TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)

Audited Financial Statements

For the year ended 31 December 2023

Statement Of Financial Position
As at 31 December 2023

	Note	INFLATION ADJUSTED DECEMBER 2023 ZWL	INFLATION ADJUSTED DECEMBER 2022 ZWL	HISTORICAL COST DECEMBER 2023 ZWL	HISTORICAL COST DECEMBER 2022 ZWL
ASSETS					
Cash and cash equivalents	3	1 077 666 428	276 759 008	1 077 666 428	26 980 608
Other receivables	4	20 754 006	33 242 460	20 754 006	3 240 732
Loans and advances	5	1 050 935 640	-	1 050 935 640	-
Deferred tax asset	18	-	19 732 735	-	5 740 267
Investment property	6	44 198 191 624	77 656 021 682	44 198 191 624	5 171 511 283
Intangible assets	7	536 183 162	536 530 785	681 032	793 900
Property and equipment	9	825 271 588	847 680 529	11 126 211	18 402 041
Total assets		**47 709 002 448**	**79 369 967 199**	**46 359 354 940**	**5 226 668 830**
LIABILITIES					
Trade and other payables	10	896 287 981	1 479 167 361	896 287 981	144 200 671
Related party payables	11	13 751 868 741	5 555 726 395	13 751 868 741	541 615 166
Related party loans	11	3 840 856 367	4 627 110 958	3 840 856 369	451 086 553
Deferred tax liability	18	179 501 699	-	179 501 699	-
Income Tax Liability	12	-	262 751 666		25 615 064
Total liabilities		**18 668 514 788**	**11 924 756 380**	**18 668 514 790**	**1 162 517 455**
EQUITY					
Share capital	13	529 421 939	529 421 939	335 200	335 200
Share premium	13	25 195 569 130	25 195 569 130	15 952 408	15 952 408
Retained income	13	3 315 496 591	41 720 219 750	27 674 552 542	4 047 863 768
Total equity		29 040 487 660	67 445 210 819	27 690 840 150	4 064 151 376
Total equity and liabilities		**47 709 002 448**	**79 369 967 199**	**46 359 354 940**	**5 226 668 830**

Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended 31 December 2023

	Note	INFLATION ADJUSTED DECEMBER 2023 ZWL	INFLATION ADJUSTED DECEMBER 2022 ZWL	HISTORICAL COST DECEMBER 2023 ZWL	HISTORICAL COST DECEMBER 2022 ZWL
Interest income	14	8 399 856	10 313 302	4 784 340	750 373
Interest and similar expense		(1 887 201 502)	-	(858 903 206)	-
Net interest expense		(1 878 801 646)	10 313 302	(854 118 866)	750 373
Other income	15	45 669 419 118	69 753 055 817	38 584 755 425	4 380 991 767
Charge for impairment	5.2	(6 436 981)	-	(6 436 981)	-
Net operating income		43 784 180 491	69 763 369 119	37 724 199 578	4 381 742 140
Operating expenses	16	(22 060 486 521)	(12 500 074 747)	(13 912 268 837)	(1 108 167 339)
Monetary position		(59 943 175 129)	(23 271 115 237)	-	-
Proft/(loss) before tax		(38 219 481 193)	33 992 179 134	23 811 930 741	3 273 574 801
Taxation	17-18	(185 241 966)	65 243 122	(185 241 966)	6 360 404
Profit/(loss) for the year		**(38 404 723 159)**	**34 057 422 256**	**23 626 688 775**	**3 279 935 205**
Other comprehensive income		-	-	-	-
Total comprehensive income for year		**(38 404 723 159)**	**34 057 422 256**	**23 626 688 775**	**3 279 935 205**

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Statement Of Changes In Equity

For The Year Ended 31 December 2023

INFLATION ADJUSTED

	SHARE CAPITAL ZWL	SHARE PREMIUM ZWL	RETAINED EARNINGS ZWL	TOTAL EQUITY ZWL
Balance at 1 January 2023	529 421 939	25 195 569 130	41 720 219 750	67 445 210 819
Loss for the period	-	-	(38 404 723 159)	(38 404 723 159)
				-
Balance at 31 December 2023	529 421 939	25 195 569 130	3 315 496 591	29 040 487 660
Balance at 1 January 2022	529 421 939	25 195 569 130	7 885 150 876	33 610 141 945
Profit for the year			34 057 422 256	34 057 422 256
				-
Prior period adjustment- (see note 8)	-	-	(222 353 361)	(222 353 361)
Balance at 31 December 2022	529 421 939	25 195 569 130	41 720 219 750	67 445 210 819
Historical				
Balance at 1 January 2023	335 200	15 952 408	4 047 863 768	4 064 151 376
Profit for the year	-	-	23 626 688 775	23 626 688 775
Balance at 31 December 2023	335 200	15 952 408	27 674 552 542	27 690 840 150
Balance at 1 January 2022	335 200	15 952 408	768 705 476	784 993 083
Profit for the year	-	-	3 279 935 205	3 279 935 205
Prior period adjustment- (see note 8.1 & 8.3)			(776 913)	(776 913)
Balance at 31 December 2022	335 200	15 952 408	4 047 863 768	4 064 151 376

Statement Of Cashflows

For The Year Ended 31 December 2023

		INFLATION ADJUSTED		HISTORICAL COST	
	Note	DEC 2023 ZWL	DEC 2022 ZWL	DEC 2023 ZWL	DEC 2022 ZWL
Cash Flows from Operating Activities					
Comprehensive income/(loss) for the year		(38 404 723 159)	34 057 422 256	23 626 688 775	3 279 935 205
Adjustment for:					
Depreciation & amortisation	9	22 743 079	118 121 198	7 364 385	6 825 989
Unrealised exchange loss/(gain)		18 276 381 927	6 950 363 889	11 850 443 125	687 378 852
Net monetary position		1 533 856 141	24 274 076 812	-	-
Fair value (loss)/gain on investment property	6	33 067 973 529	(69 233 423 446)	(38 460 189 244)	(4 350 411 283)
Prior period adjustments		-	(222 353 382)	-	(776 913)
Cash flows before working capital changes	8	14 496 231 517	(4 055 792 673)	(2 975 692 959)	(377 048 150)
(Increase)/decrease in receivables		12 488 454	183 748 946	(17 513 274)	17 913 268
Decrease/(increase) in loans and advances to customers		(1 050 935 640)	42 172 701	(1 050 935 640)	4 111 321
(Decrease)/increase in related party payables		8 196 142 345	5 151 119 443	13 210 253 575	502 170 952
Increase/(decrease) in related party loans		(786 254 591)	4 627 110 952	3 389 769 816	451 086 553
Increase/(decrease) in income tax payables		(1 597 364 267)	(65 243 122)	159 626 902	(6 360 404)
Increase/(decrease) in other payables		(582 879 380)	1 225 844 539	752 087 310	119 504 804
Net cash generated from operating activities		4 191 196 923	11 164 753 459	16 443 288 689	1 088 426 494
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property and equipment	9	-	(140 319 768)	-	(13 679 456)
Proceeds from disposal of investment property	6	1 251 093 884		294 766 191	
Acquisition of investment property	9	(861 232 976)	-	(861 232 976)	-
Net cash utilised in investing activities		389 860 907	(140 319 768)	(566 466 785)	(13 679 456)
NET INCREASE IN CASH AND CASH EQUIVALENTS		19 077 289 347	6 968 641 018	12 901 128 945	697 698 888
Cash and cash equivalents at the beginning of the year		276 759 008	258 481 879	26 980 608	16 660 572
Effects of exchange rates on cash and cash equivalents		(18 276 381 927)	(6 950 363 889)	(11 850 443 125)	(687 378 852)
Cash and cash equivalents at the end of the year		**1 077 666 428**	**276 759 008**	**1 077 666 428**	**26 980 608**
Cash and cash equivalents comprise:					
Cash on hand		49 235 629	9 206 632	49 235 629	897 534
Foreign bank balances		68 434 581	174 798 693	68 434 581	17 040 728
Local bank balances		959 996 218	92 753 684	959 996 218	9 042 346
Total cash and cash equivalents		**1 077 666 428**	**276 759 008**	**1 077 666 428**	**26 980 608**

NOTES

Notes to the Financial Statements
For The Year Ended 31 December 2023

1 Company profile and principal activities

1.1 The bank's principal activities include the provision of commercial banking services or products, treasury services and other financial services.

1.2 The financial statements herein are presented in Zimbabwe Dollars (ZWL) which was adopted as the functional and presentation currency of the bank with effect from the 22nd of February 2019.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and presentation

The bank's financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Zimbabwe Companies and Other Business Entities Act, [Chapter 24:31], Banking Act [Chapter 24:20] and the relevant Statutory Instruments ("SI") SI 62/96 and SI 33/99. The financial statements have been prepared from statutory records that are maintained under the historical cost convention as modified by the fair valuation of available for sale financial assets, investment property and property and equipment.

2.2 Adoption of IAS 29 'Financial Reporting in Hyperinflationary Economies'

In October 2019, the PAAB issued a pronouncement prescribing that the application of financial reporting in hyperinflationary economies had become effective in Zimbabwe for reporting periods on or after 1 July 2019. These financial statements have been prepared in accordance with IAS 29 together with International Financial Reporting Standards Committee (IFRIC) 7 (Applying Restated Approach under IAS 29), as if the economy had been hyperinflationary from 1 October 2018. The Bank adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index to restate the transactions and balances. However Statutory Instrument ("SI") 17 of 2023 discontinued the publication of pure ZWL monthly and annual inflation rates in February 2023 and operationalised a blended inflation calculation. IAS 29 however dictates that the general price index must be for a specific currency not multi currencies. IAS 29 however allows for the estimation of the consumer price index when a general price index cannot be easily obtained. Henceforth, the Total Consumption Poverty Line (TCPL) released by Zimbabwe Central Statistical Office (ZIMSTATS), was used to estimate and apply inflation rates for the period under review, in accordance with International Accounting Standard (IAS)29 Financial Reporting in Hyperinflationary Economies in the preparation of its financial statements.

As noted above, the Bank used The Total Consumption Poverty Line (TCPL) to estimate the Zimbabwe Consumer Price Index ("CPI") as the general price index and used the monthly indices to inflation to adjust the historical figures.

The CPI'S are as follows

Date	CPI	Factor
Dec-21	3977.5	10.738
June-22	8707.35	4.9051
Dec-22	13672.91	3.1237
June-23	42710.72	1.0000

The main guidelines for the restatement are as follows:

Monetary assets and liabilities are not restated because they are already expressed in terms of the current monetary unit at the statement of financial position date.
Monetary items are monetary assets and liabilities to be recovered or paid at the nominal value recorded at the original cost.
Non-monetary assets carried at cost (excluding items of PPE and Investment Property), liabilities and the components of shareholders' equity arerestated by applying the relevant conversion factors reflecting the increase in the CPI from the date of change in functional currency from US to ZWL in 2018.

All items in the statement of profit or loss and other comprehensive income are restated by applying the respective monthly factors.
The effect of general inflation on the net monetary position is included in the statement of profit or loss and other comprehensive income as effects of inflation adjustments.
Share capital and share premium were restated from the date of change in functional currency from US to ZWL in 2018.
Corresponding figures for previous periods are similarly restated.

2.3 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Zimbabwe Dollars (ZWL), which is the bank's functional presentation currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2.4 Cash and bank balances

Cash and bank balances comprise cash in hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities of three months or less and cash balances with the Central Bank, including statutory reserves.

2.5 Financial instruments

2.5.1 Classification - Financial assets

The Bank classifies its financial assets in the following categories: assets measured at amortised cost, assets measured at fair value through other comprehensive income (FVOCI) and assets measured at fair value through profit and loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition, the bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified into one of these categories on initial recognition.

Business model assessment
The Bank will make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way that the business is managed and information is provided to management. The information that will be considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis will be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest.
For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank will consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- terms that limit the Bank's claim to cash flows from specified assets - e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money - e.g., periodic reset of interest rate

Interest rates on certain retail loans made by the bank are based on standard variable rates (SVR) that are set at the discretion of the bank. SVRs are generally based on a central bank rate in a particular jurisdiction and also include a discretionary spread. In these cases, the Bank will assess whether the discretionary feature is consistent with the SPPI criterion by considering a number of factors, including whether:

Assessment whether contractual cash flows are solely payments of principal and interest.

- the borrowers are able to repay the loans without significant penalties
- the market competition ensures that interest rates are consistent between banks; and
- any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

All of the bank's retail loans and certain fixed-rate corporate loans contain prepayment features.
A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is treated as consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual paramount, the prepayment amount substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is insignificant on initial recognition.

2.5.2 Financial guarantee contracts and loan commitments
Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- the amount of the loss allowance; and
- the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the bank are measured as the amount of the loss allowance. The bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument. For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the bank cannot separately identify the expected credit losses on the undrawn commitment from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.5.3 Impairment - Financial assets, loan commitments and financial guarantee contracts

The impairment model applies to the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables; and
- loan commitments and financial guarantee contracts issued.

No impairment loss is recognised under equity investments.
IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The bank will recognise loss allowances at an amount equal to lifetime ECLs, except in the following cases, for which the amount recognised will be 12-month ECLs:

- debt investment securities that are determined to have low credit risk at the reporting date. The Bank considers a debt security to have low credit risk when its credit risk is equivalent to the globally understood definition of 'investment-grade'; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for loss receivables will always be measured at an amount equal to lifetime ECLs.
The impairment requirements of IFRS 9 are complex and require management judgements, estimates and assumptions, particularly in the following areas:

- assessing whether the credit risk of an instrument has increased significantly since initial recognition; and
- incorporating forward-looking information into the measurement of ECLs.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the bank if the commitment is drawn down and the cash flows that the bank expects to receive; and
- financial guarantee contracts: the present value of the expected payments to reimburse the holder less any amounts that the bank expects to recover.

Definition of default

The bank will consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the bank in full, without recourse by the bank to actions such as realising security (if any is held); or
- the borrower is more than 90 days past due on any material credit obligation to the bank. Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

In assessing whether a borrower is in default, the bank will consider indicators that are:

- qualitative: e.g., breaches of covenant;
- quantitative: e.g., overdue status and non-payment of another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Inputs into assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Significant increase in credit risk

Under IFRS 9, when determining whether the credit risk (i.e., risk of default) on a financial instrument has increased significantly since initial recognition, the Bank will consider reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Bank's historical experience, expert credit assessment and forward-looking information.

The bank will primarily identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated on initial recognition of the exposure.

Assessing whether credit risk has increased significantly since initial recognition of a financial instrument requires identifying the date of initial recognition of the instrument. For certain revolving facilities (e.g., credit cards and overdrafts), the date when the facility was first entered into could be a long time ago. Modifying the contractual terms of a financial instrument may also affect this assessment.

Credit risk grades

The bank will allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The Bank will use these grades in identifying significant increases in credit risk under IFRS 9. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates e.g., the difference in the risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.
Each exposure will be allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

2.5.4 Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

i. the Bank transfers substantially all the risks and rewards of ownership, or
ii. the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Bank:

i. has no obligation to make payments unless it collects equivalent amounts from the assets;
ii. is prohibited from selling or pledging the assets; and
iii. has an obligation to remit any cash it collects from the assets without material delay.

2.5.5 Classification - financial liabilities

ll financial liabilities are measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designated and effective hedging instruments), other liabilheld for trading, and liabilities that an entity designates to be measured at fair value through profit or loss.

Under IFRS 9 fair value changes will generally be presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability will be presented in OCI; and
- After initial recognition, the bank cannot reclassify any financial liability.

2.5.6 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires).
The exchange between the bank and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated, changes in the type of interest rate, new conversion features attached to the instrument and change in the covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.6 Other receivables

Other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.
Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.7 Investment property

Investment property is property held either to earn rentals or for capital appreciation or for both. Investment property is stated at its cost at the reporting date.

2.8 Property and equipment

Recognition and measurement

Items of property and equipment, except owned premises, are measured at cost less accumulated depreciation and impairment losses.
Costs include expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the cost of dismantling the asset and removing items and restoring site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing of property and equipment is recognised in profit or loss as incurred. Subsequent costs can also be recognised as separate assets.

Owned premises

Land is not depreciated. Owned premises are shown at revalued amounts, based on periodic but at least triennial valuation less accumulated depreciation.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it excethe balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Impairment of property and equipment

The carrying amounts of the Bank's items of property, equipment, furniture and fittings are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Owner occupied properties, equipment and furniture are depreciated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives of the assets presently are as follows:

Assessment of useful lives and residual values

Leasehold improvements	3 years
Computer equipment	5 years
Motor vehicles	5 years
Furniture and fittings	10 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Depreciation

In calculating the depreciation charge the entity reduces the depreciable amount of an asset by its residual value where it is deemed to be significant. The continuous reassessment of residual values typically leads to a reduction in depreciation charges and depreciation charges cease when the residual value is greater than or equal to the carrying value of the asset until its residual value subsequently decreases to an amount below the asset's carrying amount.

Leased assets: lessee

Leases in terms of which the Bank assumes substantially all risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Disposals

Gains and losses on disposals are determined by comparing the proceeds, with the carrying amount and are recognised in the statement of comprehensive income.

2.9 Intangible assets

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life is five to ten years. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if necessary. There have been no changes in the estimated useful lives from those applied in the previous financial year.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.11 Customer deposits

Customer deposits are recognised initially at fair value, net of transaction costs incurred. Deposits are subsequent shown at amortised costs using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income.

2.12 Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave.

2.13 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or customers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.14 Current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Financial guarantees

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guaranteed liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable). Financial guarantees are reported under customer liabilities for acceptances.

2.16 Related parties

Related party transactions and outstanding balances with key management personnel and other entities in the Bank are disclosed.

2.17 Revenue recognition

Revenue is derived substantially from the business of banking and related activities and comprises net interest income and non-interest revenue.

2.17.1 Net interest income

Interest income and expenses are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial assets or liability to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently. Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Net interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments on financial instruments are reported under other income.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition issue or disposal of a financial asset or liability.

2.17.2 Non-interest income

Non-interest income includes dividends from investments, net revenue from foreign exchange and securities trading and net gains on the realisation or revaluation of investment banking assets. All such commissions and fees including service fees, investment management fees, placement and syndication fees are recognised as the related services are performed.

2.18 Employee benefits

2.18.1 Defined contribution retirement plans

The company participates in a defined contribution retirement plan for some of its employees. The pension fund is funded by payments from the employees and by the relevant entity's contributions taking into account the recommendations of independent qualified actuaries. The entity's contributions are expensed as incurred. This fund is held and managed independently in terms of the Zimbabwean law. Sufficient information is not available to account for the plan as a defined benefit plan and hence the plan is accounted for as a defined contribution plan.

2.18.2 Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee voluntarily accepts redundancy in exchange of these benefits. The company recognises termination benefit expenses when it is demonstrably committed to either terminate employment of current employees according to a detailed formal plan without possibility of withdrawal from such or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due for more than twelve months after end of reporting period are discounted to present value.

2.18.3 Bonuses

The company recognises a liability and an expense for bonuses based on a formula that takes into account basic salaries and bonus points that accrue at the rate of one point per month.

2.18.4 Annual and long service leave

Employee entitlements to annual and long service leave are recognised when they accrue to employees. An accrual is made for the liability for annual and long service leave as a result of services rendered by employees up to the end of each reporting period. The amounts accrued are recognised as an expense when incurred.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Bank's results and financial situation due to their materiality.

2.19 Impairment of loans and advances

The Bank reviews its loan portfolios to assess impairment at least monthly. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Bank makes judgements as to whether there is measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. Management uses estimates based on historical loss experience for assets with credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. For specific impairment the expected cash flows are discounted using the original effective interest rate when the loan was granted.

2.20 Impairment of available-for-sale financial assets

The Bank determines that available-for-sale financial assets are impaired when there has been a significant or prolonged decline in the fair value below its costs. This determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

2.21 Income taxes

The Bank is subject to income tax in Zimbabwe. Significant judgement is required in determining the income tax payable. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Bank recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from amounts that were initially recognised, such differences will impact the income and deferred income tax provisions in the period in which such determination is made.

2.22 Financial risk management

Financial risk factors

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance.

The Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up to date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice. Risk management is carried out by the Board Risk Management Committee under the policies approved by the Board. In addition, the Risk Management and Internal Audit departments are responsible for the independent review of risk management and the control environment. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

Credit risk

The Bank takes on exposure to credit risk, which is the risk that a counter-party will cause a financial loss for the Bank by failing to discharge an obligation. Credit risk is one of the most important risks for the Bank's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and advances, and investment activities that bring debt securities and other bills into the Bank's asset portfolio. (There is also credit risk in off-statement of financial position financial instruments, such as loan commitments.) The Bank's Credit Committee is responsible for credit risk management within the Bank and it reports to the Board.

Loans and advances

In measuring credit risk of loans and advances to customers and to banks at a counterparty level, the Bank reflects three components:

i. The 'probability of default' by the client or counterparty on its contractual obligations;
ii. Current exposures to the counterparty and its likely future development, from which the Bank derive the 'exposure at default'; and
iii. The likely recovery ratio on the defaulted obligations (the 'loss given default').

These credit risk measurements, which reflect expected loss (the 'expected loss model') and are required by the Basel Committee on Banking Regulations and the Supervisory Practices (the Basel Committee), are embedded in the bank's daily operational management. The operational measurements can be compared with impairment allowances required under IFRS 9 which are based on losses that have been incurred at the reporting date (the 'incurred loss model') rather than expected losses.

The bank assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparty. They have been developed internally and combine statistical analysis with credit officer's judgment and are validated, where appropriate, by comparison with externally available data. Clients of the bank are segmented into five rating classes. The bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are kept under review and upgraded as necessary. The bank regularly validates the performance of the rating and their predictive power with regard to default events.

		INFLATION ADJUSTED		HISTORICAL	
		December 2023 ZWL	December 2022 ZWL	December 2023 ZWL	December 2022 ZWL
3	**Cash & Cash Equivalents**				
	Cash on hand	49 235 629	9 206 635	49 235 629	897 534
	Cash at bank: **Foreign Banks**	68 434 582	174 798 691	68 434 582	17 040 728
	Local Banks	959 996 218	92 753 681	959 996 218	9 042 346
			-		-
		1077 666 429	276 759 007	1 077 666 429	26 980 608
4	**Other Receivables**				
	Prepaid expenses (refer to note 4.1)	18 576 202	33 242 460	18 576 202	3 240 732
	Accrued Revenue	2 177 804	-	2 177 804	-
		20 754 006	33 242 460	20 754 006	3 240 732
4.1	**Prepaid expenses**				
	Balance at the beginning of the year	3 240 732	3 868 046	3 240 732	377 087
	Prepaid Expenses	18 576 202		18 576 202	
	Amount expensed in the current year	(3 240 732)	29 374 414	(3 240 732)	2 863 645
	Balance at the end of the year	18 576 202	33 242 460	18 576 202	3 240 732
4.2	**Legacy Debt Assets**				
	Balance at the beginning of the year	-	213 123 360	-	20 776 913
	Repayment	-	(387 249)	-	(37 752)
	Transfer Christa Capital loan	-	(7 582 092)	-	(739 161)
	Prior period adjustment (see note 8.4)	-	(205 154 019)	-	(20 000 000)
	Balance at the end of the year	-	-	-	-
5	**Loans and Advances**				
	Gross amount		42 172 701		4 111 321
	Loans (repaid) / advanced in the current year	1 050 935 640	(42 172 701)	1 050 935 640	(4 111 321)
	Allowance for expected credit loss	(6 436 981)		(6 436 981)	
		1 044 498 659	-	1 044 498 659	-
	Loans and advances to customers are analysed as follows:				
	Individuals	30 615 602	-	30 615 602	
	Mortgage Loans	1 020 320 038	-	1 020 320 038	
		1 050 935 640		1 050 935 640	-
5.1	**Maturity Analysis**				
	Up to 6 months	30 615 602	-	30 615 602	-
	Up to 1 year	1 020 320 038	-	1 020 320 038	-
	1-5 years	-	-	-	-
		1 050 935 640	-	1 050 935 640	-
5.2	**ECL Analysis** **Stage 1- ECL**				
	Gross Carrying Amount - Loans and Advances	1 050 935 640	-	1 050 935 640	-
	Charge to profit or loss	(6 436 981)	-	(6 436 981)	-
	Net loans and advances	1 044 498 659	-	1 044 498 659	-

N.B
For low-risk financial assets, loans and advances, the commitment is no greater than the outstanding balance/limit at any point in time. Thus, for loans and advances, it is assumed, for the sake of simplicity, that the EAD is the total outstanding balance as at the month of provisioning, plus any approved limits not used.

6	**Investment Property**				
	Balance at the beginning of the year	77 656 021 682	8 422 598 236	5 171 511 283	821 100 000
	Additions	861 232 976	-	861 232 976	-
	Fair value adjustments	(33 067 969 151)	69 233 423 446	38 460 213 556	4 350 411 283
	Disposal- Equity Properties (see note 11.3)	(1 251 093 882)	-	(294 766 191)	-
	Balance at the end of the year	44 198 191 625	77 656 021 682	44 198 191 624	5 171 511 283

Investment property held as at 31 December comprises of:

a. A certain piece of land in District of Harare called Stand No 2021 of Lot 3 of Bannockburn, measuring 30,192 sqm. The investment property is valued at market price.
b. A certain piece of land in District of Harare called Stand No 2095 of Lot 3 of Bannockburn, measuring 34,774 sqm. The investment property is valued at market price.
c. An amount of **ZWL38 460 213 556** (historical) being fair value adjustment to the properties mentioned in items (a) and (b) above, has been included in the statement of profit or loss.

TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)

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(Registered Commercial Bank)

Audited Financial Statements
For the year ended 31 December 2023

7 Intangible Assets Computer software & website	INFLATION ADJUSTED December 2023 ZWL	 December 2022 ZWL	HISTORICAL December 2023 ZWL	 December 2022 ZWL
Opening net book amount	536 530 785	536 918 778	793 900	906 768
Additions	-	-	-	-
Amortization charge to profit or loss	(286 227)	(387 993)	(92 934)	(112 868)
Impairment charge to profit or loss	(61 395)	-	(19 934)	-
Closing net book amount	536 183 163	536 530 785	681 032	793 900
Cost/ valuation	595 054 376	595 054 376	1 128 676	1 128 676
Accumulated amortisation	(58 809 819)	(58 523 591)	(401 132)	(334 776)
	(61 395)	-	(46 512)	-
Net book amount	536 183 163	536 530 785	681 032	793 900
8 Prior period adjustment				
8.1 Chrisco Loan				
Legacy Debt repayment- Chrisco loan	-	213 123 364	-	20 776 913
Retained income- Temenos recurring licence	-	(213 123 364)	-	(20 776 913)
8.2 Change in useful life- Leasehold Improvements				
Leasehold Improvements - Depreciation	-	9 230 017	-	899 813
Leasehold Improvements- NBV	-	(9 230 017)	-	(899 813)
Being change in useful life from 10 years to 3 years				
8.3 Christa Capital deposit/ dividend payable				
Retained income	-	205 154 019	-	20 000 000
Christa Capital deposit/dividend payable	-	(205 154 019)	-	(20 000 000)
Being reversal of dividend payable to Christa Capita.				
8.4 Legacy asset and provision for cash cover				
Provision for cash cover -				
Legacy asset -	-	205 154 019		20 000 000
Being reversal of legacy asset.	-	(205 154 019)	-	(20 000 000)
			-	

9 Property and equipment Inflation adjusted	Computer equipment ZWL	Furniture and Equipment ZWL	Leasehold Improvements ZWL	Office Equipment ZWL	Total ZWL
Year ended 31 December 2023					
Opening carrying amount	90 165 196	112 174 853	638 056 588	7 283 893	847 680 529
Additions	-	-	-	-	-
Disposals	(42 503)	-	-	-	(42 503)
Accumulated depreciation on assets disposed	29 019	-	-	-	29 019
Depreciation	(2 337 841)	(1 056 283)	(18 866 815)	(134 518)	(22 395 457)
Closing carrying amount	87 813 871	111 118 570	619 189 773	7 149 375	825 271 588
At 31 December 2023					
Cost or valuation	103 445 390	120 146 314	752 328 955	8 703 186	984 623 845
Accumulated depreciation	(15 631 519)	(9 027 744)	(133 139 182)	(1553 811)	(159 352 256)
Closing carrying amount	87 813 871	111 118 570	619 189 773	7 149 375	825 271 588
Year ended 31 December 2022					
Opening carrying amount	37 507 246	60 251 737	452 277 141	5 810 104	555 846 229
Additions	58 697 834	56 571 367	270 633 412	2286 182	388 188 795
Depreciation	(6 039 883)	(4 648 251)	(84 853 966)	(812 395)	(96 354 495)
Closing carrying amount	90 165 197	112 174 854	638 056 587	7 283 891	847 680 529
At 31 December 2022					
Cost or valuation	103 487 894	120 146 313	752 328 953	8 703 185	984 666 347
Accumulated depreciation	(13 322 697)	(7 971 459)	(114 272 366)	(1419 294)	(136 985 819)
Closing carrying amount	90 165 197	112 174 854	638 056 588	7 283 891	847 680 529
Property and equipment **Historical**					
Year ended 30 June 2023					
Opening carrying amount	3 342 251	3 077 734	11 817 273	164 783	18 402 041
Additions	-	-	-	-	-
Disposals/ write off	(13 800)	-	-	-	(13 800)
Accumulated depreciation on assets disposed/written off	9 422	-	-	-	9 422
Depreciation	(759 060)	(342 958)	(6 125 757)	(43 676)	(7 271 452)
Closing carrying amount	2 578 813	2 734 776	5 691 515	121 107	11 126 211
At 31 December 2023					
Cost or valuation	3 781 501	3 429 584	18 395 668	218 380	25 825 133
Accumulated depreciation	(1 202 688)	(694 809)	(12 704 153)	(97 273)	(14 698 922)
Closing carrying amount	2 578 813	2,734,776	5,691,515	121,107	11,126,211
Year ended 31 December 2022					
Opening carrying amount	443 858	1 317 062	9 546 712	128 074	11 435 706
Additions	3 305 120	2 047 567	8 249 079	77 690	13 679 456
Depreciation	(406 727)	(286 894)	(5 978 519)	(40 981)	(6 713 121)
Closing carrying amount	3 342 251	3 077 734	11 817 273	164 783	18 402 041
At 31 December 2022					
Cost or valuation	3 795 301	3 429 584	18 395 668	218 380	25 838 933
Accumulated depreciation	(453 050)	(351 850)	(7 578 395)	(53 597)	(7 436 892)
Closing carrying amount	3 342 251	3 077 734	11 817 273	164 783	18 402 041

10 Trade and other payables	INFLATION ADJUSTED December 2023 ZWL	 December 2022 ZWL	HISTORICAL December 2023 ZWL	 December 2022 ZWL
Trade	546 427 192	558 657 748	546 427 192	54 462 277
Provisions - Audit Fees	152 985 414	-	152 985 414	
Provisions - Banking Licence	30 523 613	-	30 523 613	
Other	166 351 762	1125 663 632	166 351 762	109 738 395
Prior period adjustment (see note 8.4)	-	(205 154 019)	-	(20 000 000)
	896 287 981	1 479 167 361	896 287 981	144 200 671

Included in year 2022 trade payables is rent payable amount of **ZWL 25 831 865** that could not be confirmed due to a disagreement between Landlord and Property Manager on rent charges levies in the year 2022. The landlord and property manager are separate from Time Bank.

Related party transactions

11 Time Bank is a subsidiary of Christa Capital (Pty) Ltd of Botswana. Christa Capital (Pty) Ltd has a 99.6% of the issued shares in Time Bank.

Related parties refer to companies with common direct or indirect shareholders and/or directors. Parties are also considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

The following are year-end related party balances arising from working capital financing decisions:

	INFLATION ADJUSTED December 2023 ZWL	 December 2022 ZWL	HISTORICAL December 2023 ZWL	 December 2022 ZWL
11.1 Related party payables **Company**				
TBIC Investment Loan	1 385 469 807	(21 270 285)	1 385 469 807	(2 073 592)
Equity Properties Loan	12 184 708 765	4 907 958 395	12 184 708 765	478 465 733
Key Management Deposits	181 690 169	669 038 284	181 690 169	65 223 025
	13 751 868 741	5 555 726 395	13 751 868 741	541 615 166
11.2 Related party loans				
Christa Capital (Pty) Limited	3 840 856 367			
	3 840 856 367			
11.3 Transactions with related parties				
Opening balances				
TBIC Investments P/L	(2 073 592)	392 010 289	(2 073 592)	38 216 194
Equity Properties P/L	478 465 733	-	478 465 733	-
Christa Capital (Pty) Ltd Loan	451 086 553	-	451 086 553	-
Other related parties	65 223 026	12 596 662	65 223 026	1 228 020
Total Opening balances	992 701 720	404 606 951	992 701 720	39 444 214
Transactions during the year **Loans/ deposits**				
TBIC Investments P/L	1 803 447 773	3 142 536 405	1 803 447 773	306 358 747
Christa Capital (Pty) Ltd Loan	-	7 582 098	-	739 161
Equity Properties P/L	2 960 132 135	4 907 958 394	2 960 132 135	478 465 733
Other related parties	224 204 420	656 658 491	224 204 420	64 016 147
Swap/ exchange of Investments Property				
Equity Properties P/L	4 505 180 421		4 505 180 421	-
TBIC Investments P/L	(415 904 375)	(3 555 816 978)	(415 904 375)	(346 648 533)
Christa Capital (Pty) Ltd Loan	(136 578 543)	(537 444 773)	(136 578 543)	(52 394 272)
Equity Properties P/L	(303 096 181)	-	(303 096 181)	-
Other related parties	(107 737 277)	(216 858)	(107 737 277)	(21 141)
Swap/ exchange of Investment Property Interest paid				
Equity Properties P/L	(4 505 180 421)		(4 505 180 421)	
Equity Properties P/L	858 903 206	-	858 903 206	-
Other related parties				-
Effects of Foreign Exchange				
Christa Capital (Pty) Ltd Loan	3 526 348 357	5 156 973 632	3 526 348 357	502 741 664
Equity Properties P/L	8 190 303 872	-	8 190 303 872	-
Other related parties	-	-	-	-
Closing balances				
TBIC Investments P/L	1 385 469 807	(21 270 285)	1 385 469 807	(2 073 592)
Equity Properties P/L	12 184 708 765	4 907 958 394	12 184 708 765	478 465 733
Christa Capital (Pty) Ltd Loan	3 840 856 367	4 627 110 957	3 840 856 367	451 086 553
Other related parties	181 690 169	669 038 295	181 690 169	65 223 026
Total Closing balances	17 592 725 108	10 182 837 361	17 592 725 108	992 701 720
12 Income Tax Liability				
Opening balance	262 751 666	262 751 666	25 615 064	25 615 064
Payment	(262 751 666)		(25 615 064)	-
Current year charge	-		-	-
	-	262 751 666		25 615 064
13 Equity and reserves				
13.1 Authorised share capital:				
40 000 000 ordinary shares at ZWL$ 0.01 par value	631 768 423	631 768 423	400 000	400 000
Issued and fully paid ordinary shares	529 421 939	529 421 939	335 200	335 200
Unissued ordinary shares	102 346 485	102 346 485	64 800	64 800

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Companies and Other Business Entities Act (Chapter 24:31), and the Articles and Memorandum of Association of the Company.

	INFLATION ADJUSTED December 2023 ZWL	 December 2022 ZWL	HISTORICAL December 2023 ZWL	 December 2022 ZWL
13.2 Issued and fully paid share capital: 34 000 000 ordinary shares at ZWL$ 0.01 par value				
Opening balance	529 421 939	529 421 939	335 200	335 200
Shares issued during the year	-	-	-	-
Closing balance	529 421 939	529 421 939	335 200	335 200
13.3 Share premium				
Opening balance	25 195 569 130	25 195 569 130	15 952 408	15 952 408
Ordinary share issue at a premium during the year	-	-	-	-
Closing balance	25 195 569 130	25 195 569 130	15 952 408	15 952 408
13.4 Retained income				
Opening balance	41 720 219 750	7 885 150 868	4 047 863 768	768 705 476
Movement during the year	(38 404 723 159)	33 835 068 874	23 626 688 775	3 279 158 292
Closing balance	3 315 496 591	41 720 219 750	27 674 552 542	4 047 863 768
13.5 Capital Adequacy				
Ordinary share capital	529 421 939	529 421 939	335 200	335 200
Share premium	25 195 569 130	25 195 569 130	15 952 408	15 952 408
Total reserves	3 315 496 591	41 720 219 750	27 674 552 542	4 047 863 768
IFRS capital	29 040 487 660	67 445 210 819	27 690 840 150	4 064 151 376
Revaluation reserves	-	-	-	-
Tier 1 Capital	29 040 487 660	67 445 210 819	27 690 840 150	4 064 151 376
General provisions	6 436 981	-	6 436 981	-
Tier 2 Capital	6 436 981	-	6 436 981	-
Total Capital Base	29 046 924 641	67 445 210 819	27 697 277 131	4 064 151 376
Credit risk weighted assets	788 201 730	-	789 835 083	-
Operational risk equivalent assets	45 765 332 534	79 113 476 206		5 199 688 223

Directors: Dr D. B. Ndlela, C. W. T. Tande, K. Kapaso, A. I. Lawson, T. Bhatasara, S. Mapfirakupa, E. Chalimba
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TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)

Audited Financial Statements
For the year ended 31 December 2023

		INFLATION ADJUSTED		HISTORICAL	
		December 2023 ZWL	December 2022 ZWL	December 2023 ZWL	December 2022 ZWL
13.5	Market risk equivalent assets	-	-	44 436 439 032	-
	Total risk weighted assets	46 548 706 533	79 113 476 206	- 45 226 274 115	5 199 688 223
	Tier 1 capital ratio	60.33%	81.93%	59.47%	47.54%
	Tier 2 capital ratio	0.01%	-	0.01%	-
	Capital adequacy ratio	62.35%	81.93%	59.49%	47.54%

In line with the approved phased re-establishment of the Bank, currently, the capital of Time Bank is ZWL$26 881 180 629 (US$4 403 342) and plans are underway to increase the capital to US$30 Million by 31 December 2024 as a Tier 1 Commercial Bank.
The current minimum capital requirements for Commercial Banks are set at Tier 1, USD 30 000 000 (ZWL 183 141 678 000); Tier 2, USD 20 000 000 (ZWL 122 094 452 000) and Tier 3, USD 5 000 000 (ZWL 30 523 613 000).

		INFLATION ADJUSTED		HISTORICAL	
		December 2023 ZWL	December 2022 ZWL	December 2023 ZWL	December 2022 ZWL
14	**Interest income**				
	Bank interest received	2 104 641	2 772 696	855 565	224 356
	Loans and advances to customers	6 295 215	7 540 606	3 928 775	526 017
		8 399 856	10 313 302	4 784 340	750 373
15	**Other income**				
	Dividends received	246 391 721	381 136 002	117 821 935	26 398 583
	Non-funded income (refer to note 6)	45 405 458 062	69 233 423 446	38 460 213 556	4 350 411 283
	Loans written off- Donations	-	137 318 559	-	4 102 320
	Establishment Fees	14 915 355	-	4 542 130	-
	Other income- payables written off	2 653 946	420 566	2 177 804	41 000
	Safe custody fees	-	757 244	-	38 581
		45 669 419 084	69 753 055 817	38 584 755 425	4 380 991 767
16	**Profit before tax**				
	Included in loss before tax are the following expenses:				
	Administration costs	20 126 942 021	1 928 727 459	1 098 048 184	158 105 357
	Audit fees	202 586 572	74 750 229	164 060 285	2 668 657
	Foreign exchange loss	18 276 381 927	6 950 363 889	11 850 443 125	687 378 852
	Depreciation and amortisation	22 743 079	118 121 198	7 364 385	6 825 989
	Other staff costs	327 239 249	3 428 111 973	154 775 403	18 293 787
	Directors' remuneration (refer note 16.1)	733 606 604	789 462 038	380 913 866	80 311 749
	Staff costs (refer to note 16.2)	857 890 721	1 471 180 408	427 160 854	167 859 026
16.1	**Directors' emoluments**				
	The aggregate amount of emoluments paid or accrued to directors:				
	AIDS levy	4 920 210	6 435 784	2 630 746	435 276
	Directors' fees	162 250 247	108 945 626	96 139 965	10 620 862
	Pay As You Earn	177 542 328	208 090 350	85 060 803	12 763 281
	Salaries and wages	371 329 132	427 172 796	188 263 016	52 507 790
	Withholding tax	-	27 236 407	-	2 655 216
	Nssa	17 564 687	11 581 075	8 819 336	1 329 324
		733 606 604	789 462 038	380 913 866	80 311 749
16.2	**Staff costs**				
	AIDS levy	8 236 500	13 437 033	3 946 120	812 681
	Pay As You Earn	266 313 492	434 464 076	127 591 205	29 983 950
	Salaries and allowances	556 993 698	990 583 271	282 394 525	134 920 685
	Nssa	26 347 031	32 696 028	13 229 004	2 141 710
		857 890 721	1 471 180 408	427 160 854	167 859 026
	Income tax				
17	**Income tax recognised in profit and loss**				
17.1	Current tax	-	-	-	-
	Deferred tax	185 241 966	(65 243 122)	185 241 966	(6 360 404)
		185 241 966	(65 243 122)	185 241 966	(6 360 404)
	Tax reconciliation				
	Profit / (Loss) before tax	(38 219 481 193)	33 992 179 134	23 811 930 741	3 273 574 801
17.2	National tax thereon at a rate of 24.72%	(9 447 855 751)	8 402 866 682	5 886 309 279	809 227 691
	Tax effect on:				
	Non taxable/deductible items	(5 184 855 175)	(14 220 729 490)	(5 701 067 313)	(815 588 095)
		(14 632 710 926)	(5 817 862 808)	185 241 966	(6 360 404)

		Deferred tax asset ZWL	Deferred tax liability ZWL	Total ZWL
18	**Deferred tax** The gross movement on deferred income tax account is as follows:			
	As at 1 January 2022	-	(620 137)	(620 137)
	Amount charged to statement of comprehensive income	6 360 404	-	6 360 404
	As at 31 December 2022	6 360 404	(620 137)	5 740 267
	As at 1 January 2023	6 360 404	(620 137)	5 740 267
	Amount charged to statement of comprehensive income	(6 360 404)	(178 881 562)	(185 241 966)
	As at 31 December 2023	-	(179 501 699)	(179 501 699)

The Bank recognised the tax liability of ZWL 179 501 699

TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)

		INFLATION ADJUSTED							
		CARRYING AMOUNT				FAIR VALUE			
	Risk Management **31 December, 2023**	Designated as "FVTPL" ZWL	Classified as "AMCO" ZWL	Designated as "FVTOCI" ZWL	TOTAL ZWL	LEVEL 1 ZWL	LEVEL 2 ZWL	LEVEL 3 ZWL	TOTAL ZWL
19	**Fair values and risk management - accounting classification and fair values**								
	Financial assets measured at fair value								
	Financial assets	-	-	-	-	-	-	-	-
19.1	**Total**	-	-	-	-	-	-	-	-
	Financial assets not measured at fair value								
	Cash and cash equivalents	-	1 077 666 428	-	1 077 666 428	-	-	-	-
	Other receivables	-	20 754 006	-	20 754 006	-	-	-	-
	Loans and advances	-	1 050 935 640	-	1 050 935 640	-	-	-	-
	Total	-	**2 149 356 074**	-	**2 149 356 074**	-	-	-	-
	Financial liabilities not measured at fair value								
	Trade and other payables	-	896 287 981	-	896 287 981	-	-	-	-
	Related party payables	-	13 751 868 741	-	13 751 868 741	-	-	-	-
	Related party loans	-	3 840 856 369	-	3 840 856 369	-	-	-	-
	Total	-	**18 489 013 089**	-	**18 489 013 089**	-	-	-	-
	31 December, 2022								
	Financial assets measured at fair value								
	Financial assets	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-
	Financial assets not measured at fair value								
	Cash and cash equivalents	-	26 980 608	-	26 980 608	-	-	-	-
	Other receivables	-	3 240 732	-	3 240 732	-	-	-	-
	Loans and advances	-	-	-	-	-	-	-	-
	Total	-	30 221 340	-	30 221 340	-	-	-	-
	Financial liabilities not measured at fair value								
	Trade and other payables	-	144 200 671	-	144 200 671	-	-	-	-
	Related party payables	-	541 615 166	-	541 615 166	-	-	-	-
19.1	Related party loans	-	451 086 553	-	451 086 553	-	-	-	-
	Total	-	1 136 902 391	-	1 136 902 391	-	-	-	-

		INFLATION ADJUSTED				
	Interest rate risk					
	Interest rate gap analysis	Up to 1 month ZWL	2 to 6 months ZWL	7 to 12 months ZWL	Above 12 months ZWL	Carrying Amount ZWL
19.2	**31 December, 2023**					
	Financial assets by type					
	Local bank accounts	959 996 218	-	-	-	959 996 218
	Foreign bank accounts	68 434 581	-	-	-	68 434 581
	Loans and advances	-	30 428 081	1 014 070 578	-	1 044 498 659
		1 028 430 799	**30 428 081**	**1 014 070 578**	**-**	**2 072 929 459**
	Financial liabilities by type					
	Deposits from customers	-	-	-	-	-
	Sensitivity gap	1 028 430 799	30 428 081	1 014 070 578	-	2 072 929 459
	Cumulative gap	1 028 430 799	1 058 858 881	2 072 929 459	2 072 929 459	-
	31 December, 2022					
	Financial assets by type					
	Local bank accounts	92 753 684	-	-	-	92 753 684
	Foreign bank accounts	174 798 692	-	-	-	174 798 692
	Loans and advances	-	-	-	-	-
		267 552 376	**-**	**-**	**-**	**267 552 376**
	Financial liabilities by type					
	Deposits from customers	-	-	-	-	-
	Sensitivity gap	267 552 376	-	-	-	267 552 376
	Cumulative gap	267 552 376	267 552 376	267 552 376	267 552 376	-
	31 December, 2023					
	Financial assets by type					
	Local bank accounts	959 996 218	-	-	-	959 996 218
	Foreign bank accounts	68 434 581	-	-	-	68 434 581
	Loans and advances	-	30 428 081	1 014 070 578	-	1 044 498 659
		1 028 430 799	**30 428 081**	**1 014 070 578**	**-**	**2 072 929 459**
	Financial liabilities by type					
	Deposits from customers	-	-	-	-	-
	Sensitivity gap	1 028 430 799	30 428 081	1 014 070 578	-	2 072 929 459
	Cumulative gap	1 028 430 799	1 058 858 881	2 072 929 459	2 072 929 459	-
	31 December, 2022					
	Financial assets by type					
	Local bank accounts	9 042 346	-	-	-	9 042 346
	Foreign bank accounts	17 040 728	-	-	-	17 040 728
	Loans and advances	-	-	-	-	-
		26 083 074	-	-	-	**26 083 074**
	Financial liabilities by type					
	Deposits from customers	-	-	-	-	-
	Sensitivity gap	26 083 074	-	-	-	26 083 074
	Cumulative gap	26 083 074	26 083 074	26 083 074	26 083 074	-
	Liquidity risk					
	Liquid gap analysis					
19.3	**31 December, 2023**					
	Financial assets by type					
	Cash and cash equivalents	1 077 666 428	-	-	-	1 077 666 428
	Financial assets	-	-	-	-	-
	Loans and advances	-	30 428 081	1 014 070 578	-	1 044 498 659
		1 077 666 428	**30 428 081**	**1 014 070 578**	**-**	**2 122 165 087**
	Financial liabilities by type					
	Offshore borrowings- related party	-	-	-	3 840 856 367	3 840 856 367
	Trade and other payables	277 946 031	84 420 764	533 921 185	-	896 287 981
	Related party payables	4 145 759 258	3 218 956 742	3 685 789 632	2 701 363 109	13 751 868 741
		4 423 705 289	**3 303 377 506**	**4 219 710 817**	**6 542 219 476**	**18 489 013 089**
						-
	Gap in the period	(3 346 038 861)	(3 272 949 425)	(3 205 640 239)	(6 542 219 476)	(16 366 848 001)
	Cumulative gap	(3 346 038 861)	(6 618 988 286)	(9 824 628 525)	(9 824 628 525)	-

TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)

Audited Financial Statements
For the year ended 31 December 2023

INFLATION ADJUSTED

31 December, 2022	Up to 1 month ZWL	2 to 6 months ZWL	7 to 12 months ZWL	Above 12 months ZWL	Total ZWL
Financial assets by type					
Cash and cash equivalents	276 759 008	-	-	-	276 759 008
Financial assets	-	-	-	-	-
Loans and advances	-	-	-	-	-
	276 759 008	**-**	**-**	**-**	**276 759 008**
Financial liabilities by type					
Deposits from customers	-	-	-	-	-
Offshore borrowings- related party	-	-	-	4 627 110 958	4 627 110 958
Trade and other payables	585 794 365	145 365 789	748 007 214	-	1 479 167 368
Related party payables	91 852 963 145	16 993 674 159	1 961 394 767	187 694 324	145 970 846 361
	92 438 757 510	**17 139 039 948**	**2 709 401 981**	**4 814 805 282**	**11 662 004 721**
Gap in the period	(1 161 998 502)	(2 699 039 948)	(2 709 401 981)	(4 814 805 282)	(11 385 245 713)
Cumulative gap	(1 161 998 502)	(3 861 038 450)	(6 570 440 431)	(6 570 440 431)	-

HISTORICAL COST

31 December, 2023	Up to 1 month ZWL	2 to 6 months ZWL	7 to 12 months ZWL	Above 12 months ZWL	Total ZWL
Financial assets by type					
Cash and cash equivalents	1 077 666 428	-	-	-	1 077 666 428
19.3.2 Financial assets	-	-	-	-	-
Loans and advances	-	30 428 081	1 014 070 578	-	1 044 498 659
	1 077 666 428	**30 428 081**	**1 014 070 578**	**-**	**2 122 165 087**
Financial liabilities by type					
Deposits from customers	-	-	-	-	-
Offshore borrowings- related party	-	-	-	3 840 856 369	3 840 856 369
Trade and other payables	277 946 031	84 420 764	533 921 185	-	896 287 981
Related party payables	4 145 759 258	3 218 956 742	3 685 789 632	2 701 363 109	13 751 868 741
	4 423 705 289	**3 303 377 506**	**4 219 710 817**	**6 542 219 478**	**18 489 013 091**
Gap in the period	(3 346 038 861)	(3 272 949 425)	(3 205 640 239)	(6 542 219 478)	(16 366 848 003)
Cumulative gap	**(3 346 038 861)**	**(6 618 988 286)**	**(9 824 628 525)**	**(9 824 628 525)**	**-**
31 December, 2022					
Financial assets by type					
Cash and cash equivalents	26 980 608	-	-	-	26 980 608
Financial assets	-	-	-	-	-
Loans and advances	-	-	-	-	-
	26 980 608	-	-	-	**26 980 608**
Financial liabilities by type					
Deposits from customers	-	-	-	-	-
Offshore borrowings- related party	-	-	-	451 086 553	451 086 553
Trade and other payables	55 145 763	2 824 845	86 230 064	-	144 200 672
Related party payables	89 783 216	99 754 125	108 456 236	243 621 589	541 615 166
	144 928 979	**102 578 970**	**194 686 300**	**694 708 142**	**1 136 902 391**
Gap in the period	(117 948 371)	(102 578 970)	(194 686 300)	(694 708 142)	(1 109 921 783)
Cumulative gap	**(117 948 371)**	**(220 527 341)**	**(415 213 641)**	**(415 213 641)**	**-**

Credit risk — **Loans and advances to customers Expected credit losses**

	MAXIMUM CREDIT RISK EXPOSURE				EXPECTED CREDIT LOSS CHARGE			
	STAGE1 ZWL	STAGE2 ZWL	STAGE3 ZWL	TOTAL ZWL	STAGE1 ZWL	STAGE2 ZWL	STAGE3 ZWL	Total ZWL
19.4 **31 December, 2023**								
SMEs	1 020 320 038	-	-	1 020 320 038	6 249 460	-	-	6 249 460
Retail	30 615 602	-	-	30 615 602	187 521	-	-	187 521
Total	**1 050 935 640**	-	-	**1 050 935 640**	**6 436 981**	-	-	6 436 981
		-						
Other assets		-				-		
RBZ receivables	-	-	-	-	-			-
Other receivables	2 177 804		-	2 177 804	-	-	-	-
Total	2 177 804		-	2 177 804	-	-	-	-
Total	**1 053 113 444**		**-**	**1 053 113 444**	**6 436 981**	**-**	**-**	**6 436 981**

20

Legacy Asset and Debt- contingent

Time Bank informs users of these financial statements that there is a material amount that the bank has excluded from its financial statements for the year 2023, involving a sum of US$20 Million for whichTime Bank's claim has not yet been confirmed.
The Government of Zimbabwe (GoZ) enacted the Finance Act 2021, under which GoZ undertook to give to companies including banks, financial relief called "Blocked Funds". In terms of such relief GoZ undertook to take over all the foreign currency liabilities of banks and companies amounting to a total of US$ 3.3 billion which existed before 22 February 2019, provided such banks and companies paid the Zimbabwean Dollar (ZWL$) equivalent of such foreign currency liabilities at an exchange rate of 1:1 between the US$ and ZWL$. Under the Blocked Funds the process of the takeover of the foreign currency liabilities of companies including banks resulted in a foreign currency liability which existed before 22 February 2019 also known as "Legacy Debt" and a matching asset called "Legacy Asset" being recorded in the books of companies. Such Legacy Asset is a financial claim on Government.

In this regard Time Bank has both a Legacy Debt of US$20 Million to the foreign shareholder which arose from dividends declared in 2018 but remained unpaid due to foreign currency shortages in Zimbabwe on one hand, and on the other hand a Legacy Asset of US$20 Million. Such Legacy Debt or Legacy Asset is supposed to be taken over by GoZ as Blocked Funds in terms of the Finance Act of 2021 provided Time Bank pays the ZWL$20 Million as the equivalent of US$20 Million at an exchange rate of 1:1 between US$ and ZWL$.
Time Bank has appealed to the Public Debt Management Office (PDMO) in the Ministry of Finance, Economic Development & Investment Promotion for the Blocked Funds in terms of the Finance Act of 2021 and currently awaits the determination of such an appeal. Until such claim or legacy asset has been confirmed, Time Bank in its financial statements has excluded both the Legacy Debt of US$ 20 Million and the Legacy Asset of US$20 Million.

Going concern
The board undertakes regular assessments of whether the Bank is a going concern taking into consideration the prevailing economic conditions and all necessary information about future risks and uncertainties. The board expects the Bank to continue as a going concern for the foreseeable future. Hence the going concern assumption has therefore been applied in the preparation of the financial statements.

In terms of its business model Time Bank is currently conducting limited banking activities and is not taking deposits from the public. The Bank made a profit of ZWL 23 811 930 741 before tax for the year ended 31 December 2023 (a profit of ZWL 3 273 574 801 in December 2022). However, the bank expects to carry out more profitable banking activities in the year 2024 and thereafter.
The financial statements of the Bank have been prepared on a going concern basis and therefore we have not included any adjustments relating to the recoverability and reclassification of recorded assets, or to the amounts of the said assets, and also we have not included any reclassification of liabilities that may be necessary should the Bank be unable to continue as a going concern.

Re-Opening of Time Bank in Phases
(a) Time Bank re-opened on 27 October 2022, after about 18 years of unlawful closure in 2004 and cancellation of its banking licence by statutory authorities in 2006. Time Bank's licence was re-instated by the Court in 2009. However Time Bank could not operate immediately thereafter because of the inability of the Former Curator to handover back to the directors of Time Bank, the assets and records of Time Bank which were under the control of the statutory authorities during the period of Time Bank's unlawful cancellation of its licence or closure. In 2015 Time Bank and Reserve Bank (RBZ), signed a settlement agreement under which they agreed:

(i) On an incomplete Handover/Takeover of the said outstanding assets and records.
(ii) That RBZ would refund Time Bank the amount of US$10 Million including interest which had been taken by RBZ before cancellation of Time Bank's licence.
(iii) That Time Bank can re-open in phases until 31 December 2024 and thereafter Time Bank will be fully re-established.

(b) In 2022 RBZ authorised Time Bank to re-open in phases in line with the Settlement Agreement, following a pre-opening inspection of Time Bank by RBZ.

(c) Directors would like to make users of these financial statements aware of the complexities and challenges of our historical experience and how it impacted on the Banks's capacity to resume banking operations fully in the last 19 years.