  | 2024                  |                       |                             |                       | 2023                  |                             |                       |                             |
|------------------------------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|
|                                          | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Amortised cost / fair value |
| Loan to related party                    | 9                     | (17 880)              | -                           | 17 880                | (17 880)              | -                           | 33 761                | 26 498                      |
| Other financial assets                   | 11                    | -                     | 158 436                     | 607 506               | -                     | 607 506                     | 570 339               | 570 339                     |
| Trade and other receivables              | 10                    | -                     | -                           | -                     | -                     | -                           | 189                   | 189                         |
| Cash and cash equivalents                | 14                    | -                     | 596 759                     | 34 488                | -                     | 34 488                      | 25 231                | 25 231                      |
| Credit guarantee scheme financial assets | 13                    | -                     | 88 872                      | 166 229               | -                     | 166 229                     | 154 801               | 154 801                     |
|                                          | <b>861 947</b>        | <b>(17 880)</b>       | <b>844 067</b>              | <b>826 103</b>        | <b>(17 880)</b>       | <b>808 223</b>              | <b>784 321</b>        | <b>777 058</b>              |

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.

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|------------------------------------|-------|------|---------|------|
|                                    | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and 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, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2024

|                                             |    | Less than 1 year | Total         | Carrying amount |
|---------------------------------------------|----|------------------|---------------|-----------------|
| Current liabilities                         |    |                  |               |                 |
| Trade and other payables                    | 19 | 2 273            | 2 273         | 2 273           |
| Credit Guarantee Scheme financial liability | 22 | 50 000           | 50 000        | 50 000          |
|                                             |    | <b>52 273</b>    | <b>52 273</b> | <b>52 273</b>   |

Group - 2023

|                                             |    | Less than 1 year | Total         | Carrying amount |
|---------------------------------------------|----|------------------|---------------|-----------------|
| Current liabilities                         |    |                  |               |                 |
| Trade and other payables                    | 19 | 2 324            | 2 324         | 2 324           |
| Dividend payable                            | 21 | 17 700           | 17 700        | 17 700          |
| Credit Guarantee Scheme financial liability | 22 | 50 000           | 50 000        | 50 000          |
|                                             |    | <b>70 024</b>    | <b>70 024</b> | <b>70 024</b>   |

Group - 2022

|                                             |    | Less than 1 year | Total           | Carrying amount |
|---------------------------------------------|----|------------------|-----------------|-----------------|
| Current liabilities                         |    |                  |                 |                 |
| Trade and other payables                    | 19 | 2 810            | 2 810           | 2 810           |
| Credit Guarantee Scheme financial liability | 22 | 50 000           | 50 000          | 50 000          |
|                                             |    | <b>(52 810)</b>  | <b>(52 810)</b> | <b>(52 810)</b> |



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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

Company - 2024

|                                             |    | Less than<br>1 year | Total         | Carrying<br>amount |
|---------------------------------------------|----|---------------------|---------------|--------------------|
| <b>Current liabilities</b>                  |    |                     |               |                    |
| Trade and other payables                    | 19 | 2 273               | 2 273         | 2 273              |
| Credit Guarantee Scheme financial liability | 22 | 50 000              | 50 000        | 50 000             |
|                                             |    | <b>52 273</b>       | <b>52 273</b> | <b>52 273</b>      |

Company - 2023

|                                             |    | Less than<br>1 year | Total         | Carrying<br>amount |
|---------------------------------------------|----|---------------------|---------------|--------------------|
| <b>Current liabilities</b>                  |    |                     |               |                    |
| Trade and other payables                    | 19 | 2 321               | 2 321         | 2 321              |
| Dividend payable                            | 21 | 17 700              | 17 700        | 17 700             |
| Credit Guarantee Scheme financial liability | 22 | 50 000              | 50 000        | 50 000             |
|                                             |    | <b>70 021</b>       | <b>70 021</b> | <b>70 021</b>      |

Company - 2022

|                                             |    | Less than<br>1 year | Total           | Carrying<br>amount |
|---------------------------------------------|----|---------------------|-----------------|--------------------|
| <b>Current liabilities</b>                  |    |                     |                 |                    |
| Trade and other payables                    | 19 | 2 810               | 2 810           | 2 810              |
| Credit Guarantee Scheme financial liability | 22 | 50 000              | 50 000          | 50 000             |
|                                             |    | <b>(52 810)</b>     | <b>(52 810)</b> | <b>(52 810)</b>    |

Foreign currency risk

The group is exposed to foreign currency risk as a result of certain transactions which are denominated in foreign currencies. There was no exposure to foreign currency at the reporting date.

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

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.

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|------------------------------------|-------|------|---------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2024    | 2023 |

38. Financial instruments and risk management (continued)

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.

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<br>interest rate |        |        | Carrying amount |                 |                 |
|------------------------------------------------|------|------------------------------------|--------|--------|-----------------|-----------------|-----------------|
|                                                |      | 2024                               | 2023   | 2022   | 2024            | 2023            | 2022            |
| Group                                          |      |                                    |        |        |                 |                 |                 |
| <b>Variable rate instruments:</b>              |      |                                    |        |        |                 |                 |                 |
| <b>Assets</b>                                  |      |                                    |        |        |                 |                 |                 |
| Unit trusts                                    | 11   | - %                                | - %    | - %    | 128 530         | 467 717         | 443 931         |
| Fixed - term deposits                          | 11   | 8.10 %                             | 8.10 % | 8.10 % | 8               | 12              | 11              |
| Credit guarantee scheme                        | 13   | - %                                | - %    | - %    | 24 122          | 101 479         | 90 051          |
| financial assets - at fair value               |      |                                    |        |        |                 |                 |                 |
| Cash and cash equivalents                      | 14   | 5.25 %                             | 5.25 % | 5.25 % | 596 761         | 34 490          | 25 233          |
|                                                |      |                                    |        |        | <b>749 421</b>  | <b>603 698</b>  | <b>559 226</b>  |
| <b>Liabilities</b>                             |      |                                    |        |        |                 |                 |                 |
| Trade and other payables - normal terms        | 19   | - %                                | - %    | - %    | (2 273)         | (2 324)         | (2 810)         |
| Credit Guarantee Scheme financial liability    | 22   | - %                                | - %    | - %    | (50 000)        | (50 000)        | (50 000)        |
| Dividend payable                               | 21   | - %                                | - %    | - %    | -               | (17 700)        | -               |
|                                                |      |                                    |        |        | <b>(52 273)</b> | <b>(70 024)</b> | <b>(52 810)</b> |
| <b>Net variable rate financial instruments</b> |      |                                    |        |        | <b>697 148</b>  | <b>533 674</b>  | <b>506 416</b>  |

Fixed rate instruments:

|                                                        |    |        |        |        |               |               |               |
|--------------------------------------------------------|----|--------|--------|--------|---------------|---------------|---------------|
| <b>Assets</b>                                          |    |        |        |        |               |               |               |
| Bonds                                                  | 11 | 7.70 % | 7.70 % | 7.70 % | 14 000        | 14 000        | 6 000         |
| Credit Guarantee Scheme financial assets at fair value | 13 | - %    | - %    | - %    | 64 750        | 64 750        | 64 750        |
|                                                        |    |        |        |        | <b>78 750</b> | <b>78 750</b> | <b>70 750</b> |

|                                                                                                     |          |          |          |
|-----------------------------------------------------------------------------------------------------|----------|----------|----------|
| Variable rate financial assets as a percentage of total interest bearing financial assets           | 90.49 %  | 88.46 %  | 88.77 %  |
| Fixed rate financial assets as a percentage of total interest bearing financial assets              | 9.51 %   | 11.54 %  | 11.23 %  |
| Variable rate financial liabilities as a percentage of total interest bearing financial liabilities | 100.00 % | 100.00 % | 100.00 % |

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

38. Financial instruments and risk management (continued)

|                                                                                                     | Note | Average effective interest rate |        |        | Carrying amount |                 |                 |
|-----------------------------------------------------------------------------------------------------|------|---------------------------------|--------|--------|-----------------|-----------------|-----------------|
|                                                                                                     |      | 2024                            | 2023   | 2022   | 2024            | 2023            | 2022            |
| Company                                                                                             |      |                                 |        |        |                 |                 |                 |
| <b>Variable rate instruments:</b>                                                                   |      |                                 |        |        |                 |                 |                 |
| <b>Assets</b>                                                                                       |      |                                 |        |        |                 |                 |                 |
| Unit trusts                                                                                         | 11   | - %                             | - %    | - %    | 128 530         | 467 717         | 443 931         |
| Fixed - term deposits                                                                               | 11   | 8.10 %                          | 8.10 % | 8.10 % | 8               | 12              | 11              |
| Cash and cash equivalents                                                                           | 14   | 5.25 %                          | 5.25 % | 5.25 % | 596 759         | 34 488          | 25 231          |
| Credit guarantee scheme financial assets                                                            | 13   | - %                             | - %    | - %    | 24 122          | 101 479         | 90 051          |
|                                                                                                     |      |                                 |        |        | <b>749 419</b>  | <b>603 696</b>  | <b>559 224</b>  |
| <b>Liabilities</b>                                                                                  |      |                                 |        |        |                 |                 |                 |
| Reinsurance and other payables - normal credit terms                                                | 19   | - %                             | - %    | - %    | (2 273)         | (2 321)         | (2 810)         |
| Dividend payable                                                                                    | 21   | - %                             | - %    | - %    | -               | (17 700)        | -               |
| Credit Guarantee Scheme financial liability                                                         | 22   | - %                             | - %    | - %    | (50 000)        | (50 000)        | (50 000)        |
|                                                                                                     |      |                                 |        |        | <b>(52 273)</b> | <b>(70 021)</b> | <b>(52 810)</b> |
| <b>Net variable rate financial instruments</b>                                                      |      |                                 |        |        | <b>697 146</b>  | <b>533 675</b>  | <b>506 414</b>  |
| <b>Fixed rate instruments:</b>                                                                      |      |                                 |        |        |                 |                 |                 |
| <b>Assets</b>                                                                                       |      |                                 |        |        |                 |                 |                 |
| Bonds                                                                                               | 11   | 7.70 %                          | 7.70 % | 7.70 % | 14 000          | 14 000          | 6 000           |
| Credit guarantee scheme financial assets                                                            | 13   | - %                             | - %    | - %    | 64 750          | 64 750          | 64 750          |
|                                                                                                     |      |                                 |        |        | <b>78 750</b>   | <b>78 750</b>   | <b>70 750</b>   |
| Variable rate financial assets as a percentage of total interest bearing financial assets           |      |                                 |        |        | 90.49 %         | 88.46 %         | 88.77 %         |
| Fixed rate financial assets as a percentage of total interest bearing financial assets              |      |                                 |        |        | 9.51 %          | 11.54 %         | 11.23 %         |
| 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.

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|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

38. Financial instruments and risk management (continued)

| Group                                                                                    | 2024     | 2024     | 2023     | 2023     | 2022     | 2022     |
|------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|
| <b>Increase or decrease in rate</b>                                                      | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| <b>Impact on profit or loss:</b><br>Variable rate instruments (0.50% per annum movement) | 3 486    | 3 486    | 2 668    | 2 668    | 25 321   | 25 321   |
| Company                                                                                  | 2024     | 2024     | 2023     | 2023     | 2022     | 2022     |
| <b>Increase or decrease in rate</b>                                                      | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| <b>Impact on profit or loss:</b><br>Variable rate instruments (0.50% per annum movement) | 3 486    | 3 486    | 2 668    | 2 668    | 2 532    | 2 532    |

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.

Amounts exposed to price risk are as follows:

|               |        |         |         |        |         |         |
|---------------|--------|---------|---------|--------|---------|---------|
| Listed shares | 15 898 | 125 777 | 120 397 | 15 898 | 125 777 | 120 397 |
|---------------|--------|---------|---------|--------|---------|---------|

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                                                                               | 2024     | 2024     | 2023     | 2023     | 2022          | 2022          |
|-------------------------------------------------------------------------------------|----------|----------|----------|----------|---------------|---------------|
| <b>Increase or decrease in rate</b>                                                 | Increase | Decrease | Increase | Decrease | Increase      | Decrease      |
| <b>Impact on profit or loss:</b><br>Johannesburg Stock Exchange top 40 index effect | -        | -        | -        | -        | 30 896        | 30 896        |
| Namibia Stock Exchange effect                                                       | -        | -        | -        | -        | -             | -             |
|                                                                                     | -        | -        | -        | -        | <b>30 896</b> | <b>30 896</b> |



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|                                    | Group |      |      | Company |      |      |
|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

38. Financial instruments and risk management (continued)

| Company                                         | 2024     | 2024     | 2023     | 2023     | 2022     | 2022     |
|-------------------------------------------------|----------|----------|----------|----------|----------|----------|
| Increase or decrease in rate                    | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| Impact on profit or loss:                       |          |          |          |          |          |          |
| Johannesburg Stock Exchange top 40 index effect | -        | -        | -        | -        | 30 896   | 30 896   |
| Namibia Stock Exchange effect                   | -        | -        | -        | -        | -        | -        |
|                                                 | -        | -        | -        | -        | 30 896   | 30 896   |

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.

39. 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.

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|                                    | Group |      |      | Company |      |      |
|------------------------------------|-------|------|------|---------|------|------|
| Figures in Namibia Dollar thousand | 2024  | 2023 | 2022 | 2024    | 2023 | 2022 |

39. Fair value information (continued)

Levels of fair value measurements

Level 1

Recurring fair value measurements

Assets

Financial assets designated at fair value through profit or loss

|               |    |        |         |         |        |         |         |
|---------------|----|--------|---------|---------|--------|---------|---------|
| Listed shares | 11 | 15 898 | 125 777 | 120 397 | 15 898 | 125 777 | 120 397 |
|---------------|----|--------|---------|---------|--------|---------|---------|

|       |  |        |         |         |        |         |         |
|-------|--|--------|---------|---------|--------|---------|---------|
| Total |  | 15 898 | 125 777 | 120 397 | 15 898 | 125 777 | 120 397 |
|-------|--|--------|---------|---------|--------|---------|---------|

Level 2

Recurring fair value measurements

Assets

Financial assets designated at fair value through profit or loss

|                                                 |    |         |         |         |         |         |         |
|-------------------------------------------------|----|---------|---------|---------|---------|---------|---------|
| Unit trusts                                     | 11 | 128 530 | 467 717 | 443 931 | 128 530 | 467 717 | 443 931 |
| Bonds                                           | 11 | 14 000  | 14 000  | 6 000   | 14 000  | 14 000  | 6 000   |
| Unit trusts - Credit Guarantee Scheme           | 13 | 24 122  | 101 479 | 90 051  | 24 122  | 101 479 | 90 051  |
| Bonds - Credit Guarantee Scheme financial asset | 13 | 64 750  | 64 750  | 64 750  | 64 750  | 64 750  | 64 750  |

|                                                                         |  |         |         |         |         |         |         |
|-------------------------------------------------------------------------|--|---------|---------|---------|---------|---------|---------|
| Total financial assets mandatorily at fair value through profit or loss |  | 231 402 | 647 946 | 604 732 | 231 402 | 647 946 | 604 732 |
|-------------------------------------------------------------------------|--|---------|---------|---------|---------|---------|---------|

|       |  |         |         |         |         |         |         |
|-------|--|---------|---------|---------|---------|---------|---------|
| Total |  | 231 402 | 647 946 | 604 732 | 231 402 | 647 946 | 604 732 |
|-------|--|---------|---------|---------|---------|---------|---------|

Level 3

Recurring fair value measurements

Assets

Investment property

|      |   |        |        |   |        |        |   |
|------|---|--------|--------|---|--------|--------|---|
| Land | 5 | 18 544 | 18 544 | - | 18 544 | 18 544 | - |
|------|---|--------|--------|---|--------|--------|---|

Property, plant and equipment

|      |   |   |   |        |   |   |   |
|------|---|---|---|--------|---|---|---|
| Land | 4 | - | - | 26 254 | - | - | - |
|------|---|---|---|--------|---|---|---|

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Notes to the Consolidated and Separate Annual Financial Statements

|                                               |    | Group          |                 |                | Company        |                 |                |
|-----------------------------------------------|----|----------------|-----------------|----------------|----------------|-----------------|----------------|
| Figures in Namibia Dollar thousand            |    | 2024           | 2023            | 2022           | 2024           | 2023            | 2022           |
|                                               |    |                |                 |                |                |                 |                |
| <b>39. Fair value information (continued)</b> |    |                |                 |                |                |                 |                |
|                                               |    |                |                 |                |                |                 |                |
| <b>Financial assets</b>                       |    |                |                 |                |                |                 |                |
| Loan to related party                         | 9  | -              | -               | -              | -              | -               | 26 498         |
| Trade and other receivables                   | 10 | -              | -               | 189            | -              | -               | 189            |
| Fixed - term deposits                         | 11 | 8              | 12              | 11             | 8              | 12              | 11             |
| Cash and cash equivalents                     | 14 | 596 761        | 34 490          | 25 233         | 596 759        | 34 488          | 25 231         |
| <b>Total financial assets</b>                 |    | <b>596 769</b> | <b>34 502</b>   | <b>25 433</b>  | <b>596 767</b> | <b>34 500</b>   | <b>51 929</b>  |
|                                               |    |                |                 |                |                |                 |                |
| <b>Liabilities</b>                            |    |                |                 |                |                |                 |                |
|                                               |    |                |                 |                |                |                 |                |
| <b>Financial liabilities</b>                  |    |                |                 |                |                |                 |                |
| Retirement benefit obligation                 | 18 | 233            | 2 350           | 1 467          | 233            | 2 350           | 1 467          |
| Trade and other payables                      | 19 | 2 273          | 2 324           | 2 810          | 2 273          | 2 321           | 2 810          |
| Dividend payable                              | 21 | -              | 17 700          | -              | -              | 17 700          | -              |
| Credit Guarantee Scheme financial liability   | 22 | 50 000         | 50 000          | 50 000         | 50 000         | 50 000          | 50 000         |
| <b>Total financial liabilities</b>            |    | <b>52 506</b>  | <b>72 374</b>   | <b>54 277</b>  | <b>52 506</b>  | <b>72 371</b>   | <b>54 277</b>  |
| <b>Total</b>                                  |    | <b>562 807</b> | <b>(19 328)</b> | <b>(2 590)</b> | <b>562 805</b> | <b>(19 327)</b> | <b>(2 348)</b> |

40. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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 is satisfied is that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors is not aware of any new material changes that may adversely impact the group. The directors is 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.

41. 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.

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Consolidated and Separate Detailed Statement of Profit or Loss and Other Comprehensive Income

|                                                                              |         | Group           |                    | Company         |                    |
|------------------------------------------------------------------------------|---------|-----------------|--------------------|-----------------|--------------------|
| Figures in Namibia Dollar thousand                                           | Note(s) | 2024            | 2023<br>Restated * | 2024            | 2023<br>Restated * |
|                                                                              |         |                 |                    |                 |                    |
| <b>Premiums</b>                                                              |         |                 |                    |                 |                    |
| Insurance revenue                                                            | 25      | 83 912          | 76 829             | 83 912          | 76 829             |
|                                                                              |         |                 |                    |                 |                    |
| <b>Insurance service expenses</b>                                            |         |                 |                    |                 |                    |
| Incurred insurance service expenses: claims                                  |         | (1 123)         | (1 208)            | (1 123)         | (1 208)            |
| Amortisation of insurance acquisition cash flows                             |         | (16 151)        | (14 838)           | (16 151)        | (14 838)           |
| Incurred insurance service expenses: Expenses                                |         | (11 428)        | (12 400)           | (11 428)        | (12 400)           |
| Other movements related to current service                                   |         | -               | (1)                | -               | (1)                |
| Changes in estimates in LIC fulfilment cash flows                            |         | (112)           | 6                  | (112)           | 6                  |
| Experience adjustments in claims and other insurance service expenses in LIC |         | 1 319           | 1 340              | 1 319           | 1 340              |
|                                                                              | 26      | <b>(27 495)</b> | <b>(27 101)</b>    | <b>(27 495)</b> | <b>(27 101)</b>    |
|                                                                              |         |                 |                    |                 |                    |
| <b>Net expenses from reinsurance contracts</b>                               |         |                 |                    |                 |                    |
| Net expenses from reinsurance contracts                                      | 27      | 2 377           | (25 525)           | 2 377           | (25 525)           |
|                                                                              |         |                 |                    |                 |                    |
| <b>Insurance service result</b>                                              |         |                 |                    |                 |                    |
| Investment income                                                            | 28      | 54 196          | 42 133             | 54 196          | 42 133             |
| Fair value gains                                                             | 29      | 28 720          | 8 585              | 28 720          | 8 585              |
|                                                                              |         |                 |                    |                 |                    |
| <b>Net insurance and investment result</b>                                   |         |                 |                    |                 |                    |
| Other income                                                                 |         | 7               | 12                 | 7               | 12                 |
| Credit Guarantee Scheme management fees                                      |         | -               | 1 212              | -               | 1 212              |
| Profit on sale of fixed assets                                               |         | 86              | -                  | 86              | -                  |
| Movement in credit loss allowances                                           | 31      | -               | -                  | -               | (10 617)           |
| Expenses (Refer to page 85)                                                  |         | (21 750)        | (29 297)           | (21 751)        | (18 921)           |
|                                                                              |         |                 |                    |                 |                    |
| <b>Profit before taxation</b>                                                |         |                 |                    |                 |                    |
| Taxation                                                                     | 32      | (16 982)        | (6 069)            | (16 982)        | (6 069)            |
|                                                                              |         |                 |                    |                 |                    |
| <b>Profit for the year</b>                                                   |         |                 |                    |                 |                    |

\* Refer to note 2



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Consolidated and Separate Detailed Statement of Profit or Loss and Other Comprehensive Income

| Figures in Namibia Dollar thousand            | Note(s) | Group           |                 | Company         |                 |
|-----------------------------------------------|---------|-----------------|-----------------|-----------------|-----------------|
|                                               |         | 2024            | 2023            | 2024            | 2023            |
|                                               |         |                 | Restated *      |                 | Restated *      |
|                                               |         |                 |                 |                 |                 |
| <b>Expenses</b>                               |         |                 |                 |                 |                 |
| Advertising                                   |         | (1 880)         | (1 840)         | (1 880)         | (1 840)         |
| Amortisation                                  |         | (39)            | (20)            | (39)            | (20)            |
| Bank charges                                  |         | (60)            | (77)            | (60)            | (77)            |
| Computer expenses                             |         | (308)           | (308)           | (308)           | (308)           |
| Consulting and professional fees - legal fees |         | (75)            | -               | (75)            | -               |
| Consulting fees                               |         | (881)           | (246)           | (881)           | (246)           |
| Credit Guarantee Scheme costs                 |         | (29)            | (169)           | (29)            | (169)           |
| Depreciation                                  |         | (14)            | -               | (14)            | -               |
| Employee costs                                |         | (9 951)         | (10 958)        | (9 951)         | (10 958)        |
| Entertainment                                 |         | (199)           | (291)           | (199)           | (291)           |
| Impairment                                    |         | -               | (9 826)         | -               | -               |
| Insurance                                     |         | (9)             | (11)            | (9)             | (11)            |
| Management fees                               |         | (853)           | (1 062)         | (853)           | (1 062)         |
| Membership fees                               |         | (133)           | (287)           | (133)           | (287)           |
| Motor vehicle expenses                        |         | (56)            | (141)           | (56)            | (141)           |
| Municipal expenses                            |         | -               | (301)           | -               | -               |
| New product development                       |         | (1 668)         | (1 049)         | (1 668)         | (1 049)         |
| Office expenses                               |         | (209)           | (365)           | (210)           | (116)           |
| Penalties and fines                           |         | (382)           | (109)           | (382)           | (109)           |
| Personnel expenses                            |         | (9)             | (13)            | (9)             | (13)            |
| Printing and stationery                       |         | (174)           | (234)           | (174)           | (234)           |
| Rent and levies                               |         | (1 269)         | (382)           | (1 269)         | (382)           |
| Repairs and maintenance                       |         | (53)            | (60)            | (53)            | (60)            |
| Secretarial fees                              |         | (70)            | (4)             | (70)            | (4)             |
| Security                                      |         | (7)             | (7)             | (7)             | (7)             |
| Social upliftment                             |         | (524)           | -               | (524)           | -               |
| Staff welfare                                 |         | (232)           | (105)           | (232)           | (105)           |
| Stamp duty                                    |         | -               | (353)           | -               | (353)           |
| Strategic session planning                    |         | (317)           | -               | (317)           | -               |
| Subscriptions                                 |         | (6)             | (5)             | (6)             | (5)             |
| Telephone and fax                             |         | (481)           | (419)           | (481)           | (419)           |
| Travel - foreign                              |         | (845)           | (315)           | (845)           | (315)           |
| Travel - local                                |         | (1 017)         | (340)           | (1 017)         | (340)           |
|                                               |         | <b>(21 750)</b> | <b>(29 297)</b> | <b>(21 751)</b> | <b>(18 921)</b> |

\* Refer to note 2



Namlex Chambers  
5th Floor No. 333 Independence  
Avenue, Namibia

+264 61 229 207

[info@nasria.com.na](mailto:info@nasria.com.na)

**For any complaints please mail us at**  
[complaints@nasria.com.na](mailto:complaints@nasria.com.na)