



NASRIA 2021-2022

ANNUAL FINANCIAL STATEMENTS

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Special risks insurance
Directors	NHM Tjozongoro Managing Director A Vugs Chairperson HH Kapenda Deputy Chairperson C Loubser F Otto P Amunjela
Registered office	Third Floor Namlex Chambers Independence Avenue Windhoek Namibia
Business address	Third Floor Namlex Chambers Independence Avenue Windhoek Namibia
Postal address	P O Box 417 Windhoek Namibia
Holding company	Government of the Republic of Namibia (Ministry of Finance)
Bankers	Nedbank Namibia Limited First National Bank of Namibia Limited Standard Bank of Namibia Limited Bank Windhoek Limited
Auditors	PricewaterhouseCoopers Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	N Shipena

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

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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 2022

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of Namibia to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The directors have reviewed the group's cash flow forecast for the year to 31 March 2023 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 7 to 65, which have been prepared on the going concern basis, were approved by the board and were signed on their behalf by:



C Loubser
Audit and Risk Committee Chairperson



NHM Tjonzoro
Managing Director

Windhoek

Date: 18 August 2022



Independent auditor's report

To the Member of Namibia Special Risks Insurance Association Ltd

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 Ltd (the Company) and its subsidiaries (together the Group) as at 31 March 2022, 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 Ltd.'s consolidated and separate financial statements set out on pages 7 to 65 comprise:

- the directors' report for the year ended 31 March 2022;
- the consolidated and separate statements of financial position as at 31 March 2022;
- the consolidated and separate statements of profit or loss and other 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, which include a summary of significant accounting policies.

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.

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 (NASRIA Ltd) (Registration number 1987/0201) Consolidated and Separate Annual Financial Statements for the year ended 31 March 2022". The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

PricewaterhouseCoopers, Registered Auditors, 344 Independence Avenue, Windhoek, P O Box 1571, Windhoek, Namibia Practice Number 9406, T: +264 (61) 284 1000, F: +264 (61) 284 1001, www.pwc.com.na

Country Senior Partner: Chantell N Husemann
Partners: Louis van der Riet, Anna EJ Rossouw (Partner in charge: Coast), Gerrit Esterhuysen, Samuel N Ndangwapo, Hans F Haschagen, Johannes P Nel, Hannes van den Berg, Willem A Burger



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 and / 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
Date: 18 August 2022

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Namibia Special Risks Insurance Association Ltd (NASRIA Ltd) and the group for the year ended 31 March 2022.

1. Incorporation

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

2. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year except for changes disclosed in note 2 of the notes to the consolidated and separate annual financial statements.

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

3. Share capital

Refer to note 14 of the consolidated consolidated and separate annual financial statements for detail of the movement in authorised and issued share capital.

4. Dividends

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

On 12 August 2022, the board recommended the declaration of a dividend for the year of N\$ 15 700 000 which will be approved at the Annual General Meeting.

5. Events after the reporting period

On 31 May 2022, the directors approved the transfer of the properties from Cathral Investments Eighty Two (Pty) Ltd and Quality Vehicles and Bakkie Centre (Pty) Ltd to NASRIA Limited. Instructions were sent to lawyers to commence with the conveyancing process and this should be finalised by end July 2022. At the same meeting, a decision was taken to temporary suspend the development of NASRIA's Head Office due to escalating costs.

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

6. Directorate

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

Directors	Office	Designation	Nationality
NHM Tjozongoro	Managing Director	Executive	Namibian
A Vugs	Chairperson	Non-executive Independent	Namibian
HH Kapenda	Deputy Chairperson	Non-executive Independent	Namibian
C Loubser		Non-executive Independent	Namibian
F Otto		Non-executive Independent	Namibian
P Amunjela		Non-executive Independent	Namibian

7. Interests in subsidiaries

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

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Directors' Report

8. Going concern

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

9. Litigation statement

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

10. Reinsurance arrangements

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

11. Credit Guarantee Scheme

Under section 1(2) of the Namibia Special Risks Insurance Association Act, 2017 (Act No. 5 of 2017), the Minister of Finance, after consultation with the Board of the Namibia Special Risks Insurance Association (NASRIA) Limited, declared the Credit Guarantee Scheme under the Namibia Financial Sector Strategy (CGS) to be a special risk in the Government Gazette number 7241 on 15 June 2020.

The CGS is, a scheme by the Government of the Republic of Namibia through the Ministry of Finance which aims at encouraging funding of SMEs by providing collateral cover in favour of the participating institutions.

The CGS is a special risk underwritten by NASRIA Limited in favour of a participating institution that will grant a loan to an SME that lacks viable collateral to guarantee the repayment of the loan to the participating institution.

Participating institution refers to banking institutions as per the Banking Institutions Act, Financial Institutions as per the NAMFISA Act and any institution established by law and approved by the Ministry of Finance as a participating institution.

The CGS is administered by NASRIA Limited and the Development Bank of Namibia Ltd (DBN) in terms of a Cooperation Agreement entered by the two institutions in July 2020.

Funding amounting to N\$ 9,000,000 (2021: N\$ 148,978,000) was received from the Government of Namibia (N\$ 9,000,000 (2021: N\$ 98,978,000)) and Development Bank of Namibia Ltd (N\$ nil (2021: N\$ 50,000,000)). The funds received from the Government of Namibia were the Government's capital contribution to the Scheme.

12. Secretary

The company secretary is Mr N Shipena.

Postal address:

P O Box 417
Windhoek
Namibia

Business address:

Third Floor
Namlex Chambers
Independence Avenue
Windhoek Namibia

13. Terms of appointment of the auditors

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

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Directors' Report

14. 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.

15. Acknowledgements

Thanks and appreciation are extended to all of our stakeholders, 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 2022

Consolidated and Separate Statements of Financial Position as at 31 March 2022

		Group			Company		
		2022	2021	2020	2022	2021	2020
	Note(s)	N\$ '000	Restated *	Restated *	N\$ '000	Restated *	Restated *
		N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000
Assets							
Non-Current Assets							
Property, plant and equipment	3	28 196	26 997	24 232	1 942	1 985	1 642
Right-of-use assets		-	-	93	-	-	93
Intangible assets	4	101	2	21	101	2	21
Investments in subsidiaries	5	-	-	-	-	-	-
Deferred tax*	6	6 484	5 026	3 845	6 484	5 026	3 845
		34 781	32 025	28 191	8 527	7 013	5 601
Current Assets							
Loans to related party	7	-	-	-	26 498	25 786	23 607
Insurance and other receivables	8	9 616	11 575	10 721	9 319	11 278	10 435
Other financial assets	9	570 339	558 960	461 157	570 339	558 960	461 157
Current tax receivable	10	892	-	-	892	-	-
Deferred acquisition costs	11	3 895	3 647	3 817	3 895	3 647	3 817
Credit guarantee scheme financial assets	12	154 801	150 401	-	154 801	150 401	-
Cash and cash equivalents	13	25 233	11 202	54 011	25 231	10 665	53 125
		764 776	735 785	529 706	790 975	760 737	552 141
Total Assets		799 557	767 810	557 897	799 502	767 750	557 742
Equity and Liabilities							
Equity							
Share capital	14	8 000	-	-	8 000	-	-
Reserves	15 & 16	142 678	125 703	11 396	142 678	125 703	11 396
Retained income*		533 649	514 059	490 117	533 595	514 001	490 012
		684 327	639 762	501 513	684 273	639 704	501 408
Liabilities							
Non-Current Liabilities							
Retirement benefit obligation	17	1 467	2 200	2 206	1 467	2 200	2 206
Current Liabilities							
Reinsurance and other payables	18	43 755	35 351	28 852	43 754	35 349	28 852
Lease liabilities		-	-	105	-	-	105
Deferred income	19	20 008	18 712	19 565	20 008	18 712	19 565
Current tax payable	10	-	9 399	5 656	-	9 399	5 606
Provisions	20	-	5 586	-	-	5 586	-
Dividend payable		-	6 800	-	-	6 800	-
Credit Guarantee Scheme financial liability	21	50 000	50 000	-	50 000	50 000	-
		113 763	125 848	54 178	113 762	125 846	54 128
Total Liabilities		115 230	128 048	56 384	115 229	128 046	56 334
Total Equity and Liabilities		799 557	767 810	557 897	799 502	767 750	557 742

The above statement of financial position should be read in conjunction with the accompanying notes

* See Note 40

FINANCIALS

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

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

	Note(s)	Group		Company	
		2022 N\$ '000	2021 Restated * N\$ '000	2022 N\$ '000	2021 Restated * N\$ '000
Gross premiums	22	70 468	63 633	70 468	63 633
Re-insurance premiums	23	(24 824)	(22 431)	(24 824)	(22 431)
Net premiums written		45 644	41 202	45 644	41 202
Change in unearned premium reserve		(1 296)	853	(1 296)	853
Net premiums earned		44 348	42 055	44 348	42 055
Claims expense		(712)	(5 074)	(712)	(5 074)
Net underwriting results		43 636	36 981	43 636	36 981
Commission received	24	2 198	2 851	2 198	2 851
Commission expense		(13 646)	(12 347)	(13 646)	(12 347)
Movement in deferred acquisition reserve		248	(170)	248	(170)
Net commission expense		(11 200)	(9 666)	(11 200)	(9 666)
Underwriting surplus		32 436	27 315	32 436	27 315
Other income	24	111	261	111	261
Credit Guarantee Scheme fee income	24	2 524	1 893	2 524	1 893
Other operating gains	25	-	208	-	208
Credit Guarantee Scheme management fees		(5 106)	(3 467)	(5 106)	(3 467)
Movement in credit loss allowances	26	1 027	(765)	1 027	(1 795)
Impairment loss on property and equipment	3	-	(1 030)	-	-
Operating expenses		(23 613)	(19 450)	(23 609)	(19 403)
Operating profit before net investment income	26	7 379	4 965	7 383	5 012
Investment income	27	28 726	24 884	28 726	24 884
Finance costs	28	-	(3)	-	(3)
Fair value gains/(loss)	29	5 769	24 443	5 769	24 443
Profit before taxation		41 874	54 289	41 878	54 336
Taxation*	31	(6 309)	(8 218)	(6 309)	(8 218)
Profit from the period*		35 565	46 071	35 569	46 118
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		35 565	46 071	35 569	46 118

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

* See Note 40

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Consolidated and Separate Statements of Changes in Equity

	Share capital	Capital Contributions reserve	General reserve fund	Total reserves	Retained income	Total equity
	N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000
Group						
Opening balance as previously reported	-	-	11 396	11 396	486 943	498 339
Adjustments						
Prior period error (refer to note 40)	-	-	-	-	3 174	3 174
Restated* Balance at 1 April 2020 as restated	-	-	11 396	11 396	490 117	501 513
Profit for the year as previously reported	-	-	-	-	44 162	44 162
Prior period error (refer to note 42)	-	-	-	-	1 909	1 909
Total comprehensive income for the year	-	-	-	-	46 071	46 071
Transfer between reserves	-	-	15 329	15 329	(15 329)	-
Shareholder's contribution to the Credit Guarantee Scheme	-	98 978	-	98 978	-	98 978
Dividends	-	-	-	-	(6 800)	(6 800)
Total adjustment recognised directly in equity	-	98 978	15 329	114 307	(22 129)	92 178
Balance at 1 April 2021	-	98 978	26 725	125 703	514 059	639 762
Total comprehensive income for the year	-	-	-	-	35 565	35 565
Issue of shares	8 000	-	-	-	(8 000)	(8 000)
Transfer between reserves	-	-	7 975	7 975	(7 975)	-
Shareholder's contribution to the Credit Guarantee Scheme	-	9 000	-	9 000	-	9 000
Total contributions by and distributions to owners of company recognised directly in equity	8 000	9 000	7 975	16 975	(15 975)	9 000
Balance at 31 March 2022	8 000	107 978	34 700	142 678	533 649	684 327
Note	14	15	16			

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

* See Note 40

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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 2022

Consolidated and Separate Statements of Changes in Equity

	Share capital	Capital Contributions reserve	General reserve fund	Total reserves	Retained income	Total equity
	N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000	N\$ '000
Company						
Opening balance as previously reported	-	-	11 396	11 396	486 838	498 234
Adjustments						
Prior period error (refer to note 40)	-	-	-	-	3 174	3 174
Restated* Balance at 1 April 2020 as restated	-	-	11 396	11 396	490 012	501 408
Profit for the year as previously reported	-	-	-	-	44 209	44 209
Prior period error (refer to note 42)	-	-	-	-	1 909	1 909
Total comprehensive income for the year	-	-	-	-	46 118	46 118
Transfer between reserves	-	-	15 329	15 329	(15 329)	-
Shareholder's contribution to the Credit Guarantee Scheme	-	98 978	-	98 978	-	98 978
Dividends	-	-	-	-	(6 800)	(6 800)
Total contributions by and distributions to owners of company recognised directly in equity	-	98 978	15 329	114 307	(22 129)	92 178
Balance at 1 April 2021	-	98 978	26 725	125 703	514 001	639 704
Total comprehensive income for the year	-	-	-	-	35 569	35 569
Issue of shares	8 000	-	-	-	(8 000)	-
Transfer between reserves	-	-	7 975	7 975	(7 975)	-
Shareholder's contribution to the Credit Guarantee Scheme	-	9 000	-	9 000	-	9 000
Total adjustment recognised directly in equity	8 000	9 000	7 975	16 975	(15 975)	9 000
Balance at 31 March 2022	8 000	107 978	34 700	142 678	533 595	684 273
Note	14	15	16			

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

* See Note 40

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Consolidated and Separate Statements of Cash Flows

		Group		Company	
		2022	2021	2022	2021
	Note	N\$ '000	Restated * N\$ '000	N\$ '000	Restated * N\$ '000
Cash flows from operating activities					
Cash generated from operations*	32	12 886	18 094	12 891	18 151
Finance costs		-	(3)	-	(3)
Tax paid	33	(18 057)	(5 656)	(18 057)	(5 606)
Net cash from operating activities		(5 171)	12 435	(5 166)	12 542
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(1 520)	(4 131)	(278)	(679)
Proceeds on disposal of property, plant and equipment	3	-	208	-	208
Purchase of other intangible assets	4	(110)	-	(110)	-
Loan advanced to related party		-	-	(712)	(3 210)
Purchase of financial assets - other investments*		-	(72 050)	-	(72 050)
Proceeds on disposal of other investments*		18 152	19 300	18 152	19 300
Credit Guarantee Scheme investments*		-	(148 978)	-	(148 978)
Interest received*		480	1 534	480	1 534
Net cash from investing activities		17 002	(204 117)	17 532	(203 875)
Cash flows from financing activities					
Proceeds on credit guarantee scheme funding		9 000	148 978	9 000	148 978
Payment on lease liabilities		-	(105)	-	(105)
Dividends paid	34	(6 800)	-	(6 800)	-
Net cash from financing activities		2 200	148 873	2 200	148 873
Total cash movement for the year		14 031	(42 809)	14 566	(42 460)
Cash at the beginning of the year		11 202	54 011	10 665	53 125
Total cash at end of the year	13	25 233	11 202	25 231	10 665

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

* See Note 40

Namibia Special Risks Insurance Association Ltd

(Registration number 1987/0201)

Consolidated And Separate Annual Financial Statements for the year ended 31 March 2022

Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

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

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

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

1.2 Consolidation

Basis of consolidation

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

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

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

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

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

Investments in subsidiaries in the separate financial statements

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

Business combinations

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

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

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1.2 Consolidation (continued)

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

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

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

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

1.3 Significant judgements and sources of estimation uncertainty

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

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty**Impairment of financial assets**

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

Revalued amount of land and buildings

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

Fair value estimation

Several assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. Quoted market price used for financial assets held by the group is the current bid price.

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1.3 Significant judgements and sources of estimation uncertainty (continued)

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 cash generating unit to which the asset belongs.

Useful lives of property, plant and equipment

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

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

Provisions

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

Insurance liabilities

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

Process to determine significant assumptions

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

Unearned premium provision

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

Outstanding claims

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

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1.3 Significant judgements and sources of estimation uncertainty (continued)

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

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

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

Post retirement medical aid benefits

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

Business combinations

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

1.4 Property, plant and equipment

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

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

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

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

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

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

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

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

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1.4 Property, plant and equipment (continued)

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

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

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

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. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

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

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

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

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

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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

Intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

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1.5 Intangible assets (continued)

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

1.6 Financial instruments

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

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

Financial assets which are equity instruments:

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

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:

- Amortised cost; or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 38 Risk management presents the financial instruments held by the group based on their specific classifications.

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

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

Loans receivable at amortised cost

Classification

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

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

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

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1.6 Financial instruments (continued)

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 27).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

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

Impairment

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

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

Insurance and other receivables

Classification

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

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

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 27).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

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1.6 Financial instruments (continued)

- If a receivable is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The group recognises a loss allowance for expected credit losses on insurance and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The group measures the loss allowance for insurance and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on insurance and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of insurance and other receivables, through use of a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance (note 26).

Write off policy

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

Credit risk

Details of credit risk are included in the insurance and other receivables note (note 8) and the risk management note (note 38).

Investments in debt instruments at fair value through profit or loss

Classification

Certain investments in debt instruments are classified as mandatorily at fair value through profit or loss. These investments do not qualify for classification at amortised cost or at fair value through other comprehensive income because either the contractual terms of these instruments do not give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, or the objectives of the group business model are met by selling the instruments rather than holding them to collect the contractual cash flows.

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

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1.6 Financial instruments (continued)

Recognition and measurement

Investments in debt instruments at fair value through profit or loss are recognised when the group becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

Fair value gains or losses are included in fair value adjustments (note 25 & 29). Details of the valuation policies and processes are presented in note 39.

Interest received on debt instruments at fair value through profit or loss are included in investment income (note 27).

Impairment

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

Derecognition

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

Reinsurance and other payables

Classification

Reinsurance and other payables (note 18), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

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

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

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

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 28).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 38 for details of risk exposure and management thereof.

Derecognition

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

Cash and cash equivalents

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

Cash and cash equivalents are stated at carrying amount which is deemed to be the amortised cost.

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1.6 Financial instruments (continued)

Derecognition

Financial assets

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

Financial liabilities

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

1.7 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.

Deferred tax assets and liabilities

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

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

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

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

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

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

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

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1.8 Leases

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

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

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

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

Group as lessee

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

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

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

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

Lease liability

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

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

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

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

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 28).

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1.8 Leases (continued)

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

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

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

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

Item	Depreciation method	Average useful life
Buildings	Straight line	2 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

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

1.9 Impairment of assets

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

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

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

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1.9 Impairment of assets (continued)

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

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

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

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

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

1.10 Share capital and equity

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

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

1.11 Employee benefits

Short-term employee benefits

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

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

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

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

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Accounting Policies

1.11 Employee benefits (continued)

Defined benefit plans

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

1.12 Provisions and contingencies

Provisions are recognised when:

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

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

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

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.13 Revenue

Gross premiums written

Gross premiums written comprise the total premiums receivable for the whole period of the cover provided by contracts entered into during the accounting period. They are recognised on the date on which the policy commences. Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods as well as unearned premiums relating to future accounting periods.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums and is included in insurance liabilities in the statement of financial liability.

Management fees and commission income

Insurance contract policyholders are charged for policy administration services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods.

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.

1.14 Insurance contracts

Insurance premium revenue

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

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Accounting Policies

1.14 Insurance contracts (continued)

Classification of contracts

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

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

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

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

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

Liability for insurance contracts

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

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

Receivables and payables related to insurance contracts

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

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.

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Accounting Policies

1.14 Insurance contracts (continued)

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. New Standards and Interpretations

2.1 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:

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4

An insurer applying the temporary exemption from IFRS 9 shall apply the new requirements of IFRS 9 concerning situations where a change in the basis for determining the contractual cash flows of a financial asset or financial liability is required by interest rate benchmark reform.

The effective date of the group is for years beginning on or after 1 January 2021.

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7

The amendment sets out additional disclosure requirements related to interest rate benchmark reform.

The effective date of the group is for years beginning on or after 1 January 2021.

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9

When there is a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform then the entity is required to apply paragraph B5.4.5 as a practical expedient. This expedient is only available for such changes in basis of determining contractual cash flows.

Additional temporary exemptions from applying specific hedge accounting requirements as well as additional rules for accounting for qualifying hedging relationships and the designation of risk components have been added to hedge relationships specifically impacted by interest rate benchmark reform.

The effective date of the group is for years beginning on or after 1 January 2021.

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16

If there is a lease modification as a result of the interest rate benchmark reform, then as a practical expedient the lessee is required to apply paragraph 42 of IFRS 16 to account for the changes by remeasuring the lease liability to reflect the revised lease payment. The amendment only applies to modifications as a result of the interest rate benchmark reform.

The effective date of the group is for years beginning on or after 1 January 2021.

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39

Temporary exemptions from applying specific hedge accounting requirements as well as additional rules for accounting for qualifying hedging relationships and the designation of financial items as hedged items have been added to hedge relationships specifically impacted by interest rate benchmark reform.

The effective date of the group is for years beginning on or after 1 January 2021.

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2. New Standards and Interpretations (continued)

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

COVID-19 - Related Rent Concessions - Amendment to IFRS 16

The COVID-19 pandemic has resulted in an amendment to IFRS 16 Leases. Lessees may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. If this election is applied, then any change in lease payments must be accounted for in the same way as a change would be accounted for if it were not a lease modification. This practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payment affects only payments originally due on or before 30 June 2022 and
- there is no substantive change to other terms and conditions of the lease.

The effective date of the amendment is for years beginning on or after 1 June 2020.

The group has adopted the amendment for the first time in the 2022 consolidated and separate annual financial statements.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 April 2022 or later periods:

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.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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2. New Standards and Interpretations (continued)

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.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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 impact of this standard is currently being assessed.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption, may elect in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The effective date of the group is for years beginning on or after 1 January 2022.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Reference to the Conceptual Framework: Amendments to IFRS 3

The amendment makes reference to the Conceptual Framework for Financial Reporting issued in 2018 rather than to the IASC's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the Acquisition date. The amendment further clarifies that contingent assets of acquirees share not be recognised as part of the business combination.

The effective date of the group is for years beginning on or after 1 January 2022.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9

The amendment concerns fees in the '10 per cent' test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The effective date of the group is for years beginning on or after 1 January 2022.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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2. New Standards and Interpretations (continued)**Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16**

The amendment relates to examples of items which are included in the cost of an item of property, plant and equipment. Prior to the amendment, the costs of testing whether the asset is functioning properly were included in the cost of the asset after deducting the net proceeds of selling any items which were produced during the test phase. The amendment now requires that any such proceeds and the cost of those items must be included in profit or loss in accordance with the related standards. Disclosure of such amounts is now specifically required.

The effective date of the group is for years beginning on or after 1 January 2022.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37

The amendment defined the costs that are included in the cost of fulfilling a contract when determining the amount recognised as an onerous contract. It specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These are both the incremental costs of fulfilling the contract as well as an allocation of other costs that relate directly to fulfilling contracts (for example depreciation allocation).

The effective date of the group is for years beginning on or after 1 January 2022.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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	2022	2021	2022	2021
	N\$ '000	Restated *	N\$ '000	Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

3. Property, plant and equipment

Group	2022			2021		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Land	33 517	(7 263)	26 254	28 823	(7 263)	21 560
Buildings	1 855	(587)	1 268	1 854	(550)	1 304
Assets under construction	-	-	-	3 452	-	3 452
Furniture and fixtures	544	(493)	51	544	(459)	85
Motor vehicles	1 191	(828)	363	1 191	(658)	533
Office equipment	45	(43)	2	44	(42)	2
Computer equipment	1 183	(925)	258	905	(844)	61
Total	38 335	(10 139)	28 196	36 813	(9 816)	26 997

Company	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	1 855	(587)	1 268	1 854	(550)	1 304
Furniture and fixtures	544	(493)	51	544	(459)	85
Motor vehicles	1 191	(828)	363	1 191	(658)	533
Office equipment	45	(43)	2	44	(42)	2
Computer equipment	1 183	(925)	258	905	(844)	61
Total	4 818	(2 876)	1 942	4 538	(2 553)	1 985

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Transfers	Depreciation	Closing balance
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

Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Additions	Depreciation	Impairment loss	Closing balance
Land	22 590	-	-	(1 030)	21 560
Buildings	1 342	-	(38)	-	1 304
Assets under construction	-	3 452	-	-	3 452
Furniture and fixtures	122	-	(37)	-	85
Motor vehicles	-	679	(146)	-	533
Office equipment	6	-	(4)	-	2
Computer equipment	172	-	(111)	-	61
	24 232	4 131	(336)	(1 030)	26 997

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	Group		Company	
	2022	2021	2022	2021
		Restated *		Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Additions	Depreciation	Closing balance
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

Reconciliation of property, plant and equipment - Company - 2021

	Opening balance	Additions	Depreciation	Total
Buildings	1 342	-	(38)	1 304
Furniture and fixtures	122	-	(37)	85
Motor vehicles	-	679	(146)	533
Office equipment	6	-	(4)	2
Computer equipment	172	-	(111)	61
	1 642	679	(336)	1 985

Details of properties

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

The current directors' valuation of the sectional title is estimated at N\$ 3.2 million which is based on market conditions and considered to be equal to its insured value.

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

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

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

Sensitivity analysis

The effect of a 5% change in the estimated sellable land rate per square metre will result in the recoverable amount of land increase/decrease by N\$ 1.1 million (2021: N\$ 1.1 million, 2020: N\$ 1.1 million).

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	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

3. Property, plant and equipment (continued)

Impairment

Impairment indicators were identified relating to land purchased by the group in Windhoek. A slump in the property market conditions adversely affected the value of the property. As a result, land was tested for impairment by comparing the carrying amount to its recoverable amount. As a result, an impairment charge of N\$ - million (2021: N\$ 1.0 million) was recorded in profit or loss for the year and was disclosed in the face of the Statement of Profit or Loss and Other Comprehensive Income. The recoverable amount of N\$ 26.3 million (2021: N\$ 21.6 million) was calculated using the Comparable Sales Method of Valuation.

Capitalised expenditure

Purchase price: 1998	1 331	1 331	1 331	1 331
Additions: 2000	40	40	40	40
Additions: 2001	50	50	50	50
Additions: 2009	12	12	12	12
Additions: 2016	120	120	120	120
Additions: 2018	302	302	302	302
Purchase price: 2020	28 823	28 823	-	-
Additions: 2021	3 452	3 452	-	-
Additions: 2022	1 242	-	-	-
	35 372	34 130	1 855	1 855

Revaluations

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

Land	33 517	28 823	-	-
Buildings	1 304	1 304	1 304	1 304
Assets under construction	-	3 452	-	-
	34 821	33 579	1 304	1 304

4. Intangible assets

Group	2022			2021		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	272	(171)	101	162	(160)	2

Company	2022			2021		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	272	(171)	101	162	(160)	2

Reconciliation of intangible assets - Group - 2022

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

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	Group		Company	
	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

4. Intangible assets (continued)

Reconciliation of intangible assets - Group - 2021

	Opening balance	Amortisation	Total
Computer software	21	(19)	2

Reconciliation of intangible assets - Company - 2022

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

Reconciliation of intangible assets - Company - 2021

	Opening balance	Amortisation	Total
Computer software	21	(19)	2

5. Interests in subsidiaries

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

Company

Name of company	% holding 2022	% holding 2021	Carrying amount 2022	Carrying amount 2021
Cathral Investments Eighty Two (Pty) Ltd	100	100	-	-

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

Cathral Investments Eighty Two (Pty) Ltd which is 100% owned by NASRIA Limited is the registered owner of Erf 3881,3882 and 3883, Windhoek North. Quality Vehicles and Bakkie Centre (Pty) Ltd which is owned 100% by Cathral Investments Eighty Two (Pty) Ltd is the registered owner of Erf 3884, Windhoek North. The 4 erven have been consolidated into one erf whose use has changed from residential to business for the purposes of developing NASRIA Limited head office on this property. On 31 May 2022, the group decided to temporary suspend the development of the head office.

6. Deferred tax

Deferred tax liability

Property plant and equipment	(163)	(74)	(163)	(74)
Provision for deferred acquisition costs	(1 246)	(1 167)	(1 246)	(1 167)
Total deferred tax liability	(1 409)	(1 241)	(1 409)	(1 241)

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	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

6. Deferred tax (continued)

Deferred tax asset

Provision for doubtful debts	34	34	34	34
Provision for other staff benefits	666	860	666	860
Provision for impairment of investments	-	290	-	290
NAMIBRE reinsurance provision*	7 193	5 083	7 193	5 083
Total deferred tax asset	7 893	6 267	7 893	6 267

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	(1 409)	(1 241)	(1 409)	(1 241)
Deferred tax asset	7 893	6 267	7 893	6 267
Total net deferred tax asset	6 484	5 026	6 484	5 026

Reconciliation of deferred tax asset / (liability)

At beginning of year	5 026	3 845	5 026	3 845
Taxable temporary difference on NAMIBRE reinsurance provision*	2 110	1 909	2 110	1 909
Deductible temporary difference on tangible fixed assets	(89)	(11)	(89)	(11)
Deductible temporary difference on deferred acquisition costs	(79)	54	(79)	54
Taxable temporary difference on provision for doubtful debts	-	(904)	-	(904)
Taxable temporary difference on provision for other staff costs	(194)	25	(194)	25
Taxable temporary difference on provision for investments impairment	(290)	142	(290)	142
Taxable temporary difference on provision for lease liability	-	(34)	-	(34)
	6 484	5 026	6 484	5 026

7. Loan to related party

Subsidiaries

Cathral Investments Eighty Two (Pty) Ltd	-	-	26 498	25 786
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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.

* See Note 40

Notes to the Consolidated and Separate Annual Financial Statements

Figures in N\$ '000

7. Loan to related party (continued)

Credit loss allowances

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

Company - 2022

Instrument	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

Company - 2021

Instrument	Basis of loss allowance	Gross Carrying Loss allowance amount	Amortised cost
Loans to subsidiaries			
Cathral Investments Eighty Two (Pty) Ltd	12m ECL	33 049	(7 263)
			25 786

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	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

7. Loan to related party (continued)

Reconciliation of loss allowances

Loan to subsidiary: Loss allowance measured at 12 month ECL:

Opening balance	-	-	(7 263)	(6 233)
Provision raised on new receivable	-	-	-	(1 030)
Closing balance	-	-	(7 263)	(7 263)

8. Insurance and other receivables

Financial instruments:

Insurance receivables	9 236	8 521	9 236	8 521
Loss allowance	(144)	(144)	(144)	(144)
Insurance receivables at amortised cost	9 092	8 377	9 092	8 377
Reinsurance receivables	-	583	-	583
Credit Guarantee Scheme receivables	-	411	-	411
Other receivables	189	540	189	540

Non-financial instruments:

VAT	297	1 626	-	1 329
Prepayments	38	38	38	38
Total insurance and other receivables	9 616	11 575	9 319	11 278

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

At amortised cost	9 281	9 911	9 281	9 911
Non-financial instruments	335	1 664	38	1 367
	9 616	11 575	9 319	11 278

Reconciliation of loss allowances

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

Opening balance	(144)	(3 911)	(144)	(3 911)
Provisions reversed on settled trade receivables	-	3 767	-	3 767
Closing balance	(144)	(144)	(144)	(144)

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	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

9. Other financial assets

At fair value through profit or loss - designated

Listed shares	120 397	112 244	120 397	112 244
-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	443 931	300 385	443 931	300 385
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Bonds	6 000	11 658	6 000	11 658
Corporate bonds held at Bank Windhoek Ltd				

570 328	424 287	570 328	424 287
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Financial assets at amortised costs

Fixed - term deposits	11	135 580	11	135 580
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Fixed term deposits are held with financial institutions. The interest rates range between 4.00% to 8.1% (2021: 4.00% to 8.1%)

Provision for expected credit losses

	11	135 580	11	135 580
	-	(907)	-	(907)

11	134 673	11	134 673
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Total financial assets

570 339	558 960	570 339	558 960
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Current assets

Designated as at fair value through profit or loss	570 328	424 287	570 328	424 287
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Amortised cost	11	134 673	11	134 673
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570 339	558 960	570 339	558 960
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Reconciliation of provision for impairment of financial assets held at amortised cost

Fixed - term deposits

Opening balance	907	464	907	464
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Increase in the provision recognised in profit or loss in other expenses during the period	(907)	443	(907)	443
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-	907	-	907
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10. Current tax (receivable) / payable

Opening balance	9 399	5 656	9 399	5 606
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Current tax charge	7 766	9 399	7 766	9 399
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Payments	(18 057)	(5 656)	(18 057)	(5 606)
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(892)	9 399	(892)	9 399
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11. Deferred acquisition costs

Balance at the beginning of the year	3 647	3 817	3 647	3 817
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Expenses deferred	248	(170)	248	(170)
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3 895	3 647	3 895	3 647
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	N\$ '000	N\$ '000	N\$ '000	N\$ '000

12. Credit guarantee scheme financial assets

At fair value through profit or loss - designated

Unit trusts	90 051	65 919	90 051	65 919
Bonds	64 750	63 753	64 750	63 753
	154 801	129 672	154 801	129 672

Held at amortised cost

Fixed - term deposits	-	20 729	-	20 729
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Fixed term deposits are held with financial institutions. The interest rates range between 3.00% to 4.00%

Total financial assets	154 801	150 401	154 801	150 401
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Current assets

Designated as at fair value through profit or loss	154 801	129 672	154 801	129 672
Amortised cost	-	20 729	-	20 729
	154 801	150 401	154 801	150 401

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

Credit impairment for items held at amortised cost was immaterial and therefore not recognised.

13. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	-	5	-	5
Bank balances - other	16 173	11 197	16 171	10 660
Bank balances - Credit Guarantee Scheme	9 060	-	9 060	-
	25 233	11 202	25 231	10 665

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

AA (Bank Windhoek Limited)	49	546	46	9
A (Nedbank Namibia Limited)	16 125	10 651	16 125	10 651
	16 174	11 197	16 171	10 660

14. Share capital

Authorised

8 000 000 (2021: 1) Ordinary shares of N\$ 1.00 each	8 000	-	8 000	-
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Reconciliation of number of shares issued:

Reported as at 1 April 2021	-	-	-	-
Issue of shares – ordinary shares	8 000	-	8 000	-
	8 000	-	8 000	-

During the period, the company issued 7 999 999 ordinary shares (2021: nil).

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	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

14. Share capital (continued)

Issued

8 000 000 (2021: 1) Ordinary shares of N\$ 1.00 each	8 000	-	8 000	-
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The carrying amount of authorised and issued share capital for the financial period 2021 was N\$1.00.

15. 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	98 978	-	98 978	-
Shareholder's contribution to the scheme	9 000	98 978	9 000	98 978
	107 978	98 978	107 978	98 978

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

Opening balance	26 725	11 396	26 725	11 396
Transfer from retained income	7 975	15 329	7 975	15 329
	34 700	26 725	34 700	26 725

17. Retirement benefits

Carrying value

Present value of the defined benefit obligation-partially or wholly funded	1 467	2 200	1 467	2 200
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Reconciliation of retirement benefits

Balance at the beginning of the period	2 200	2 206	2 200	2 206
Movement during the period	(733)	(6)	(733)	(6)
	1 467	2 200	1 467	2 200

The fair value of plan assets includes:

Key assumptions used

Assumptions used on last valuation on 31 March 2022.

Discount rates used	7.50 %	7.50 %	7.50 %	7.50 %
Expected rate of return on assets	2.42 %	2.42 %	2.42 %	2.42 %

Defined contribution retirement plan

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	Group		Company	
	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

17. Retirement benefits (continued)

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 non-managerial 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.

18. Reinsurance and other payables

Financial instruments:

Trade payables	1 738	1 737	1 737	1 735
Namfisa levy	432	94	432	94
Credit Guarantee Scheme accruals	1 212	1 619	1 212	1 619
Accrued leave pay	957	831	957	831
Provision for severance pay	614	487	614	487
Commission payable	(27)	829	(27)	829
Sundry creditors	(41)	80	(41)	80
Reinsurer balances	36 733	28 692	36 733	28 692
Performance bonus provision	1 817	982	1 817	982

Non-financial instruments:

VAT	320	-	320	-
	43 755	35 351	43 754	35 349

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

At amortised cost	43 435	35 351	43 434	35 349
Non-financial instruments	320	-	320	-
	43 755	35 351	43 754	35 349

19. Deferred income

Unearned premium reserve

Opening balance	18 712	19 565	18 712	19 565
Changes in unearned premiums	1 296	(853)	1 296	(853)
	20 008	18 712	20 008	18 712

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	Group		Company	
	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

20. Provisions

Reconciliation of provisions - Group - 2022

	Opening balance	Utilised during the year	Total
Provision for outstanding claims	5 586	(5 586)	-

Reconciliation of provisions - Group - 2021

	Opening balance	Additions	Total
Provision for outstanding claims	-	5 586	5 586

Reconciliation of provisions - Company - 2022

	Opening balance	Utilised during the year	Total
Provision for outstanding claims	5 586	(5 586)	-

Reconciliation of provisions - Company - 2021

	Opening balance	Additions	Total
Provision for outstanding claims	-	5 586	5 586

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

21. Credit Guarantee Scheme financial liability

Credit Guarantee Scheme financial liability	50 000	50 000	50 000	50 000
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Refer to note 11 of the directors report for further information about the Scheme. The amount is repayable on demand and is interest free.

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	Group		Company	
	2022	2021	2022	2021
	N\$ '000	Restated * N\$ '000	N\$ '000	Restated * N\$ '000
22. Revenue				
Revenue from insurance contracts				
Gross premiums	70 468	63 633	70 468	63 633
23. Re-insurance premiums				
Premiums ceded to reinsurers	24 824	22 431	24 824	22 431
24. Other operating income				
Commissions received	2 198	2 851	2 198	2 851
Credit Guarantee Scheme management fees	2 524	1 893	2 524	1 893
Other income	111	261	111	261
	4 833	5 005	4 833	5 005
25. Other operating gains				
Gains on disposals				
Property, plant and equipment	3	208	-	208
26. Operating profit before net investment income				
Operating profit before net investment income for the year is stated after charging (crediting) the following, amongst others:				
Employee costs				
Salaries, wages, bonuses and other benefits	13 375	12 119	13 375	12 119
Other short term costs	308	196	308	196
Retirement benefit plans: defined contribution expense	1 158	1 105	1 158	1 105
Total employee costs	14 841	13 420	14 841	13 420
Movement in credit loss allowances				
Insurance and other receivables	(120)	322	(120)	322
Loans to group companies	-	-	-	1 030
Investments at amortised cost	(907)	443	(907)	443
	(1 027)	765	(1 027)	1 795

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	Group		Company	
	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000

26. Operating profit before net investment income (continued)

Expenses by nature

The total cost of sales, 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:

Accounting fees	13	65	13	59
Advertising	1 991	1 141	1 991	1 141
Amortisation	11	19	11	19
Audit fees	857	724	857	724
Bank charges	230	164	226	160
Computer expenses	650	765	650	765
Consulting fees	777	195	777	195
Depreciation	321	429	321	429
Employee costs	14 841	13 420	14 841	13 420
Insurance	108	132	108	132
Legal fees	222	41	222	41
Management fees	1 033	515	1 033	515
Membership fees	233	97	233	97
Motor vehicle expenses	172	86	172	86
New product development	272	111	272	111
Office expenses	135	92	135	92
Other expenses	36	38	36	13
Penalties and fines	117	14	117	14
Personnel expenses	17	4	17	4
Postage	1	-	1	-
Printing and stationery	157	109	157	109
Rent and levies	357	335	357	335
Repairs and maintenance	4	65	4	65
Secretarial fees	39	73	39	70
Security	5	15	5	6
Social upliftment	130	171	130	171
Staff welfare	164	32	164	32
Stamp duty	237	293	237	293
Subscriptions	4	11	4	11
Telephone and fax	370	294	370	294
Travel - local	109	-	109	-
	23 613	19 450	23 609	19 403

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	Group		Company	
	2022	2021 Restated *	2022	2021 Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000
27. Investment income				
Dividend income				
Equity instruments at fair value through profit or loss:				
Listed investments	14 995	4 475	14 995	4 475
Credit Guarantee Scheme dividend received	1 397	437	1 397	437
Total dividend income	16 392	4 912	16 392	4 912
Interest income				
Investments in financial assets:				
Funds on call	1 666	5 770	1 666	5 770
Credit Guarantee Scheme interest received	2 640	1 889	2 640	1 889
Current account	-	30	-	30
Corporate bonds	6 508	1 035	6 508	1 035
Fixed term deposits	1 520	8 085	1 520	8 085
Treasury bills	-	3 163	-	3 163
Total interest income	12 334	19 972	12 334	19 972
Total investment income	28 726	24 884	28 726	24 884
28. Finance costs				
Lease liabilities	-	3	-	3
29. Fair value adjustments				
Fair value gains (losses)				
Financial assets designated as at fair value through profit or loss	5 769	24 443	5 769	24 443
30. Solvency margin				
Net premiums written			45 644	41 202
Capital and reserves			684 273	639 704
Solvency margin			1 499 %	1 553 %

The solvency margin represents capital and reserves of N\$ 684 273 (2021: N\$ 639 704) expressed as a percentage of the net premium income of N\$ 45 644 (2021: N\$ 41 202). Net premium income represents gross premium income of N\$ 70 468 (2021: 63 633) less re-insurance premiums of N\$ 24 824 (2021: N\$ 22 431).

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	Group		Company	
	2022	2021	2022	2021
	N\$ '000	Restated * N\$ '000	N\$ '000	Restated * N\$ '000
31. Taxation				
Major components of the tax expense				
Current				
Local income tax - current period	7 766	9 399	7 766	9 399
Deferred				
Originating and reversing temporary differences	(1 457)	(1 181)	(1 457)	(1 181)
	6 309	8 218	6 309	8 218
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting profit	41 874	54 289	41 878	54 336
Tax at the applicable tax rate of 32% (2021: 32%)	13 400	17 372	13 401	17 388
Tax effect of adjustments on taxable income				
Permanent differences	(7 091)	(9 154)	(7 092)	(9 170)
	6 309	8 218	6 309	8 218
32. Cash generated from operations				
Profit before taxation	41 874	54 289	41 878	54 336
Adjustments for:				
Depreciation	332	448	332	448
Gains on disposals of assets	-	(208)	-	(208)
Dividend income	(16 392)	(4 912)	(16 392)	(4 912)
Interest income	(12 334)	(19 972)	(12 334)	(19 972)
Finance costs	-	3	-	3
Fair value gains	(5 769)	(24 443)	(5 769)	(24 443)
Net impairments and movements in credit loss allowances	(1 027)	1 795	(1 027)	1 795
Movements in retirement benefit assets and liabilities	(733)	(6)	(733)	(6)
Movements in provisions	(5 586)	5 586	(5 586)	5 586
Other non-cash in financial assets*	991	874	991	874
Changes in working capital:				
Insurance and other receivables	2 079	(1 176)	2 079	(1 165)
Deferred acquisition costs	(248)	170	(248)	170
Reinsurance and other payables	8 403	6 499	8 404	6 498
Deferred income	1 296	(853)	1 296	(853)
	12 886	18 094	12 891	18 151
33. Tax paid				
Balance at beginning of the year	(9 399)	(5 656)	(9 399)	(5 606)
Current tax for the year recognised in profit or loss	(7 766)	(9 399)	(7 766)	(9 399)
Balance at end of the year	(892)	9 399	(892)	9 399
	(18 057)	(5 656)	(18 057)	(5 606)

* See Note 40

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	2022	2021	2022	2021
	N\$ '000	Restated *	N\$ '000	Restated *
	N\$ '000	N\$ '000	N\$ '000	N\$ '000
34. Dividends paid				
Balance at beginning of the year	(6 800)	-	(6 800)	-
Dividends	-	(6 800)	-	(6 800)
Balance at end of the year	-	6 800	-	6 800
	(6 800)	-	(6 800)	-
35. Related parties				
Shareholder	Government of the Republic of Namibia			
Subsidiaries	Refer to note 5			
Indirect subsidiary	Bakkie Centre (Pty) Ltd			
Directors	Refer to director's report			
Fellow state owned enterprises	Refer to note 35			
Related party balances				
Credit guarantee scheme capital contribution from related party				
Government of the Republic of Namibia	(9 000)	(98 978)	(9 000)	(98 978)
Credit guarantee scheme financial liability - owing to related party				
Development Bank of Namibia Ltd	(50 000)	(50 000)	(500 000)	(50 000)
Dividend payable				
Government of the Republic of Namibia	-	(6 800)	-	(6 800)
Refer to note 7 for other balance with a related party.				
Related party transactions				
Gross premiums received from related parties (fellow state owned enterprises)				
Bank of Namibia	(11)	(6)	(11)	(6)
De Beers (Namibia) (Pty) Ltd	(444)	(441)	(444)	(441)
Development Bank of Namibia Ltd	(466)	(324)	(466)	(324)
Meat Corporation of Namibia	(698)	(352)	(698)	(352)
Mobile Telecommunications Limited	(898)	(224)	(898)	(224)
Namibia Tourism Board	(38)	(36)	(38)	(36)
Namibia University of Science and Technology	(514)	(465)	(514)	(465)
Namibian Broadcasting Corporation	(27)	(2)	(27)	(2)
National Housing Enterprise	(207)	(206)	(207)	(206)
Roads Authority	(126)	(235)	(126)	(235)
Social Security Commission	(26)	(26)	(26)	(26)
	(3 455)	(2 317)	(3 455)	(2 317)
Management fees paid to related parties				
Development Bank of Namibia Ltd	2 120	1 546	2 120	1 546
Compensation to directors				
Short-term employee benefits	2 599	2 433	2 599	2 433
Post-employment benefits - Pension - Defined contribution plan	224	229	224	229
	2 823	2 662	2 823	2 662

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36. Directors' emoluments

Executive

2022

	Emoluments	Performance bonus	Pension and medical contributions	Post retirement benefits	Social Security	Total
NHM Tjozongoro	1 979	380	362	(653)	1	2 069

2021

	Emoluments	Pension and medical contributions	Post retirement benefits	Social Security	Total
NHM Tjozongoro	1 628	407	76	1	2 112

Non-executive

2022

	Directors' fees	Total
For services as directors	1 134	1 134

2021

	Directors' fees	Total
For services as directors	550	550

37. Categories of financial instruments

Categories of financial assets

Group - 2022

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Investments at amortised cost	9	-	11	11	-
Other financial assets	9	570 328	-	570 328	570 328
Insurance and other receivables	8	-	9 281	9 281	-
Cash and cash equivalents	13	-	25 233	25 233	-
Credit Guarantee Scheme financial asset	12	154 801	-	154 801	154 801
		725 129	34 525	759 654	725 129

Group - 2021

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Investments at amortised cost	9	-	134 673	134 673	-
Other financial assets	9	424 287	-	424 287	424 287
Insurance and other receivables	8	-	9 911	9 911	-
Cash and cash equivalents	13	-	11 202	11 202	-
Credit Guarantee Scheme financial asset	12	129 672	20 729	150 401	129 672
		553 959	176 515	730 474	553 959

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Company - 2022

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Loan to related party	7	-	26 498	26 498	-
Investments at amortised cost	9	-	11	11	-
Other financial assets	9	570 328	-	570 328	570 328
Insurance and other receivables	8	-	9 281	9 281	-
Cash and cash equivalents	13	-	25 231	25 231	-
Credit Guarantee Scheme financial asset	12	154 801	-	154 801	154 801
		725 129	61 021	786 150	725 129

Company - 2021

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Loan to related party	7	-	25 786	25 786	-
Investments at amortised cost	9	-	134 673	134 673	-
Other financial assets	9	424 287	-	424 287	424 287
Insurance and other receivables	8	-	9 911	9 911	-
Cash and cash equivalents	13	-	10 665	10 665	-
Credit Guarantee Scheme financial asset	12	129 672	20 729	150 401	129 672
		553 959	201 764	755 723	553 959

Categories of financial liabilities

Group - 2022

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	18	43 435	43 435	43 435
Credit Guarantee Scheme financial liability	21	50 000	50 000	50 000
		93 435	93 435	93 435

Group - 2021

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	18	35 351	35 351	35 351
Dividend payable		6 800	6 800	6 800
Credit Guarantee Scheme financial liability	21	50 000	50 000	50 000
		92 151	92 151	92 151

Company - 2022

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	18	43 434	43 434	43 434
Credit Guarantee Scheme financial liability	21	50 000	50 000	50 000
		93 434	93 434	93 434

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Company - 2021

	Note(s)	Amortised cost	Total	Fair value
Reinsurance and other payables	18	35 349	35 349	35 349
Dividend payable		6 800	6 800	6 800
Credit Guarantee Scheme financial liability	12	50 000	50 000	50 000
		92 149	92 149	92 149

38. Risk management

Capital risk management

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

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

The company must comply with certain regulatory requirements which require that the corporation maintain a minimum solvency margin where the aggregate value of its assets exceeds its liabilities by not less than N\$ 4.0 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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38. Risk management (continued)

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

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

Credit risk

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

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

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

Debt investments

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

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables and fixed deposits.

Refer to note 9 for the reconciliation of loss allowance provision for other financial assets at amortised cost as at 31 March.

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

Significant estimates and judgements

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

Impairment of financial assets

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

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

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38. Risk management (continued)

Group		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Investments at amortised cost	9	11	-	11	134 673	(907)	133 766
Investments at fair value	9	570 328	-	570 328	424 287	-	424 287
Insurance and other receivables	8	9 425	(144)	9 281	10 055	(144)	9 911
Cash and cash equivalents	13	25 233	-	25 233	11 202	-	11 202
Credit Guarantee Scheme financial assets at fair value	12	154 801	-	154 801	129 672	-	129 672
Credit Guarantee Scheme financial assets at amortised cost	12	-	-	-	20 729	-	20 729
		759 798	(144)	759 654	730 618	(1 051)	729 567

Company		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loan to related party	7	33 761	(7 263)	26 498	33 049	(7 263)	25 786
Investments at amortised cost	9	11	-	11	134 673	(907)	133 766
Insurance and other receivables	8	9 425	(144)	9 281	10 055	(144)	9 911
Cash and cash equivalents	13	25 231	-	25 231	10 665	-	10 665
Credit Guarantee Scheme financial assets at amortised cost	12	-	-	-	20 729	-	20 729
		68 428	(7 407)	61 021	209 171	(8 314)	200 857

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.

Liquidity risk

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

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

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

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

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38. Risk management (continued)

Group - 2022

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	18	43 435	43 435	43 435
Credit Guarantee Scheme financial liability	21	50 000	50 000	50 000
		93 435	93 435	93 435

Group - 2021

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	18	35 351	35 351	35 351
Dividend payable		6 800	6 800	6 800
Credit Guarantee Scheme financial liability	12	50 000	50 000	50 000
		92 151	92 151	92 151

Company - 2022

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	18	43 434	43 434	43 434
Credit Guarantee Scheme financial liability	21	50 000	50 000	50 000
		93 434	93 434	93 434

Company - 2021

		Less than 1 year	Total	Carrying amount
Current liabilities				
Reinsurance and other payables	18	35 349	35 349	35 349
Dividend payable		6 800	6 800	6 800
Credit Guarantee Scheme financial liability	12	50 000	50 000	50 000
		92 149	92 149	92 149

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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38. 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 interest rate		Carrying amount	
		2022	2021	2022	2021
Group					
Variable rate instruments:					
Assets					
Credit Guarantee Scheme financial assets at fair value	12	- %	- %	154 801	129 672
Credit Guarantee Scheme financial assets at amortised cost	12	- %	4.00 %	-	20 729
Cash and cash equivalents	13	5.25 %	5.25 %	25 233	11 201
Financial assets at fair value through profit and loss		7.70 %	7.70 %	6 000	11 658
Financial assets at fair value through profit and loss - non interest bearing		- %	- %	564 328	412 630
Financial assets held at amortised cost		8.10 %	8.10 %	11	134 673
				750 373	720 563
Liabilities					
Credit Guarantee Scheme financial liability	21	- %	- %	(50 000)	(50 000)
Reinsurance and other payables - normal credit terms	18	- %	- %	(43 435)	(35 351)
Dividend payable		- %	- %	-	(6 800)
				(93 435)	(92 151)
Net variable rate financial instruments				656 938	628 412

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

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

	Note	Average effective interest rate		Carrying amount	
		2022	2021	2022	2021
Company					
Variable rate instruments:					
Assets					
Credit Guarantee Scheme financial assets at fair value	12	- %	- %	154 801	129 672
Credit Guarantee Scheme financial assets at amortised cost	12	- %	4.00 %	-	20 729
Cash and cash equivalents	13	5.25 %	5.25 %	25 231	10 665
Financial assets at fair value through profit and loss		7.70 %	7.70 %	6 000	11 658
Financial assets at fair value through profit and loss - non interest bearing		- %	- %	564 328	412 630
Financial assets held at amortised cost		- %	- %	11	134 673
				750 371	720 027

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38. Risk management (continued)

Liabilities

Credit Guarantee Scheme financial liability	21	- %	- %	(50 000)	(50 000)
Reinsurance and other payables - normal credit terms	18	- %	- %	(43 434)	(35 349)
Dividend payable		- %	- %	-	(6 800)
				(93 434)	(92 149)
Net variable rate financial instruments				656 937	627 878

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

Interest rate sensitivity analysis

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

Group

At 31 March 2022, if the interest rate had been 0.500% per annum (2021: 0.500%) higher or lower during the period, with all other variables held constant, the impact on equity for the year would have been N\$ 3 294 (2021: N\$ 3 142) lower and N\$ 3 294 (2021: N\$ 3 142) higher.

Company

At 31 March 2022, if the interest rate had been 0.500% per annum (2021: 0.500%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N\$ 3 294 (2021: N\$ 3 139) lower and N\$ 3 294 (2021: N\$ 3 139) higher.

Price risk

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

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

Price risk sensitivity analysis

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

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38. Risk management (continued)

Group	2022	2022	2021	2021
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Johannesburg Stock Exchange top 40 index effect	30 896	30 896	26 936	26 936
Namibia Stock Exchange effect	-	-	-	-
	30 896	30 896	26 936	26 936

Company	2022	2022	2021	2021
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Johannesburg Stock Exchange top 40 index effect	30 895	30 895	26 936	26 936
Namibia Stock Exchange effect	-	-	-	-
	30 895	30 895	26 936	26 936

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	
		2022	2021 Restated *	2022	2021 Restated *
		N\$ '000	N\$ '000	N\$ '000	N\$ '000
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 (loss)					
Listed shares	9	120 397	112 244	120 397	112 244
Total		120 397	112 244	120 397	112 244
Level 2					
Recurring fair value measurements					
Assets					
Financial assets designated at fair value through profit (loss)					
Unit trusts	9	443 931	300 385	443 931	300 385
Unit trusts - Credit Guarantee Scheme	12	90 051	65 919	90 051	65 919
Total		533 982	366 304	533 982	366 304
Level 3					
Recurring fair value measurements					
Assets					
Property, plant and equipment					
Land	3	26 254	21 560	-	-
Financial assets designated at fair value through profit (loss)					
Bonds	9	6 000	11 658	6 000	11 658
Bonds - Credit Guarantee Scheme financial asset	12	64 750	63 753	64 750	63 753
Total		70 750	75 411	70 750	75 411
Financial assets at amortised cost					
Trade and receivables	8	9 281	9 911	9 281	9 911
Cash and cash equivalents	13	25 233	11 202	25 231	10 665
Loan to related party	7	-	-	26 498	25 786
Fixed deposits - Credit Guarantee Scheme	12	-	20 729	-	20 729
Fixed deposits	9	11	135 580	11	135 580
Total		34 525	177 422	61 021	202 671
Liabilities					
Financial liabilities at amortised cost					
Reinsurance and other payables	18	(43 435)	(35 351)	(43 434)	(35 349)
Retirement benefit obligation	17	(1 467)	(2 200)	(1 467)	(2 200)
Credit Guarantee Scheme financial liability	21	(50 000)	(50 000)	(50 000)	(50 000)
Total		(94 902)	(87 551)	(94 901)	(87 549)
Total		226 431	361 944	226 672	365 631

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40. Prior period errors

(a) Correction of material error in the presentation of cash flows

In prior periods, the following non-cash items were erroneously included as cash flows in the cash flow statement, which is in contradiction to Paragraph 43 of IAS 7 Statement of Cash Flows.

- Purchase of financial assets;
- Credit Guarantee Scheme investments;
- Interest income; and
- Dividends received.

These errors have been corrected through a prior period restatement, which is summarised as follows:

Statements of Cash Flows

Group	31 March 2021 Previously reported	Adjustment	31 March 2021 Restated
Cash flows from operations			
Profit before taxation	54 289	-	54 289
Adjustments for:			
Depreciation	448	-	448
Gains on disposals of assets	(208)	-	(208)
Dividend income	(4 912)	-	(4 912)
Interest income	(19 972)	-	(19 972)
Finance costs	3	-	3
Fair value gains	(24 443)	-	(24 443)
Net impairments and movements in credit loss allowances	1 795	-	1 795
Movements in retirement benefit assets and liabilities	(6)	-	(6)
Movements in provisions	5 586	-	5 586
Other non-cash in financial assets	-	874	874
Changes in working capital:			
Insurance and other receivables	(1 176)	-	(1 176)
Deferred acquisition costs	170	-	170
Reinsurance and other payables	6 499	-	6 499
Deferred income	(853)	-	(853)
	17 220	874	18 094
Cash flows from operating activities			
Cash generated from operations	17 220	874	18 094
Finance costs	(3)	-	(3)
Tax paid	(5 656)	-	(5 656)
Net cash from operating activities	11 561	874	12 435
Cash flows from investing activities			
Purchase of property, plant and equipment	(4 131)	-	(4 131)
Proceeds on disposal of property, plant and equipment	208	-	208
Purchase of financial assets - other investments	(73 803)	1 753	(72 050)
Proceeds on disposal of other investments	-	19 300	19 300
Credit Guarantee Scheme investments	(150 401)	1 423	(148 978)
Interest received	19 972	(18 438)	1 534
Dividends received	4 912	(4 912)	-
Net cash from investing activities	(203 243)	(874)	(204 117)

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40. Prior period errors (continued)

	31 March 2021 Previously reported	Adjustment	31 March 2021 Restated
Cash flows from financing activities			
Proceeds on credit guarantee scheme funding	148 978	-	148 978
Payment on lease liabilities	(105)	-	(105)
Net cash from financing activities	148 873	-	148 873
Total cash movement for the year	(42 809)	-	(42 809)
Company			
Cash flows from operations			
Profit before taxation	54 336	-	54 336
Adjustments for:			
Depreciation	448	-	448
Gains on disposals of assets	(208)	-	(208)
Dividend income	(4 912)	-	(4 912)
Interest income	(19 972)	-	(19 972)
Finance costs	3	-	3
Fair value gains	(24 443)	-	(24 443)
Net impairments and movements in credit loss allowances	1 795	-	1 795
Movements in retirement benefit assets and liabilities	(6)	-	(6)
Movements in provisions	5 586	-	5 586
Other non-cash in financial assets	-	874	874
Changes in working capital:			
Insurance and other receivables	(1 165)	-	(1 165)
Deferred acquisition costs	170	-	170
Reinsurance and other payables	6 498	-	6 498
Deferred income	(853)	-	(853)
	17 277	874	18 151
Cash flows from operating activities			
Cash generated from operations	17 277	874	18 151
Finance costs	(3)	-	(3)
Tax paid	(5 606)	-	(5 606)
Net cash from operating activities	11 668	874	12 542
Cash flows from investing activities			
Purchase of property, plant and equipment	(679)	-	(679)
Proceeds on disposal of property, plant and equipment	208	-	208
Loan advanced to related party	(3 210)	-	(3 210)
Purchase of financial assets - other investments	(73 803)	1 753	(72 050)
Proceeds on disposal of other investments	-	19 300	19 300
Credit Guarantee Scheme investments	(150 401)	1 423	(148 978)
Interest received	19 972	(18 438)	1 534
Dividends received	4 912	(4 912)	-
Net cash from investing activities	(203 001)	(874)	(203 875)
Cash flows from financing activities			
Proceeds on credit guarantee scheme funding	148 978	-	148 978
Payment on lease liabilities	(105)	-	(105)
Net cash from financing activities	148 873	-	148 873
Total cash movement for the year	(42 460)	-	(42 460)

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Figures in N\$ '000

40. Prior period errors (continued)

(b) Error in recognition of deferred tax assets on the NamibRe per policy cession provision

To comply with the provisions of the NamibRe Act, NASRIA Ltd in the prior periods recognised a provision for ceded reinsurance premiums. While such provision was charged to accounting income, the expense will only be eligible as a deduction for income tax purposes in future periods when it is settled. The resultant deductible temporary difference gives rise to a deferred tax asset, which had not been recognised in past financial periods.

This deferred tax asset has now been recognised through a prior period restatement, which is summarised as follows:

Statement of Financial Position

	31 March 2021 Previously reported	Adjustment	31 March 2021 Restated	31 March 2020 Previously reported	Adjustment	31 March 2020 Restated
Group						
Deferred tax asset / (liability)	(57)	5 083	5 026	671	3 174	3 845
Retained income	508 976	5 083	514 059	486 943	3 174	490 117
Company						
Deferred tax asset / (liability)	(57)	5 083	5 026	671	3 174	3 845
Retained income	508 918	5 083	514 001	486 838	3 174	490 012

Statement of Profit or Loss and Other Comprehensive Income

	31 March 2021 Previously reported	Adjustment	31 March 2021 Restated	31 March 2020 Previously reported	Adjustment	31 March 2020 Restated
Group						
Tax expense	10 127	(1 909)	8 218	4 985	(3 174)	1 811
Profit for the period	(44 162)	(1 909)	(46 071)	(26 894)	(3 174)	(30 068)
Company						
Tax expense	10 127	(1 909)	8 218	4 935	(3 174)	1 761
Profit for the period	(44 209)	(1 909)	(46 118)	(26 789)	(3 174)	(29 963)

41. Going concern

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

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Figures in N\$ '000

42. Events after the reporting period

On 31 May 2022, the directors approved the transfer of the properties from Cathral Investments Eighty Two (Pty) Ltd and Quality Vehicles and Bakkie Centre (Pty) Ltd to NASRIA Limited. Instructions were sent to lawyers to commence with the conveyancing process and this should be finalised by end July 2022. At the same meeting, a decision was taken to temporary suspend the development of NASRIA's Head Office due to escalating costs.

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

43. Contingent liability

Income tax penalties and interest

The corporate income tax account of the company reflects interest and penalties amounting to N\$ 14,644,756 due to the Department of Inland Revenue as at 31 March 2022.

Management is currently engaging with the Department of Inland Revenue to get the penalties and interest waived under the current Amnesty Programme and it is expected that the matter will be resolved within the next 12 months.

As the outcome of the engagement with the Department of Inland Revenue was uncertain at the date of issue of the annual financial statements, these balances are disclosed as a contingent liability.

Background facts and circumstances

The company became liable for income tax from 31 July 2019 when it was converted from a Section 21 company to a public company. Management held meetings with the Department of Inland Revenue officials and submitted a written request for Income Tax registration to be in line with the company year end of 31 March. However, this request was declined in June 2020 and the company was liable for income tax for the 8 months from 1 August 2019 to 31 March 2020. The income tax payment and submission were processed in October 2020 resulting in the interest and penalties currently reflected on the account. Management intends to engage with the Receiver of Revenue on this matter and take advantage of the ongoing amnesty programme to have these balances waived.

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

	Note	Group		Company	
		2022 N\$ '000	2021 Restated * N\$ '000	2022 N\$ '000	2021 Restated * N\$ '000
Premiums					
Gross premiums		70 468	63 633	70 468	63 633
Re-insurance premiums					
Re-insurance premiums		(24 824)	(22 431)	(24 824)	(22 431)
Net premiums written		45 644	41 202	45 644	41 202
Other operating income					
Commission received		2 198	2 851	2 198	2 851
Credit Guarantee Scheme management fees		2 524	1 893	2 524	1 893
Other income		111	261	111	261
	24	4 833	5 005	4 833	5 005
Other operating gains					
Gains on disposal of assets		-	208	-	208
Movement in credit loss allowances	26	1 027	(765)	1 027	(1 795)
Expenses (Refer to page 67)		(44 125)	(40 685)	(44 121)	(39 608)
Operating profit before net investment income	26	7 379	4 965	7 383	5 012
Investment income	27	28 726	24 884	28 726	24 884
Finance costs	28	-	(3)	-	(3)
Fair value gains		5 769	24 443	5 769	24 443
Profit before taxation		41 874	54 289	41 878	54 336
Taxation*	31	(6 309)	(8 218)	(6 309)	(8 218)
Total comprehensive income for the year*		35 565	46 071	35 569	46 118

* See Note 40

The supplementary information presented does not form part of the consolidated and separate annual financial statements and is unaudited

FINANCIALS

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

	Note(s)	Group		Company	
		2022	2021	2022	2021
		N\$ '000	Restated *	N\$ '000	Restated *
		N\$ '000	N\$ '000	N\$ '000	N\$ '000
Expenses					
Accounting fees		(13)	(65)	(13)	(59)
Advertising		(1 991)	(1 141)	(1 991)	(1 141)
Amortisation		(11)	(19)	(11)	(19)
Audit fees	26	(857)	(724)	(857)	(724)
Bank charges		(230)	(164)	(226)	(160)
Credit Guarantee Scheme DBN management fees		(2 120)	(1 546)	(2 120)	(1 546)
Claims paid		(712)	(5 074)	(712)	(5 074)
Commission expense		(13 646)	(12 347)	(13 646)	(12 347)
Computer expenses		(650)	(765)	(650)	(765)
Consulting fees		(777)	(195)	(777)	(195)
Depreciation		(321)	(429)	(321)	(429)
Employee costs		(14 841)	(13 420)	(14 841)	(13 420)
Entertainment		(36)	(28)	(36)	(28)
Impairment		-	(1 030)	-	-
Insurance		(108)	(132)	(108)	(132)
Legal fees		(222)	(41)	(222)	(41)
Management fees		(1 033)	(515)	(1 033)	(515)
Membership fees		(233)	(97)	(233)	(97)
Motor vehicle expenses		(172)	(86)	(172)	(86)
Municipal expenses		-	(38)	-	(13)
Credit Guarantee Scheme costs		(2 986)	(1 893)	(2 986)	(1 893)
New product development		(272)	(111)	(272)	(111)
Office expenses		(135)	(92)	(135)	(92)
Transfer to deferred acquisition costs		248	(170)	248	(170)
Penalties and fines		(117)	(14)	(117)	(14)
Personnel expenses		(17)	(4)	(17)	(4)
Postage		(1)	-	(1)	-
Printing and stationery		(157)	(109)	(157)	(109)
Rent and levies		(357)	(335)	(357)	(335)
Repairs and maintenance		(4)	(65)	(4)	(65)
Secretarial fees		(39)	(73)	(39)	(70)
Security		(5)	(15)	(5)	(6)
Social upliftment		(130)	(171)	(130)	(171)
Staff welfare		(164)	(32)	(164)	(32)
Stamp duty		(237)	(293)	(237)	(293)
Subscriptions		(4)	(11)	(4)	(11)
Telephone and fax		(370)	(294)	(370)	(294)
Change in unearned premium reserve		(1 296)	853	(1 296)	853
Travel - local		(109)	-	(109)	-
		(44 125)	(40 685)	(44 121)	(39 608)

The supplementary information presented does not form part of the consolidated and separate annual financial statements and is unaudited