



ANNUAL REPORT 2024



Balancing Stability and Growth

Key Indicators-2024

Macroeconomic Indicators

US\$527 million Total Reserves

Buildup of reserves from US\$285 million as at 5 April 2024 to US\$527 million as at 31 December 2024.

3.7% ZiG Month-on-Month Inflation

Month-on-Month Inflation (ZiG) end period inflation was 3.7% from 11.7% in November 2024.

ZiG25.79:US\$ Exchange Rate

The ZiG exchange rate averaged ZiG13.70:US\$ from April to September and ended the year at ZiG25.79:US\$.

2% Estimated Growth in 2024

GDP growth was estimated at 2% in 2024, largely due to El-Nino induced drought.

ZiG3.5 billion Reserve Money (Local Currency Component)

The local currency component of Reserve Money ended 2024 at ZiG3.5 billion, well below the target of ZiG4 Billion.

5.1% Broad Money Growth

Broad money remained contained and registered a month-on-month growth rate of 5.1% in December 2024.

Banking Sector Indicators

Capital Adequacy Ratio

34.89%

Non-Performing Loans Ratio

3.37%

Return On Assets

24.72%

Return On Equity

65.62%

Loan to Deposit Ratio

58.83%

Prudential Liquidity Ratio

58.84%

Number of Banking Institutions

19

Financial Inclusion Indicators

Number of loans to youth increased from **57 216** in 2023 to **73 770** in 2024.

Number of loans to women increased from **185 326** in 2023 to **319 634** in 2024.

Number of Mobile Money Subscribers increased from **8.80 million** in 2023 to **9.96 million** in 2024.

Number of Low Cost Accounts **3.37 million**.

Number of Point of Sale Machines **137 304**.



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Chairman's Statement

“At the core of the Reserve Bank's new monetary policy framework, was the introduction of the structured currency, the Zimbabwe Gold (ZiG) on 5 April 2024, backed by a basket of foreign reserves including gold and foreign currency.”

Dr. John Mushayavanhu
Chairman & Governor

Upon assumption of duty as the Central Bank Governor in 2024, the Reserve Bank of Zimbabwe adopted a 'Back-to-Basics' strategy, which attaches great prominence on restoring policy credibility, confidence and trust. My appointment which became effective on the 28th of March 2024, followed the end of term of Dr. J.P. Mangudya which ran from 2014-2024.

I commend Dr. Mangudya for formulating and implementing appropriate monetary and financial policies consistent with the difficult domestic and external conditions experienced during his term of office.

To realize its strategic reform objectives, the Reserve Bank affirmed its strong commitment to return to core central banking practices by re-organising its internal structures and operational framework as articulated in its 5-year Strategy Plan (2025-2029). Under the new Strategy, the Reserve Bank adopted a new Vision **'To Be An Innovative World-Class Central Bank'**, focusing solely on its statutory mandate of ensuring price, currency, exchange rate and financial sector stability, anchored by an effective monetary policy framework.

The new strategic thrust of the Reserve Bank is well-aligned with the broader national macroeconomic stability objectives as enunciated in the National Development Strategy 1 and 2 (NDS1 & 2) and Vision 2030.

Specifically, the new Reserve Bank Strategy is underpinned by three Strategic Key Focus Areas (SKFAs) namely:

- (i) Consolidating Price, Currency and Exchange Rate Stability;
- (ii) Enhancing Monetary Stability, Research, Policy and Data Integrity; and
- (iii) Maintaining the Safety, Soundness, Resilience and Integrity of the Financial Sector.

The SKFAs are supported by the following Enabling Key Focus Areas (EKFAs):

- (i) Leveraging Technology for Efficiency and Service Delivery;
- (ii) Talent Management, Organisational Development, Strategic Communication and Stakeholder Engagement; and
- (iii) Sustainable and Efficient Financial Management.

In implementing the new Strategy, the Reserve Bank strengthened its regulatory and operational frameworks to safeguard financial stability and improve corporate governance. Accordingly, the Reserve Bank reformed the foreign exchange trading system by transitioning from the auction system to the Willing-Buyer-Willing-Seller (WBWS) foreign exchange trading arrangement, to promote a transparent and efficient price discovery mechanism and curb distortions and attendant speculative tendencies.

In order to tackle challenges of inflation and exchange rate volatility, the Reserve Bank recalibrated its monetary policy framework as outlined in my inaugural Monetary Policy Statement of 5 April 2024. At the core of the Reserve Bank's new monetary policy framework was the introduction of the structured currency, the Zimbabwe Gold (ZiG) on 5 April 2024, backed by a basket of foreign reserves, including gold and foreign currency.

Reflecting the recalibrated monetary policy stance, the economy experienced price, exchange rate and financial stability from April to December 2024, despite the once-off spike in inflation in October 2024. The exchange rate stability supported stronger economic resilience, despite significant headwinds from domestic and external shocks. This notwithstanding, economic growth decelerated from 5.3% in 2023 to an estimated 2% in 2024, owing to the severe El-Nino-induced drought, which undermined agricultural and hydroelectricity production. At the same time, global growth remained lacklustre against the background of significant challenges from the lingering effects of the pandemic, conflict spillovers from the region and beyond, geo-economic fragmentation and volatile commodity prices.

Despite the challenging macroeconomic environment, the financial sector exhibited stability and steady growth in 2024, which contributed to inclusive and sustainable economic growth. The banking sector remained adequately capitalised, while the non-performing loans ratio remained below the international benchmark of 5%. The National Payment Systems have also remained efficient and stable in anchoring the smooth functioning of the local currency (the ZiG).

On the external sector front, the country's balance of payments (BOP) position remained favourable as evidenced by the current account surplus of US\$501.2 million realised in 2024. The strong current account performance reflects the 21% increase in foreign currency receipts from US\$11.0 billion in 2023 to US\$13.3 billion in 2024.

The favourable external sector performance helped the Reserve Bank to build strategic foreign reserves to back the structured currency and cement the confidence and trust in the ZiG. The progressive foreign reserve accumulation strategy adopted by the Reserve Bank saw the foreign currency reserves grow from US\$285 million as at 5 April 2024 to over half a billion US dollars by 31 December 2024. Concomitantly, gold holdings, which represent a significant component of the reserves, increased from 1,500kg to 2,670kg during the same period.

The audited financial statements of the Reserve Bank attached to this Annual Report, show an inflation adjusted surplus of ZiG1.2 billion for the year ended 31 December 2024 from a deficit of

ZiG1.5 billion realised in 2023. The Reserve Bank also registered positive equity of ZiG2.3 billion in 2024 compared to ZiG2.2 billion in 2023. I would like to thank the Government of Zimbabwe, for capitalising the Reserve Bank with US\$111 million during 2024.

Consistent with international best practice in corporate governance, the Reserve Bank strictly adhered to all statutory requirements, including Board and Monetary Policy Committee (MPC) meetings and audited financial statements for the year 2024.

Going forward, the Reserve Bank commits to upholding the primacy of price, exchange rate and financial sector stability to underline its reform credentials, stay the course and **'walk the talk'** on prudent monetary policy management.

I would like to express my profound gratitude to the Reserve Bank Board of Directors, Monetary Policy Committee members, Senior Management and Staff and all stakeholders for their continued support and collaboration.

Together, we can collectively create conditions for sustained price, currency and financial sector stability, to build a resilient and prosperous Zimbabwe.



Dr. J. Mushayavanhu
CHAIRMAN & GOVERNOR

01

About the Reserve Bank of Zimbabwe

- 1.1 Overview
- 1.2 Role of the Reserve Bank of Zimbabwe
- 1.3 Governance and Accountability
- 1.4 Strategic Realignment



1.1. Overview

At the apex of the financial system is the Reserve Bank of Zimbabwe (RBZ). It has its origins in the Bank of Rhodesia and Nyasaland, which was established in 1956 as the Central Bank to the then Federation of Rhodesia and Nyasaland. The Bank was the successor to the Central Currency Board, whose only role was to issue currency.

Prior to the establishment of the Bank of Rhodesia and Nyasaland, individual banks were responsible for their own currencies. The Southern Rhodesia Currency Board was thus set up in 1940, in a bid to resolve problems inherent with the then existing multi-currency setup. The Currency Board was renamed the Central African Currency Board in 1953. Subsequently, the Reserve Bank of Zimbabwe became the successor Central Bank.

The Reserve Bank of Zimbabwe operates under the Reserve Bank of Zimbabwe Act, [Chapter 22:15] of 1964 which has been reviewed over the years with the last revision effected in 2010.

The Act provides for the Board of Directors and the post of Governor who is responsible for the day-to-day administration and operations of the Bank. The Governor is assisted by two Deputy Governors. The Governor and his two deputies are appointed by The State President in consultation with the Minister of Finance, Economic Development and Investment Promotion for a maximum of two five-year renewable terms. The Board of Directors is chaired by the Governor, and its membership includes a maximum of seven Non-Executive Directors, appointed by The President and representing key sectors of the economy.

The Act provides for the scope and operations of the Reserve Bank of Zimbabwe. The Bank's mandate as defined in Section 6 of the Reserve Bank Act [Chapter 22:15] is as follows:

- i. Regulate Zimbabwe's Monetary System;
- ii. Achieve and maintain price stability to protect the value of the domestic currency to support sustainable economic growth;
- iii. Fostering a stable financial system: promoting safety, integrity, sustainability and inclusivity of the financial sector;
- iv. Formulate and execute the Monetary Policy of Zimbabwe; and
- v. Banker and financial advisor to Government.

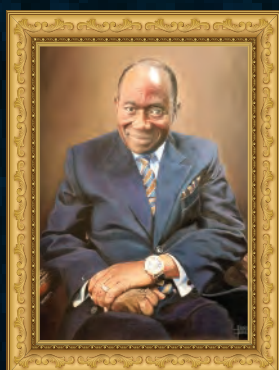
Governors' Timelines from 1983



Dr. K. J. Moyana
(1983-1993)



Dr. L.L. Tumba
(1993-2003)



Dr. G. Gono
(2003-2013)



Dr. J.P. Mangudya
(2014-2024)



Dr. J. Mushayavanhu
(Since April 2024)

For more information about the Reserve Bank of Zimbabwe, visit the Bank's website www.rbz.co.zw

1.2. The Role of the Reserve Bank of Zimbabwe

The Reserve Bank of Zimbabwe is responsible for the formulation and execution of forward-looking policies designed to address and sustain monetary, currency, exchange rate and financial sector stability in the economy. The role as enshrined in Section 6 of the Reserve Bank Act [Chapter 22:15] is to maintain monetary stability, regulate financial institutions, ensure the smooth operation of the payment system, and manage inflation to support sustainable and inclusive economic growth.



The Vision, Mission and Values were subsequently reviewed in December 2024

1.3. Governance and Accountability

During the year under review, the Reserve Bank of Zimbabwe's governance structure comprised of the Board of Directors, Board Committees, Monetary Policy Committee (MPC), Executive Committee (EXCO) and the Works Council. The Reserve Bank of Zimbabwe Act [Chapter 22:15], confers and imposes functions on the Reserve Bank and also gives the Board power to formulate the Bank's policies and supervise the Bank's administration and operations.

The Board is composed of the Governor who is the Chairman, two (2) Deputy Governors, who serve as Executive Directors, as well as seven (7) Non-Executive Directors appointed by The President in consultation with the Minister of Finance, Economic Development and Investment Promotion.

Reserve Bank of Zimbabwe Board

In compliance with Section 29 and 29A of the enabling legislation, the Board constituted the following Committees:



2024-Board of Directors¹

Mrs. M. Dzumbunu

Deputy Chairperson &
Chair of Audit & Risk
Committee



Dr. J. T. Chipika
Deputy Governor



Prof. J. Parwada
Non-Executive Director



Dr. C. M. Fundanga

Non-Executive Director
& Chair of Banking Sector
Stability Committee



Dr. I. Matshe
Deputy Governor



Dr. J. Mushayavanhu
Chairman & Governor

Ms. K. Maphisa²
Non-Executive Director



Mrs. E. Fundira
Non-Executive Director



Ms. B. Muswaka
Non-Executive Director



Mr. F. Ngorora³
Non-Executive Director
Ministry of Finance, Economic
Development & Investment Promotion
Representative



Mr. E. I. Manikai
Non-Executive Director
& Chair of Human Resources
& Governance Committee



1. Dr. J. P. Mangudya, Governor & Chairman (1 Jan - 27 Mar 2024).
2. Ms. K. Maphisa was appointed onto the Board with effect from 1 July 2024.
3. Mr. F. Ngorora was appointed onto the Board with effect from 1 July 2024 but passed-on on 20 November 2024.

The Board convened five (5) times in 2024, four (4) times as per the scheduled calendar of meetings plus one ad hoc meeting held in November 2024. The ad hoc meeting was scheduled to discuss the Sustainability Standards Certification Initiative (SSCI) that the Bank is currently undertaking. A summary of the Board members' attendance is as indicated in Table 1.

Table 1: Reserve Bank of Zimbabwe Board Members' Attendance

Name of Board Member ¹	Role	Number of Meetings Attended	Number of Eligible Meetings
Dr. J. Mushayavanhu	Chairman	5	5
Mrs. M. Dzumbunu	Deputy Chairperson	5	5
Dr. I. Matshe	Executive Director	5	5
Dr. J. T. Chipika	Executive Director	4	5
Prof. J. Parwada	Non-Executive Director	5	5
Mr. E. I. Manikai	Non-Executive Director	3	5
Dr. C. Fundanga	Non-Executive Director	5	5
Ms. B. Muswaka	Non-Executive Director	5	5
Mrs. E. Fundira	Non-Executive Director	5	5
Ms. K. Maphisa ²	Non-Executive Director	2	2
Mr. F. Ngorora ³	Non-Executive Director & Ministry of Finance, Economic Development & Investment Promotion Representative	2	2

The Board Committees also held their quarterly meetings as required by the enabling Act. Attendance was as given in Table 2.

Table 2: Board Committee Members' Attendance in 2024

Name of Board Member	Number of Meetings Attended	Number of Eligible Meetings
Audit and Oversight Committee		
Mrs. M. Dzumbunu (Chairperson)	8	8
Prof. J. Parwada	8	8
Ms. B. Muswaka	8	8
Mrs. E. Fundira	8	8
Mr. F. Ngorora	2	4
Human Resources & Governance Committee		
Mr. E. I. Manikai (Chairman)	4	4
Dr. I. Matshe	4	4
Mrs. M. Dzumbunu	4	4
Ms. K. Maphisa	2	2
Banking Sector Stability Committee		
Dr. C. M. Fundanga (Acting Chairperson)	4	4
Dr. J. T. Chipika	2	4
Mr. F. Ngorora	1	2

Monetary Policy Committee

In compliance with Section 29B of the enabling legislation, the Reserve Bank has a Monetary Policy Committee (MPC) which is independent from the Board of Directors. The MPC comprises of the Governor as the Chairperson, the two (2) Deputy Governors and not less than five (5) but not more than seven (7) other persons appointed by the President after consultation with the Minister of Finance, Economic Development and Investment Promotion.

Functions of the MPC

The following are the functions of the MPC:

- (i) To determine the monetary policy of Zimbabwe, including the setting of limits on Open Market Operations by the Bank.
- (ii) To ensure price stability as defined by the Government's inflation target set out in the National Budget.
- (iii) To determine interest rates for the economy in line with the Government's economic policies and targets for growth and employment.
- (iv) To perform such other functions related to monetary policy as the Minister of Finance, Economic Development and Investment Promotion may prescribe by regulations.

MPC Members⁴

Dr. J. Mushayavanhu	Chairman & Governor (from 28 Mar 2024)
Dr. I. Matshe	Deputy Governor
Dr. J. T. Chipika	Deputy Governor
Prof. A. Chakravarti	Member
Mrs. M. Dzumbunu	Member
Dr. C. C. Jinya	Member
Prof. D. Makina	Member
Prof. A. Makochekanwa ⁵	Member
Mr. P. E. Gwanyanya	Member

4. Dr. J. P. Mangudya, Chairman & Governor (1 Jan-27 Mar 2024).

5. Prof. Makochekanwa's tenure ended in July of 2024.

2024 Monetary Policy Committee



Dr. J. Mushayavanhu
Chairman & Governor



Dr. J. T. Chipika
Deputy Governor



Dr. I. Matshe
Deputy Governor



Mr. P. E. Gwanyanya
Committee Member



Prof. D. Makina
Committee Member



Dr. C.C. Jinya
Committee Member



Mrs. M. Dzumbunu
Committee Member



Prof. A. Chakravarti
Committee Member



Prof. A. Makochehanwa
Committee Member

The Reserve Bank of Zimbabwe Monetary Policy Committee meets quarterly and as needed.

The MPC held its meetings as required by the enabling Act and attendance was as given in Table 3.

Table 3: Monetary Policy Committee Members' Attendance in 2024.

Name of MPC Member ⁴	No. of Meetings Attended	No. of Eligible Meetings
Dr. J. Mushayavanhu (Chairman)	5	5
Dr. I. Matshe	5	5
Dr. J. T. Chipika	4	5
Prof. Ashok Chakravarti	4	5
Mrs. M. Dzumbunu	5	5
Prof. D. Makina	5	5
Dr. C. C. Jinya	5	5
Mr. P.E. Gwanyanya	4	5
Prof. A. Makochekanwa ⁵	3	3

4. Dr. J. P. Mangudya , Chairman & Governor (1Jan-27 Mar 2024).

5. Prof. Makochekanwa's tenure ended in July of 2024.

Executive Committee (EXCO)

The Bank's EXCO comprised of the following members in 2024:

Dr. J. Mushayavanhu	Chairman and Governor
Dr. J. T. Chipika	Deputy Governor
Dr. I. Matshe	Deputy Governor
Dr. M. B. Mpofu	Advisor and Executive Assistant to the Governor
Mr. E. Matiza	Director, Financial Markets
Dr. N. Mupunga	Director, Economic Research, Modelling and Policy
Mr. J. Mverecha	Director, Policy and Strategy, Governor's Office
Mr. T. Mubvuma	Acting Director, External Affairs and Stakeholder Engagement
Mr. N. Nyemudzo	Director, Finance, Assets and Stores Management
Mrs. V. Sithole	Director, Bank Secretary and General Counsel
Mr. A. Saburi	Director, Banking Operations and Currency Management
Mr. C. Chiketa	Director, Human Resources
Mr. C. Haparari	Director, ICT, Innovation Hub and Fintechs
Dr. T. Chitauo	Director, Capital Flows Administration, Accounting and Management
Mrs. M. Harry	Director, Corporate Affairs
Mr. P. T. Madamombe	Director, Bank Supervision, Surveillance and Financial Stability
Mr. F. Masendu	Director, Financial Surveillance
Mrs. M. L. Chiwaka	Head, Internal Audit
Mr. C. Garwi	Head, Group Security and Loss Control
Mrs. M. Kangere	Head, Procurement Management Unit

Legislation

During the year 2024, there were several legal instruments promulgated which amended the Exchange Control Act [Chapter 22:05], the Banking Act [Chapter 24:20] and the Reserve Bank of Zimbabwe Act [Chapter 22:15]. The relevant Statutory Instruments are as follows:

Presidential Powers (Temporary Measures) (Zimbabwe Gold Notes and Coins) Regulations, Statutory Instrument 60 of 2024 confirmed by Finance (No.2) Act of 2024

The legislative amendments introduced the Zimbabwe Gold as a legal tender and unit of account replacing the Zimbabwe dollar. The Statutory Instrument also introduced the ZiG10, 20, 50, 100 and 200 notes. The amendments also provided for conversion of existing Zimbabwe dollar balances into Zimbabwe Gold and the swap of Zimbabwe dollar banknotes and coins for Zimbabwe Gold.

Reserve Bank of Zimbabwe (Issue of Zimbabwe Gold Coins) Notice Statutory Instrument 75 of 2024

The Statutory Instrument provided for the issuance of one, two and five denominated ZiG coins in line with section 44D (2) of the Reserve Bank of Zimbabwe Act.

Exchange Control (Amendment of Schedule to Exchange Control Act) Notice Statutory Instrument 81A of 2024

The Statutory Instrument refined the civil penalties framework by introducing a civil penalty in relation to charging for goods and services above the prevailing average interbank foreign currency selling rate published by the Bank. The Statutory Instrument further provided for penalties in Zimbabwe Gold Currency.

Exchange Control (General) (Amendment) Order (No. 21), Statutory Instrument 166 of 2024

The Statutory Instrument prescribed the amount of currency that a traveller is allowed to export on person or in baggage or to possess whilst in the departure lounge or at a port of exit without seeking prior Exchange Control approval.

Additionally, during the reporting period amendments to the Reserve Bank of Zimbabwe Act, the Exchange Control Act and the Banking Act were effected through the following Finance Act:

- i. to section 7 of the Reserve Bank of Zimbabwe Act by revising the Bank's borrowing powers by providing that the Bank can only borrow foreign currency on behalf of the State with the Minister of Finance, Economic Development and Investment Promotion's approval. The amended section also provided that in the event that borrowing affects the Bank's statutory reserve limits, the Minister of Finance, Economic Development and Investment Promotion may suspend the reserve requirement for up to six (6) months, with further extensions requiring National Assembly approval.
- ii. amended the Exchange Control Act by providing an extension for the period for settlement of any transaction or payment for goods and services in foreign currency, in so far as permitted by the schedule to the Exchange Control Act, from 2025 to 2030.
- iii. amended the Schedule to the Banking Act on ("International Financial Services Center") by increasing the number of members required for the International Financial Services Council from nine (9) to thirteen (13), specifying the qualifications for the additional members and removing the disqualification for membership on the Council based on not being a citizen of Zimbabwe.
- iv. Finance (No.2) Act of 2024 – The Finance Act introduced a new section 44D to the Reserve Bank of Zimbabwe Act relating to the issuance of Zimbabwe Gold notes and coins and their legal tender status. The Act further replaced references to "Zimbabwe dollar" with "Zimbabwe currency", to align with the introduction of the Zimbabwe Gold.



4

Statutory Instruments



4

Finance Act Amendments

Litigation

The Bank was involved in the following litigation in the year 2024 that was either concluded or is still ongoing and could possibly impact its operations:

The Bank was cited in a case involving damages for US\$466 313.53 against a financial institution for failure to have the Plaintiff in that matter delisted from the Credit Registry blacklisting. The Bank was cited in its capacity as the administrator of the Credit Registry. There is no pecuniary exposure to the Bank involved.

The Supreme Court granted the Bank's appeal against the Labour Court's ruling to reinstate a Senior Economist who leaked a confidential document. Resultantly, the Senior Economist's dismissal from the Bank was upheld.

The Supreme Court ruled against the Bank in an appeal involving 169 former contract security guards employed between 2007 and April 2011 who were seeking to be paid retrenchment packages in terms of retrenchment negotiations of September 2011. The Bank has since paid the security guards in line with the court judgment.

An application has been filed to hold the Bank liable for the payment of US\$1.5 million in a dispute between a local microfinance institution and its foreign investor. The Bank's alleged liability arises from its management of the foreign currency auction system.



02

The Reserve Bank Strategy

- 2.1 Strategic Realignment for 'Back-to-Basics'
- 2.2 Strategy Planning Session
- 2.3 Strategy Plan (2025-2029)



2.1 Strategic Realignment for 'Back-to-Basics'

Background

A Bank-wide restructuring and realignment exercise was undertaken informed by a comprehensive corporate diagnosis and the need to align with regional and international best practice. The re-organisation involved a thorough assessment of existing structures, processes, and policies to identify areas that require enhancement, realignment, modification and moderation to reorient the Bank to **'Back-to-Basics'**. This included redefining roles and responsibilities across various Divisions to foster a culture of accountability and enhancing collaboration.

The restructuring and realignment exercise largely focused on achieving the following key result areas:

1. Strengthening Policy Coordination and Implementation;
2. Boosting the Bank's Digitalisation/Thrust;
3. Strengthening the Bank's Cyber Security Framework;
4. Enhancing the Bank's Information Management System;
5. Ensuring Adequate Checks and Balances for Integrity, Operational Efficiency and Effectiveness;
6. Monitoring Divisional Performance;
7. Integrating Specialist Skills;
8. Strengthening the Bank's Strategic Communications; and
9. Developing the New Reserve Bank Brand and Ensuring Visibility and Presence.

Leadership Transition

Governor Dr. J.P. Mangudya ended his 10-year tenure (2 five-year terms) with the Bank and retired according to Section 14(1) of the Reserve Bank Act [Chapter 22:15]. The President of the Republic of Zimbabwe in consultation with the Minister of Finance, Economic Development and Investment Promotion appointed Dr. J. Mushayavanhu as Governor of the Reserve Bank of Zimbabwe effective 28 March 2024.

Subsequently, the diagnostics process leading to the restructuring of the Bank and its operational framework was initiated. The Bank introduced the Strategy and Policy Division, as well as the External Affairs and Stakeholder Engagement Division. In addition, it refocused several key Divisions including the Corporate Affairs; ICT; Innovation Hub and Fintechs; Financial Markets and Banking Operations and Currency Management, Capital Flows; Administration; Accounting and Management and Financial Surveillance Divisions to enhance the Banks' operational efficiency.



Realignment of Reserve Bank Structure

The Reserve Bank's operations were managed and supervised through the Executive Committee comprising of Directors and Heads of Units that make up the sixteen (16) functional areas of the Bank. The Deputy Governors and the Executive Assistant to the Governor had oversight on twelve (12) of the functional areas while four (4) report directly to the Governor.

In this regard, the Reserve Bank's structure is made up of three (3) distinct clusters as follows: Governance, Price Stability in the Macro-Economy and Exchange Rate Stability which is overseen by the Governor; Financial Stability and Human Resources Management under the supervision of a Deputy Governor; Economic Research, ICT Innovation, Banking Operations and Risk Management also overseen by a Deputy Governor.

Figure 1 shows the Reserve Bank of Zimbabwe's Executive Committee members and their reporting lines which were realigned in 2024 consistent with the 'Back-to-Basics' strategic thrust.

"The re-organisation of the Reserve Bank involved a thorough assessment of existing structures, processes, and policies to identify areas that require enhancement, realignment, modification and moderation to reorient the Bank to 'Back-to-Basics'."

Figure 1: Reserve Bank of Zimbabwe, Executive Committee Members





2.2. Strategy Planning Session

In 2024, the Reserve Bank formulated its five-year Strategy Plan (2025–2029), designed to reinforce its core mandate of ensuring price and financial stability. This strategic framework aligns with the Bank's **'Back-to-Basics'** approach, prioritizing a balanced pursuit of confidence, trust, credibility, efficiency, stability, and growth.

The strategy formulation process followed a hybrid approach which included top-down guidance, in which the Governor laid-out the **'Back-to-Basics'** strategic direction and a bottom-up approach which entailed Divisional strategic planning sessions and inputs from the Reserve Bank's stakeholders.

Stakeholders⁷ in general underscored the need for monetary policy consistency, exchange rate stability, and the importance of rebuilding trust in the local currency. The broader imperatives from the stakeholder submissions focused on the availability of ZiG cash, exchange rate

management and the need to re-build confidence and trust in the Reserve Bank. The stakeholders also proffered solutions and strategic actions to address issues raised.

The recommendations from the Integrated Results Based Management (IRBM) and Digitalisation and Culture Change consultants were also taken into consideration in the development of the Strategy Plan.

The RBZ Strategy (2025-2029) is also aligned with regional macro-economic aspirations, benchmarks and international best practice. In addition, the Strategy is informed by the need to embed sustainability across all its functions through the Sustainability Standards Certification Initiative (SSCI) under the European Organisation for Sustainable Development (EOSD).

"A strategy is a living document. In everything that we do, we should always refer to it and ask ourselves if we are still on course to achieve that which we set ourselves to do."

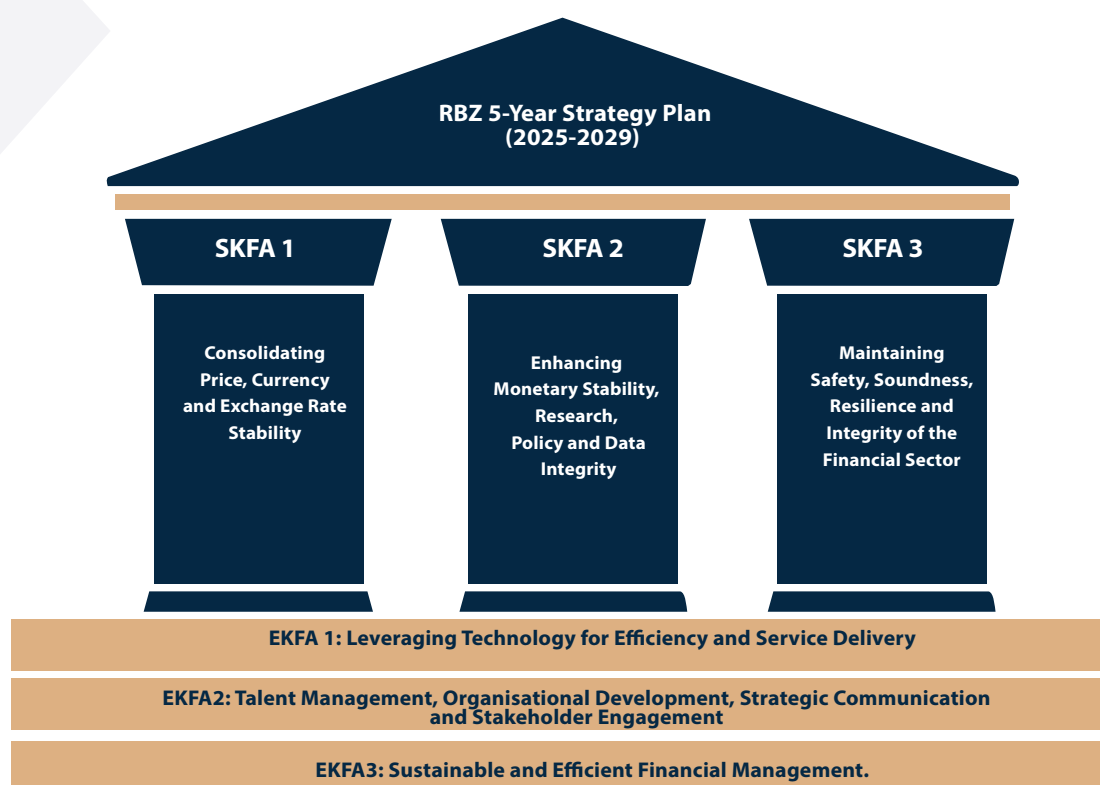
Governor-Dr. J. Mushayavanhu
RBZ Strategy Planning Session



7. The key stakeholders included the Bankers Association of Zimbabwe (BAZ), Confederation of Zimbabwe Industries (CZI), Confederation of Zimbabwe Retailers (CZR), Retailers Association of Zimbabwe (RAZ), Chamber of Mines (COM), Zimbabwe Council of Churches (ZCC), and Zimbabwe National Chamber of Commerce (ZNCC).

2.3 Strategy Plan (2025-2029)

The new Reserve Bank Strategy is underpinned by three Strategic Key Focus Areas (SKFAs), that are supported by three cross-cutting Enabling Key Focus Areas (EKFAs).



The strategy planning process culminated in the formulation of the new vision, mission and core values of the Bank.





Dr. M.B Mpofu, Executive Assistant and Advisor to the Governor, facilitating and moderating at the 2024 Strategic Planning Sessions at the RBZ Sports Club in Harare.



RBZ Senior Management at the 2024 Strategy Planning Session at Troutbeck Inn, Nyanga, December 2024.



Staff members participating in the Thematic Working Groups Session at the 2024 Strategic Planning Sessions at the RBZ Sports Club in Harare.



Stakeholders who presented at the 2024 Strategic Planning Sessions included, the Confederation of Zimbabwe Industries (CZI), Confederation of Zimbabwe Retailers (CZR), Retailers Association of Zimbabwe (RAZ) and Chamber of Mines (COM).

03

Strategic Operations & Performance

- 3.1. Price, Currency & Exchange Rate Stability
- 3.2 Monetary Stability, Research, Policy and Data Integrity
- 3.3 Safety, Soundness, Resilience and Integrity of the Financial Sector
- 3.4 Leveraging Technology for Efficiency and Service Delivery
- 3.5 Talent Management, Organisation Development , Strategic Communications & Stakeholder Engagement
- 3.6 Sustainable and Efficient Financial Management



3.1 Price, Currency & Exchange Rate Stability

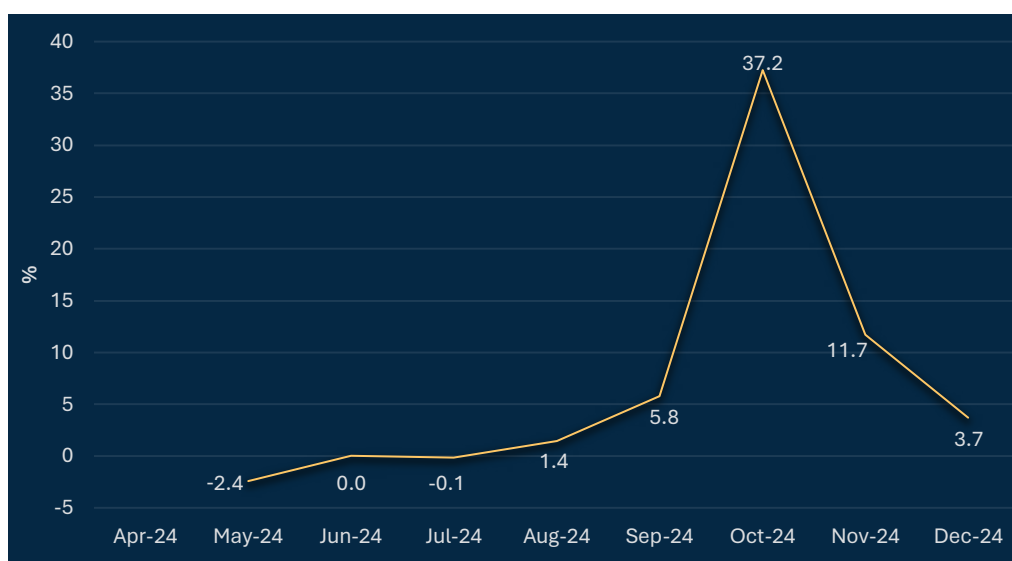
This section highlights the key activities undertaken by the Reserve Bank in 2024 and the key performance indicators and outcomes.

The primary mandate of the Reserve Bank of Zimbabwe is to ensure price, currency and exchange rate stability. During the first quarter of 2024, the local currency experienced episodes of severe pressure which resulted in the depreciation of the exchange rate.

The intermittent exchange rate pressures and resultant inflation undermined the stability of the local currency. In April 2024, in a bid to bring predictability, and certainty to the monetary and financial affairs in the country, the Reserve Bank introduced a structured currency, the Zimbabwe Gold (the ZiG). The ZiG is backed by a composite basket of foreign reserve assets that will at all times cover the total value of ZiG reserve money. The introduction of ZiG is consistent with the Reserve Bank's strategic realignment under the '**Back to Basics**' strategy.

As a result of tight monetary conditions, month-on-month inflation was contained within manageable levels notwithstanding a once off-spike observed in October 2024. The month-on-month inflation trend is depicted in Figure 2.

Figure 2: Trends in Month-on-Month ZiG Inflation April-December 2024



“
The ZiG is backed by a composite basket of foreign reserve assets that will at all times cover the total value of ZiG reserve money.
”

Source: ZIMSTAT (2024)

3.1.1 Issuance and Provision of Bank Notes and Coin

During 2024, the Reserve Bank continued to issue bank notes and coin to satisfy the demand for cash and support the transactional convenience of the public. Reflecting the introduction of the structured currency, the Reserve Bank issued ZiG1, ZiG2 and ZiG5 coin and ZiG10 and ZiG20 bank notes.



3.1.2 Foreign Exchange Operations

The Reserve Bank conducted foreign exchange interventions, coupled with foreign reserves accumulation to achieve price, currency and exchange rate stability in 2024.

The ZiG exchange rate to the US Dollar remained relatively stable from April 2024 to September 2024 averaging ZiG13.70:US\$1 and reached its lowest point in October 2024 at the level of ZiG28.68:US\$1 following a significant depreciation of about 43% in September 2024. The local currency was generally stable during the last quarter of 2024 as it appreciated to end the year at ZiG25.79:US\$1.

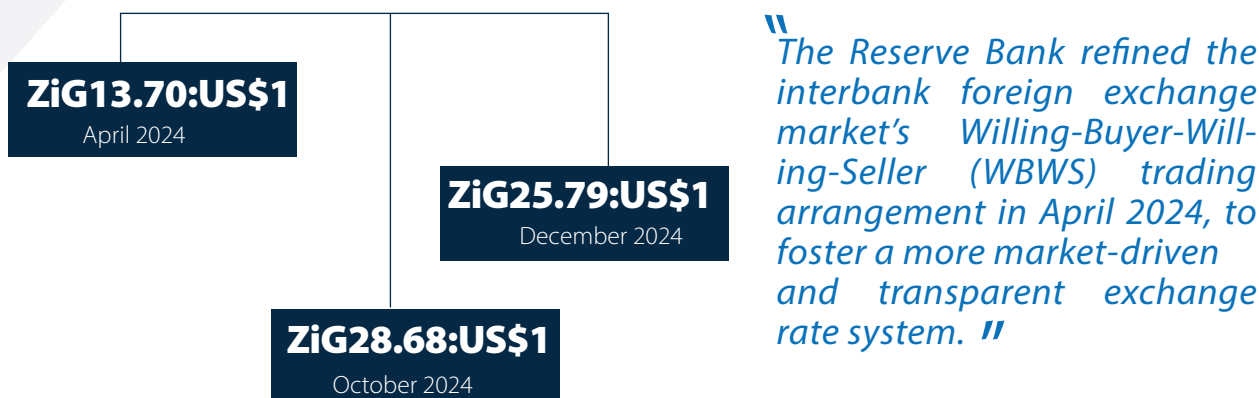
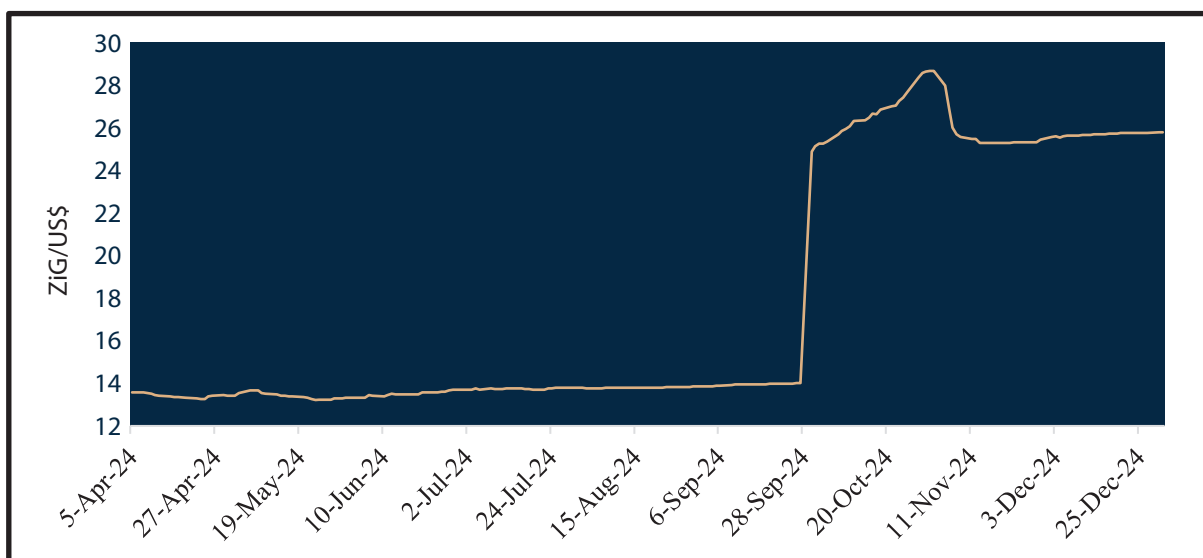


Figure 3: Exchange Rate Developments in 2024

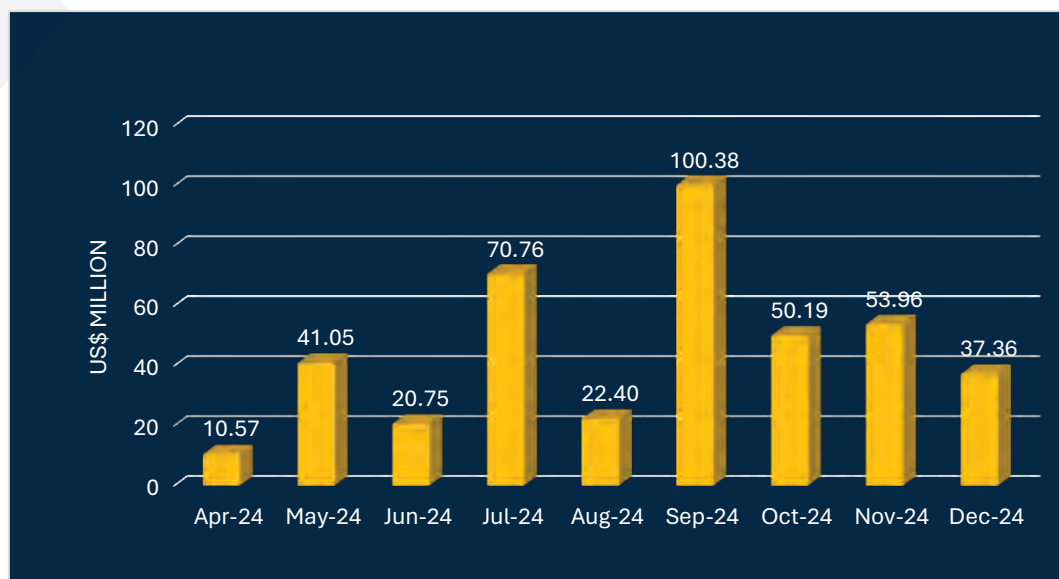


Source: Reserve Bank of Zimbabwe, 2024

The Reserve Bank refined the interbank foreign exchange market's Willing-Buyer-Willing-Seller (WBWS) in April 2024, to foster a more market-driven and transparent exchange rate system, while also enhancing businesses' access to foreign currency at market determined exchange rates.

To support market stability, the Reserve Bank utilised half of the 25% export surrender proceeds for interventions in the WBWS market. A total of US\$407.4 million was sold to the market between 5 April 2024 and 31 December 2024 by the Reserve Bank to liquefy the foreign exchange market and support the WBWS framework, as shown in Figure 4.

Figure 4: Foreign Currency Intervention in 2024 (US\$m)

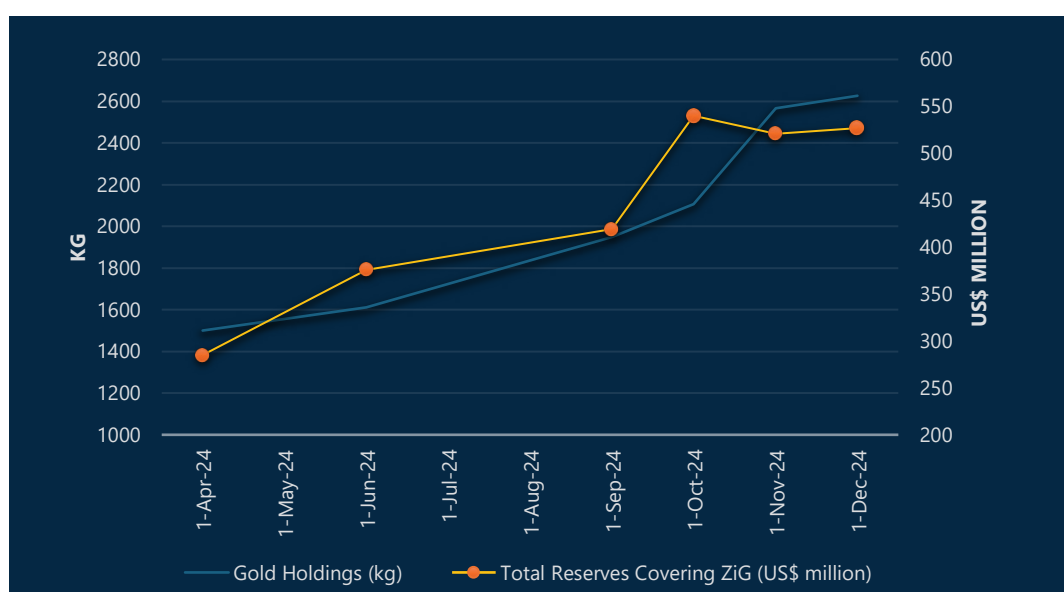


Source: Reserve Bank of Zimbabwe, 2024

Foreign Reserves Management

The Reserve Bank embarked on a gold and foreign exchange reserves building strategy in 2024 to support the local currency, the ZiG, as well as to improve import cover. The progressive foreign reserve accumulation strategy adopted by the Reserve Bank has seen the foreign currency reserves grow from US\$285 million as at 5 April 2024 to US\$527 million by 31 December 2024. Gold holdings which represent a significant component of the reserves, increased from 1,500kg to 2,670kg during the same period. Figure 5 shows the total reserves from April to December 2024.

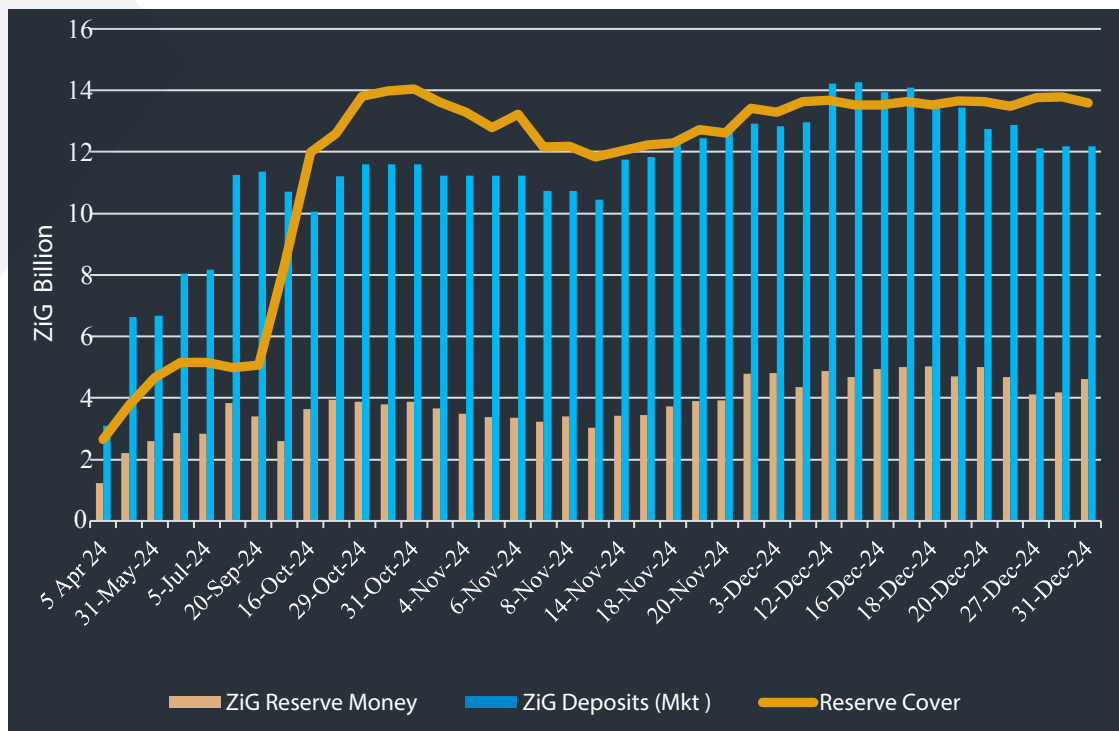
Figure 5: Reserves Covering Local Currency April-December 2024



Source: Reserve Bank of Zimbabwe, 2024

The accumulated reserves covered the local currency reserve money by almost 3 times and 100% of total deposits in the banking sector since August 2024, as reflected in Figure 6 below.

Figure 6: ZiG Reserve Money, Bank Deposits and Foreign Currency Reserve Cover



Source: Reserve Bank of Zimbabwe, 2024

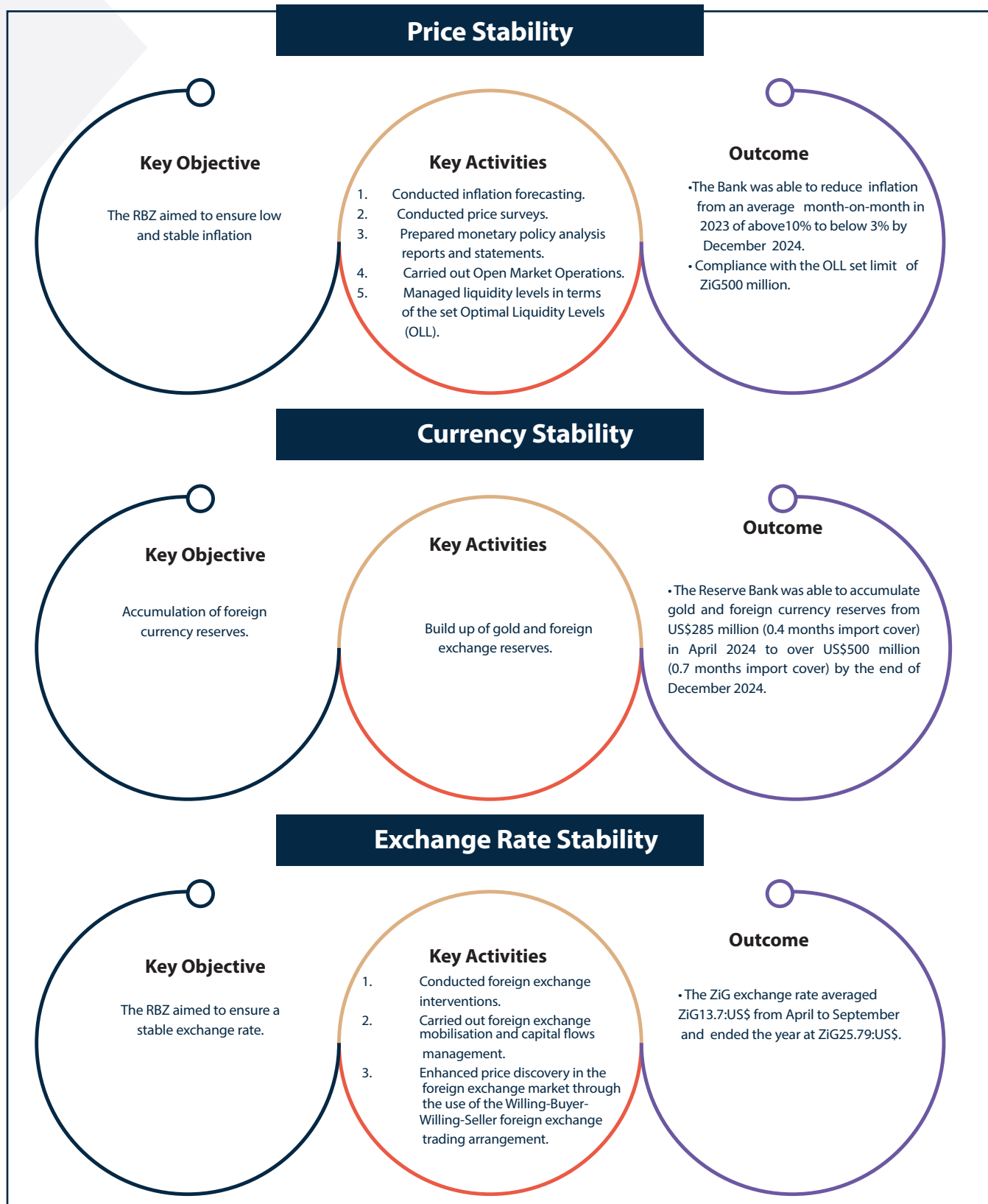
The more than 100% coverage of the ZiG components of both reserve money and bank deposits gave the Reserve Bank enough leverage to intervene in the foreign exchange market to smoothen market conditions and guarantee sustained exchange rate stability.



“The progressive foreign reserve accumulation strategy adopted by the Reserve Bank has seen the foreign currency reserves grow from US\$285 million as at 5 April 2024 to US\$527 million by 31 December 2024. ”

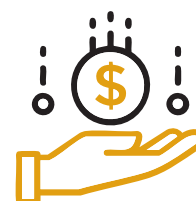
Figure 7 summarizes the actions taken by the Reserve Bank to ensure price, currency and exchange rate stability and the key outcomes.

Figure 7: Performance Summary - Price, Currency and Exchange Rate Stability



3.2 Monetary Stability, Research, Policy and Data Integrity

In order to achieve price, exchange rate and currency stability, the Reserve Bank strengthened its research and analytical capacity to ensure timely identification and prompt action to emerging risks to inflation and the exchange rate. As a result of these actions, the Reserve Bank was able to contain money supply growth which has previously been a key driver of exchange rate and inflation instability.



3.2.1. Reserve Money

Total reserve money, inclusive of foreign currency statutory reserves, stood at ZiG20.40 billion as at 31 December 2024. This largely reflected an expansion in the foreign currency component of reserve money in September 2024, following the upward review in statutory reserves.

ZiG20.40 Bn

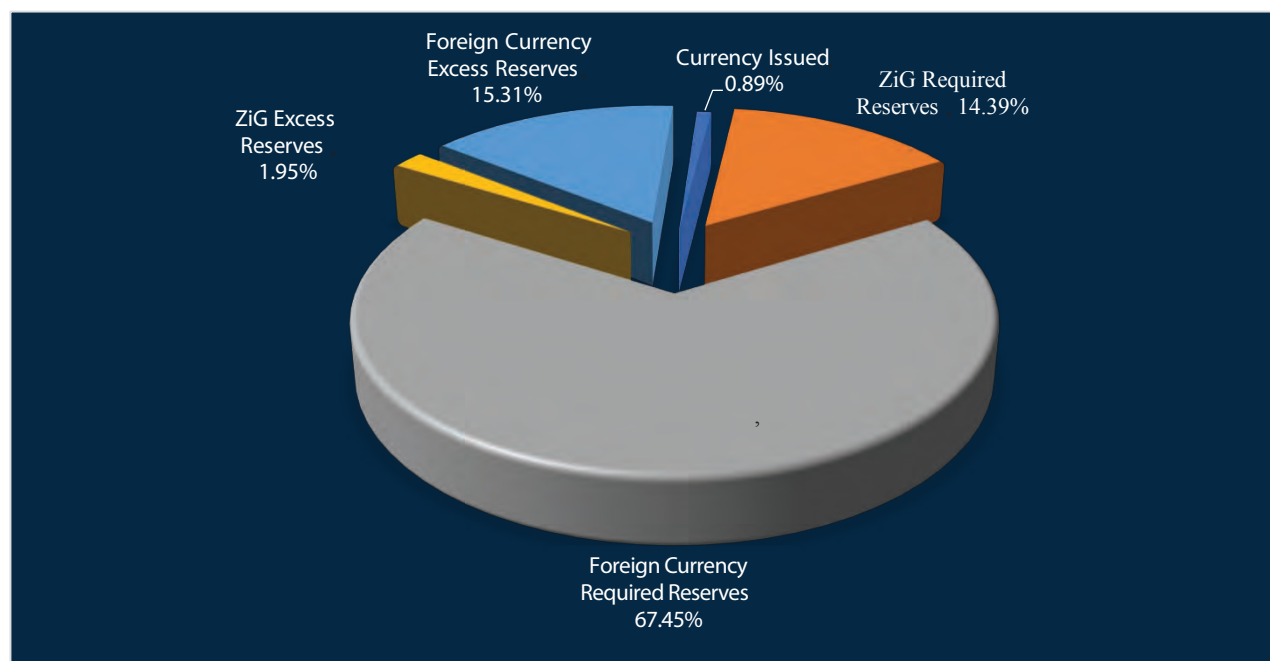
Reserve Money
31 December 2024

The local currency component of reserve money, which the Reserve Bank tracks for monetary policy purposes, was stable, increasing from ZiG3.3 billion in October 2024 and to ZiG3.5 billion in December 2024. This followed the tight monetary policy stance pursued by the Bank during the last quarter of 2024.

Total statutory reserves (local and foreign currency components) constituted over 80% of total reserve money as of December 2024, as shown in Figure 8.



Figure 8: Components of Reserve Money as at 31 December 2024

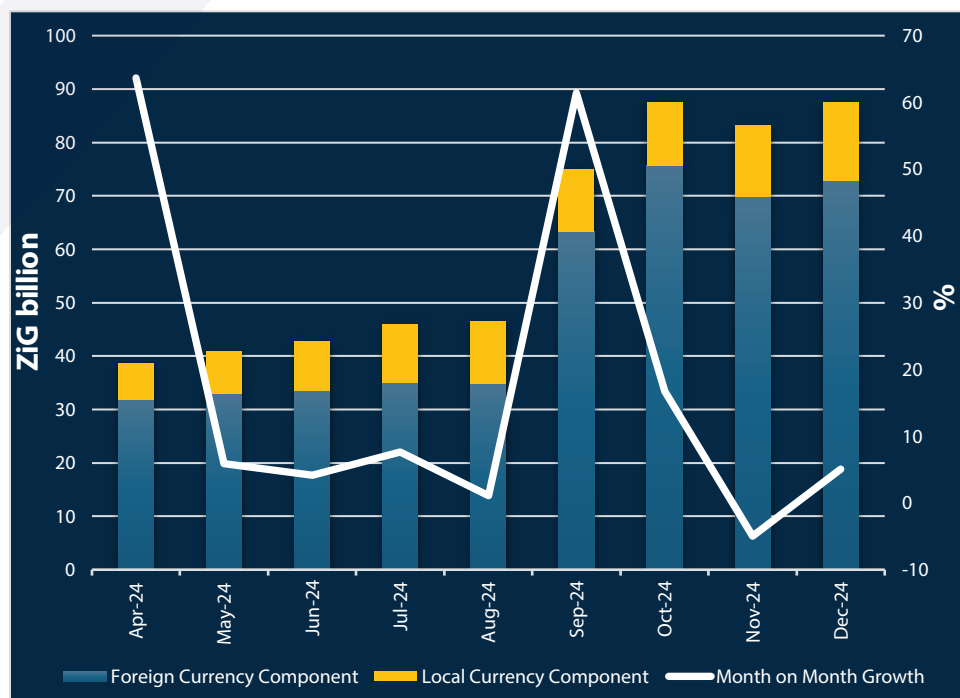


Source: Reserve Bank of Zimbabwe, 2024

Broad Money Stock which reached ZiG87.45 billion by 31 December 2024, primarily composed of foreign currency deposits (ZiG72.80 billion or 83.37%) and local currency deposits (ZiG14.54 billion or 16.63%). Monthly, broad money grew by 5.1% in December 2024.

Figure 9 shows foreign currency and local currency components of money supply and month-on-month growth rate of broad money for the period April 2024 to December 2024.

Figure 9: Monetary Aggregates April 2024 to December 2024



“...the Reserve Bank implemented the monetary policy strategy in terms of the new structured currency, to optimally manage money supply and liquidity conditions in the economy to achieve the policy imperatives of the Central Bank.”

Source: Reserve Bank of Zimbabwe, 2024

3.2.2. Open Market Operations

During 2024, the Reserve Bank implemented the monetary policy strategy in terms of the new structured currency, to optimally manage money supply and liquidity conditions in the economy to achieve the policy imperatives of the Central Bank.

The Reserve Bank continued to issue Non-Negotiable Certificates of Deposits (NNCDs) to mop-up excess liquidity from the market. In this regard, NNCDs averaged ZiG1.6 billion during the period from April 2024 to September 2024, before falling to ZiG606 million during the last quarter of 2024, following adjustments to statutory reserve requirements.

To ensure smooth flow of payments in the market, banks were allowed to liquidate some of their NNCDs to meet their daily liquidity requirements.

3.2.3. Reserve Bank Facilities

Overnight Accommodation

There was minimal activity on the Overnight Accommodation Facility as banks relied on the liquidation of NNCDs to meet their liquidity demands. Outstanding lender of last resort facility drawdowns as of 31 December 2024 amounted to ZiG234.8 million.

The Monetary Policy Committee (MPC) reviewed the Bank Policy Rate from 20% to 35% on 27 September 2024, to curtail exchange rate and inflationary pressures. As a result, the overnight accommodation rate was increased from 25% to 40%. To smoothen payments in the market and avoid gridlocks, the Reserve Bank reintroduced the intraday facility with effect from 4 November 2024. This facility allows banks facing liquidity challenges, early in the trading day, to borrow from the Central Bank and repay the loan later the same day once their liquidity position has improved.

Medium-Term Bank Accommodation (MBA) Facility

The MBA Facility was introduced to promote production and productivity for import substitution, export growth and employment creation. Banks accessed the facility for on-lending to the productive sectors of the economy.

There has been no drawdown on the facility since the introduction of the new currency, ZiG, as the Reserve Bank maintained a tight monetary stance. The outstanding amount under the facility totaled ZiG29.3 million as at 31 December 2024.

Interest rates on the Medium-Term Accommodation Facility have been guided by macroeconomic conditions and the applicable interest rate as of 31 December 2024 was 25% per annum.

3.2.4. Statutory Reserves

Changes in Statutory Reserve Ratios

The statutory reserve ratios were reviewed upwards effective 27 September 2024. Demand and call deposits in local and foreign currency were standardised to 30% from 15% and 20%, respectively. Similarly, statutory reserve requirements for savings and time deposits in both local and foreign currency were increased from 5% to 15%.

Local Currency Statutory Reserve Balances

Statutory reserve balances grew by 50% between 2 January 2024 and 3 April 2024, largely due to an expansion of the deposit base.

Following the introduction of the ZiG, statutory reserve balances increased by 728% between 5 April 2024 and 31 December 2024. This growth was mainly attributable to an increase in reserve ratios, which were reviewed upwards in September 2024. In addition, an increase in the deposit base was witnessed emanating from increased Government payments, foreign exchange purchases and credit creation by banks.

Foreign Currency Statutory Reserve Balances

The foreign currency statutory reserve balances increased during the review period as highlighted in Table 4 below.

Table 4: Foreign Currency Statutory Reserve Balances

CURRENCY	Jan-24	Dec-24	% Change
USD	226,495,461.00	563,122,963.12	148.62%
ZAR	143,087,415.08	137,980,068.67	-3.57%
BWP	1,025,233.62	1,296,421.21	26.45%
EUR	1,052,075.52	3,633,239.30	245.34%

Source: Reserve Bank of Zimbabwe, 2024



3.2.5. Banker and Advisor to Government

The Reserve Bank, as the agent to the Government of Zimbabwe, managed to raise ZiG5.9 billion through TB auctions and private placements in 2024.

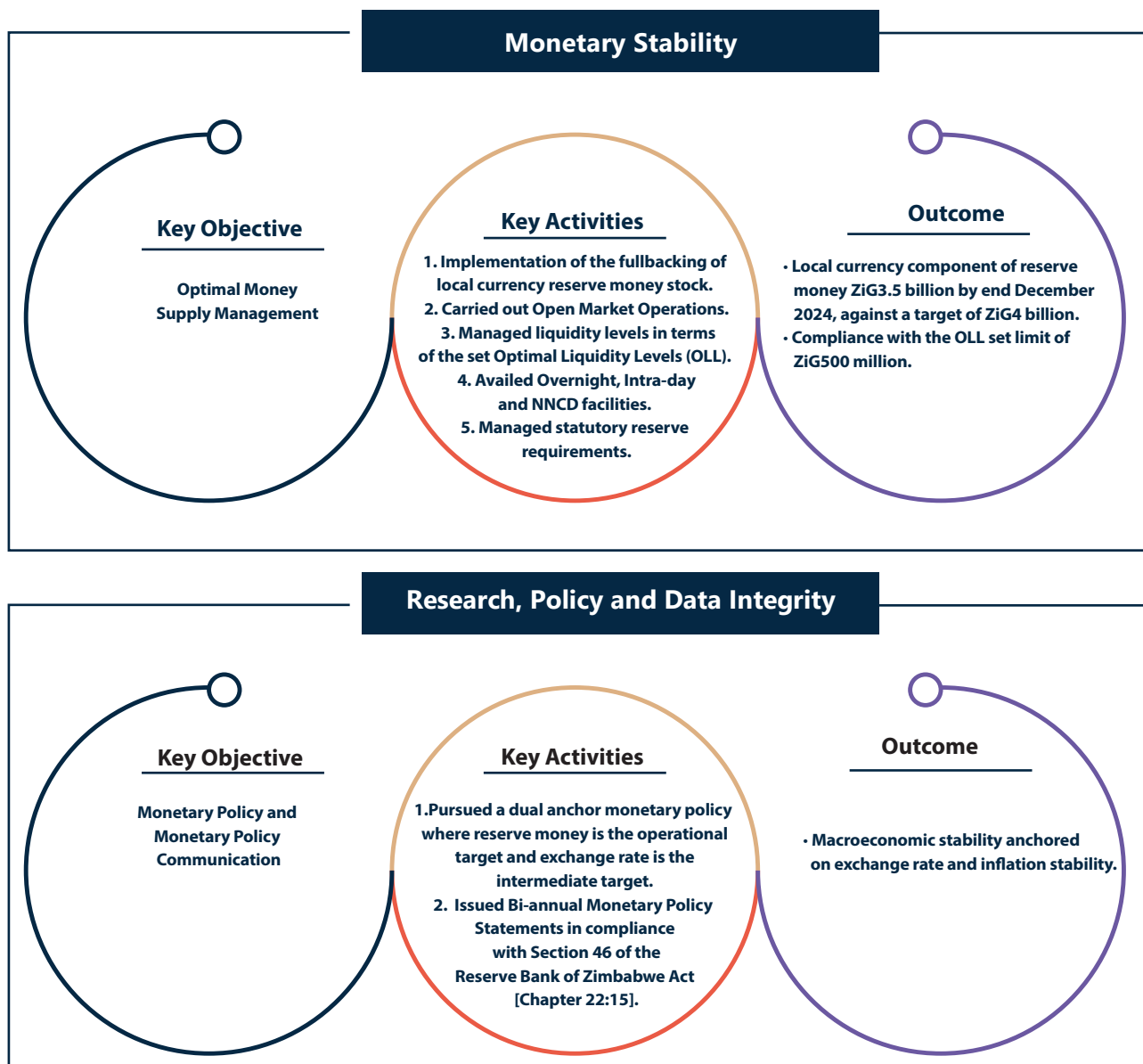


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In order to achieve prices, exchange rate and currency stability, the Reserve Bank strengthened its research and analytical capacity to ensure timely identification and prompt action to emerging risks to inflation and exchange rate.”



Figure 10: Performance Summary – Monetary Stability, Research, Policy and Data Integrity



3.3 Safety, Soundness, Resilience & Integrity of the Financial Sector

The Reserve Bank, in addition to its mandate to maintain price stability also ensures that the stability of the financial sector is maintained. This section reviews the key objectives, activities and outcomes of the Reserve Bank in maintaining the soundness, stability, integrity and resilience of the financial sector in 2024.

3.3.1 Banking Sector

The banking sector generally exhibited stability and steady growth over the year ended 31 December 2024, contributing to inclusive and sustainable economic growth.

The key financial soundness indicators shown in Table 5 attest to banking sector resilience.

"In line with its core mandate of promoting financial stability, the Reserve Bank closely monitored the operations of supervised entities to ensure safe and sound operations, underpinned by adequate risk management systems and governance."

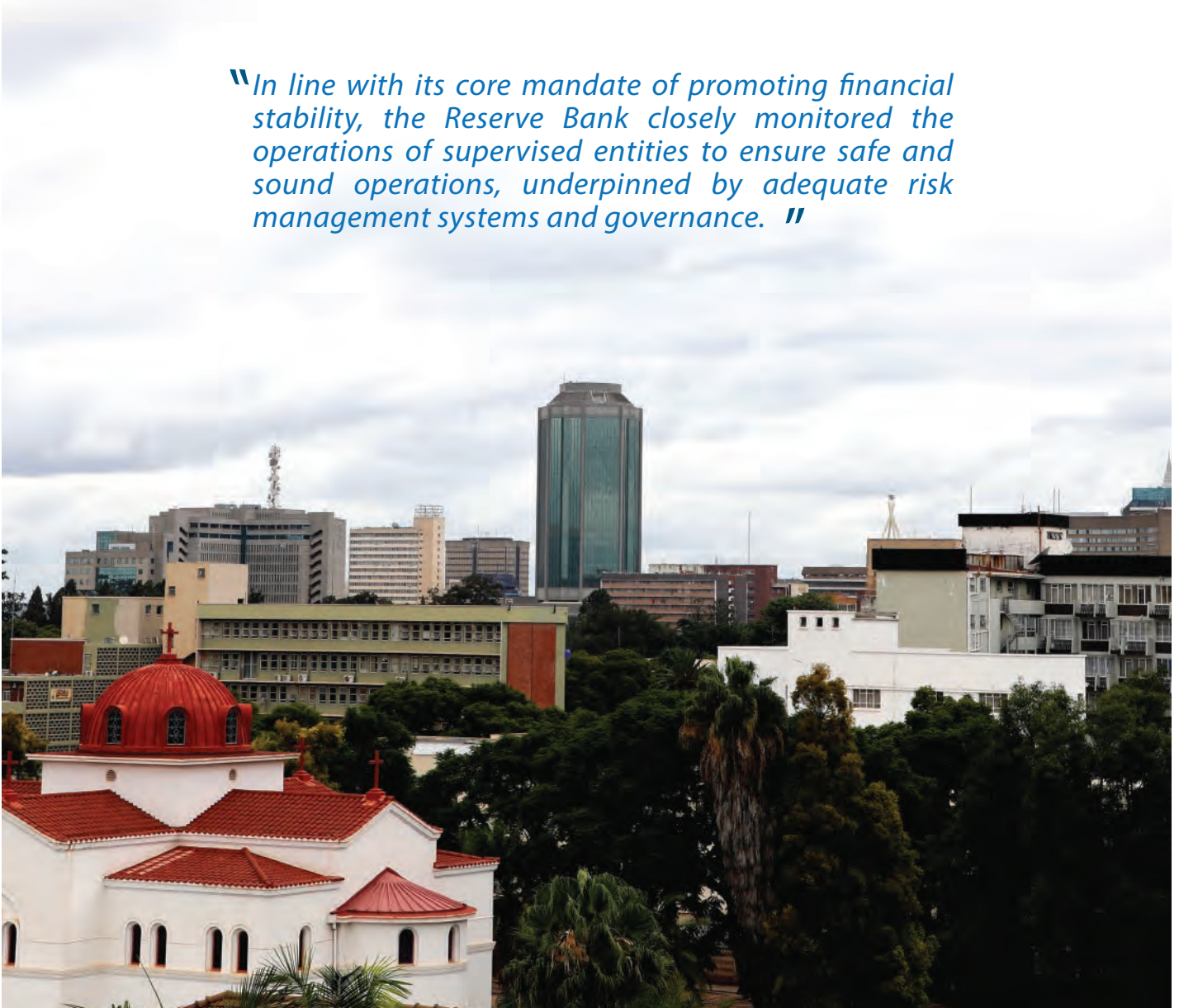


Table 5: Banking Sector Indicators

Indicators	Benchmark	Dec-23	Mar-24	Jun-24	Sept-24	Dec-24
Total Assets	-	\$34.41tn	\$106.82tn	ZiG77.55bn	ZiG139.20bn	ZiG161.39bn
Total Loans & Advances	-	\$11.26tn	\$40.09tn	ZiG27.45bn	ZiG51.41bn	ZiG55.93bn
Net Capital Base	-	\$7.77tn	\$24.61tn	ZiG16.45bn	ZiG33.47bn	ZiG38.29bn
Core Capital	-	\$6.31tn	\$20.12tn	ZiG14.02bn	ZiG27.40bn	ZiG33.42bn
Total Deposits	-	\$19.47tn	\$6.65tn	ZiG43.60bn	ZiG76.10bn	ZiG89.07bn
Net Profit	-	\$5.77tn	\$14.77tn	ZiG10.42bn	ZiG20.57bn	ZiG26.68bn
Return on Assets	-	23.97%	22.83%	13.37%	20.84%	24.72%
Return on Equity	-	68.99%	61.33%	35.74%	55.87%	65.62%
Capital Adequacy Ratio	12%	37.34%	36.98%	46.15%	36.96%	34.89%
Tier 1 Ratio	8%	25.77%	30.39%	40.13%	32.41%	31.67%
Loans to Deposits Ratio (excluding lines of credit)	-	49.27%	53.98%	52.51%	56.93%	58.83%
NPLs Ratio	5%	2.09%	2.17%	2.02%	3.19%	3.37%
Liquidity Ratio	30%	60.53%	61.95%	59.52%	57.53%	58.84%

Source: Reserve Bank of Zimbabwe, 2024

In line with its core mandate of promoting financial stability, the Reserve Bank closely monitored the operations of supervised entities to ensure safe and sound operations, underpinned by adequate risk management systems and governance.

The Reserve Bank also continued to review and enhance its supervisory tools and methodologies, to adapt to the evolving operating landscape as well as emergence of new risks from climate and cyber-attacks.

Cognisant of the critical role that sustainability plays in building resilience and climate proofing the financial sector, the Reserve Bank maintained collaborative efforts with the European Organization for Sustainable Development (EOSD). In this regard, the RBZ committed to adopt sustainability in the banking sector under the Sustainability Standards and Certification Initiative (SSCI) program.

3.3.2. Financial Integrity

Following its designation as a competent Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) supervisory authority in January 2023, the Reserve Bank developed an AML/CFT framework to ensure effective oversight and continued preparations for the upcoming 2026 ESAAMLG Mutual Evaluation. As part of efforts to promote financial integrity, banking sector

risk assessments were conducted to determine the level of money laundering, terrorist and proliferation financing risks to which the sector is exposed, as well as adequacy of the control environment to mitigate the risks.

3.3.3. Financial Inclusion

The Reserve Bank also registered significant strides on the financial inclusion agenda, culminating in the implementation of the National Financial Inclusion Strategy (NFIS) II. This was achieved through partnerships and collaborations with key stakeholders and implementing partners.

Zimbabwe adopted a consultative Governance and Coordination model comprising of the National Financial Inclusion Steering Committee, National Financial Inclusion Technical Committee, National Financial Inclusion Secretariat and Thematic Working Groups.

The nine (9) thematic working groups held meetings and participated in the 2024 Annual Financial Inclusion Conference.

The operational financial inclusion governance structures which are critical to the effective implementation and stakeholder buy-in of financial inclusion strategies will commence in 2025.



“ The Reserve Bank of Zimbabwe successfully hosted the 2024 National Financial Inclusion Conference.”

Table 6 shows the key Financial Inclusion indicators from September 2023 to December 2024.

Table 6: Financial Inclusion Indicators

Indicator	Sept 23	Dec 23	Mar 24	June 24	Sept 24	Dec 24
Number of Loans to MSMEs	9,467	8,307	8,237	8,660	7,861	11,927
Value of loans to MSMEs	ZW\$387.13bn	ZW\$583.75bn	ZW\$1,71tn	ZiG1.55bn	ZiG 3.24bn	ZiG 5,45bn
Average loans to MSMEs as % of total bank loans	3.87	4.96	3.73	5.25	7.55	7.53
Number of Loans to Women	200,894	185,326	190,501	189,763	204,560	319,634
Value of Loans to Women	ZW\$448.39bn	ZW\$912.75bn	ZW\$3.04tn	ZiG2.38bn	ZiG4.22bn	ZiG 4.90bn
Average loans to women as a % of total bank loans	4.48	7.76	6.62	8.05	9.86	6.77
Number of Loans to Youth	65,587	57,216	58,636	52,392	61,968	73,770
Value of Loans to Youth	ZW\$329.79bn	ZW\$370.51bn	ZW\$1.41tn	ZiG1.19bn	ZiG2.89bn	ZiG2.76bn
Average loans to the youth as a % of total bank loans	3.29	3.15	3.08	4.03	6.75	3.81
Total number of Active Bank Accounts (Million)	8.02	7.69	7.02	6.62	7.29	7.53
Number of Low-Cost Bank Accounts (Million)	3.5	3.75	3.63	3.82	3.38	3.37

Source: Reserve Bank of Zimbabwe, 2024

3.3.3.1. Annual Financial Inclusion Conference

In 2024, the Reserve Bank successfully hosted the 2024 Annual Financial Inclusion Conference with a total participation of 250 delegates. The conference brought together stakeholders, including representatives from the Reserve Bank of Malawi, Bank of Tanzania, and Bank of Ghana, as well as senior government officials and other financial sector players.

The conference served as a platform for sharing knowledge, experiences, and best practices, contributing to the Bank's goal of ensuring that all Zimbabweans have access to affordable, quality formal financial services.

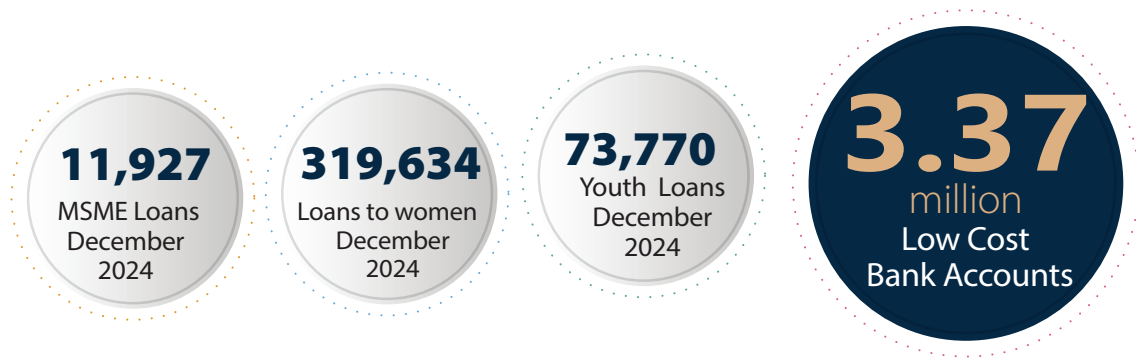
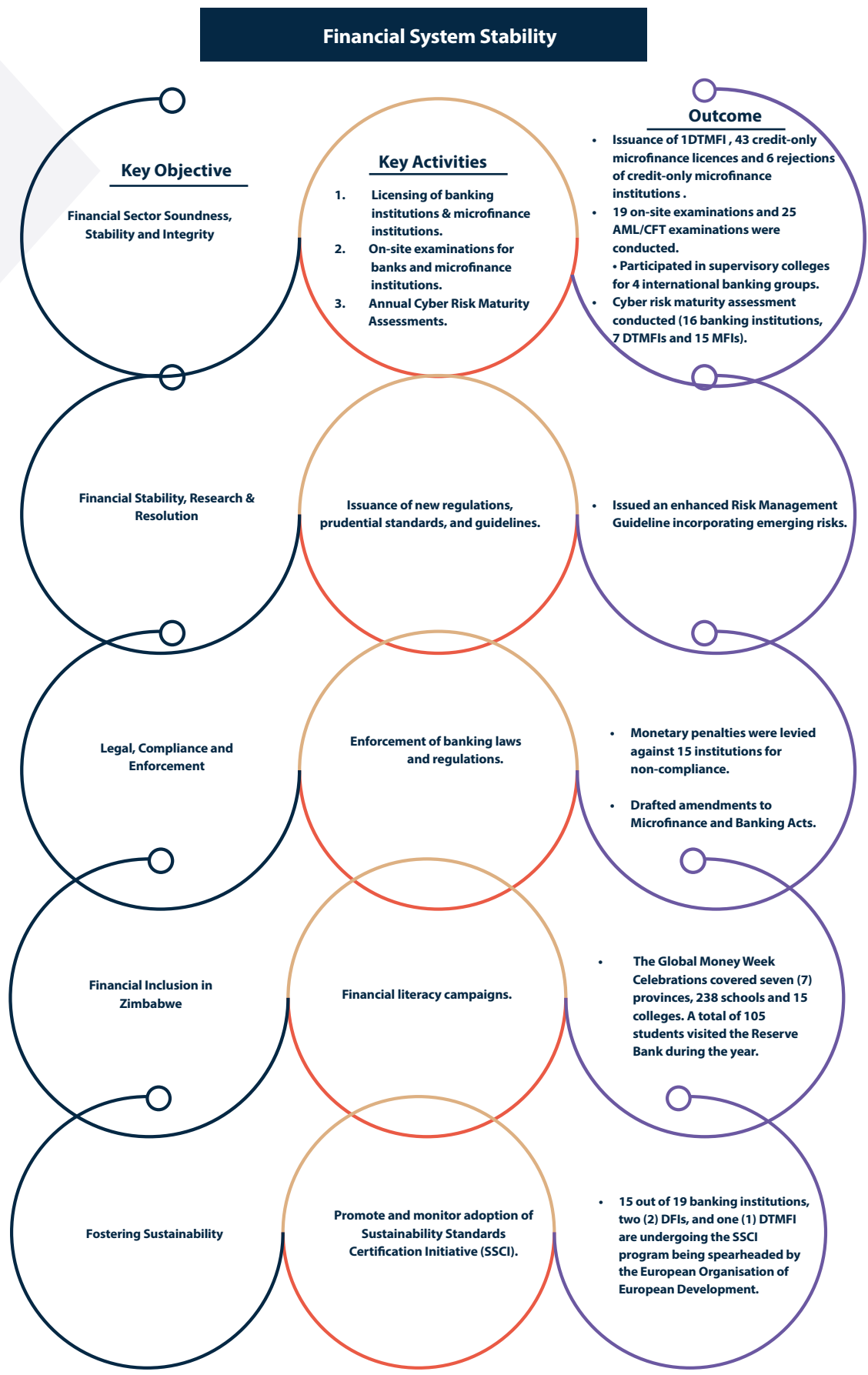


Figure 11: Performance Summary – Financial System Stability



3.3.5. Secure, Stable and Efficient Payment Systems

The Reserve Bank operates the Zimbabwe Electronic Transfer and Settlement System (ZETSS) that provides the rails for local currency and US dollar transactions in the banking sector. In addition to operating ZETSS, the Reserve Bank licenses, oversees and supervises payment systems providers in Zimbabwe.

The year 2024 saw significant developments in the payment services landscape, especially with regards to technological advancements, regulatory enhancements, cybersecurity resilience and financial system stability.

3.3.5.1. Efficiency and Stability of Payment Systems

The National Payment Systems maintained a high operational uptime, with the Real-Time Gross Settlement (RTGS) system recording 98% uptime. This reliability ensured the smooth and uninterrupted settlement of high-value transactions, reinforcing confidence in the financial markets. Additionally, the ZETSS continued to support interbank transactions effectively, contributing to enhanced liquidity management and financial stability.

3.3.5.2. Digital Financial Services and Transaction Trends

The Reserve Bank implemented measures to promote digital transactions, including the issuance of the Directive that exempted electronic transactions below US\$5 (or ZiG equivalent) from transaction charges. This initiative was aimed at reducing the cost of small-value transactions, driving financial inclusion, and promoting a cash-lite economy.

Digital retail payments saw a 27% monthly average increase in values, demonstrating a growing shift towards electronic payment methods.

3.3.5.3. Interoperability and Cross-Border Transactions

Zimbabwean banks continued to participate in regional and international payment platforms, including the SADC-RTGS and Pan-African Payment and Settlement System (PAPSS). The value of payments processed via the SADC-RTGS increased by 2% to ZAR6.09 billion, reinforcing Zimbabwe's role in regional financial integration.





3.3.5.4. Cybersecurity and Risk Management in Payment Systems

The increase in digital payments comes with the need for heightened cybersecurity measures. The SWIFT Customer Security Programme (CSP) and ISO 20022 migration significantly improved cybersecurity resilience within payment systems.

Payment Service Providers (PSPs) were mandated to review and enhance their Cyber Incident Management Frameworks, ensuring enhanced fraud detection and response capabilities. Additionally, the 98% compliance rate with Euro Mastercard and VISA (EMV) card security standards marked a significant milestone in securing electronic transactions.

3.3.5.5. Consumer Protection and Regulatory Compliance

The Reserve Bank, in collaboration with regulatory bodies such as the Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ), Consumer Council of Zimbabwe (CCZ), and Consumer Protection Commission (CPC), intensified consumer awareness programs and conducted 143 financial literacy roadshows in 2024. The roadshows were aimed at educating the public on digital financial services, fraud prevention, and consumer rights.

The National Payment Systems (NPS) Act is under review to strengthen oversight mechanisms, financial inclusion measures, and consumer protection provisions, to ensure that Zimbabwe's payment landscape remains aligned with international best practice.



Figure 12: Performance Summary – Secure, Stable and Efficient Payment Systems

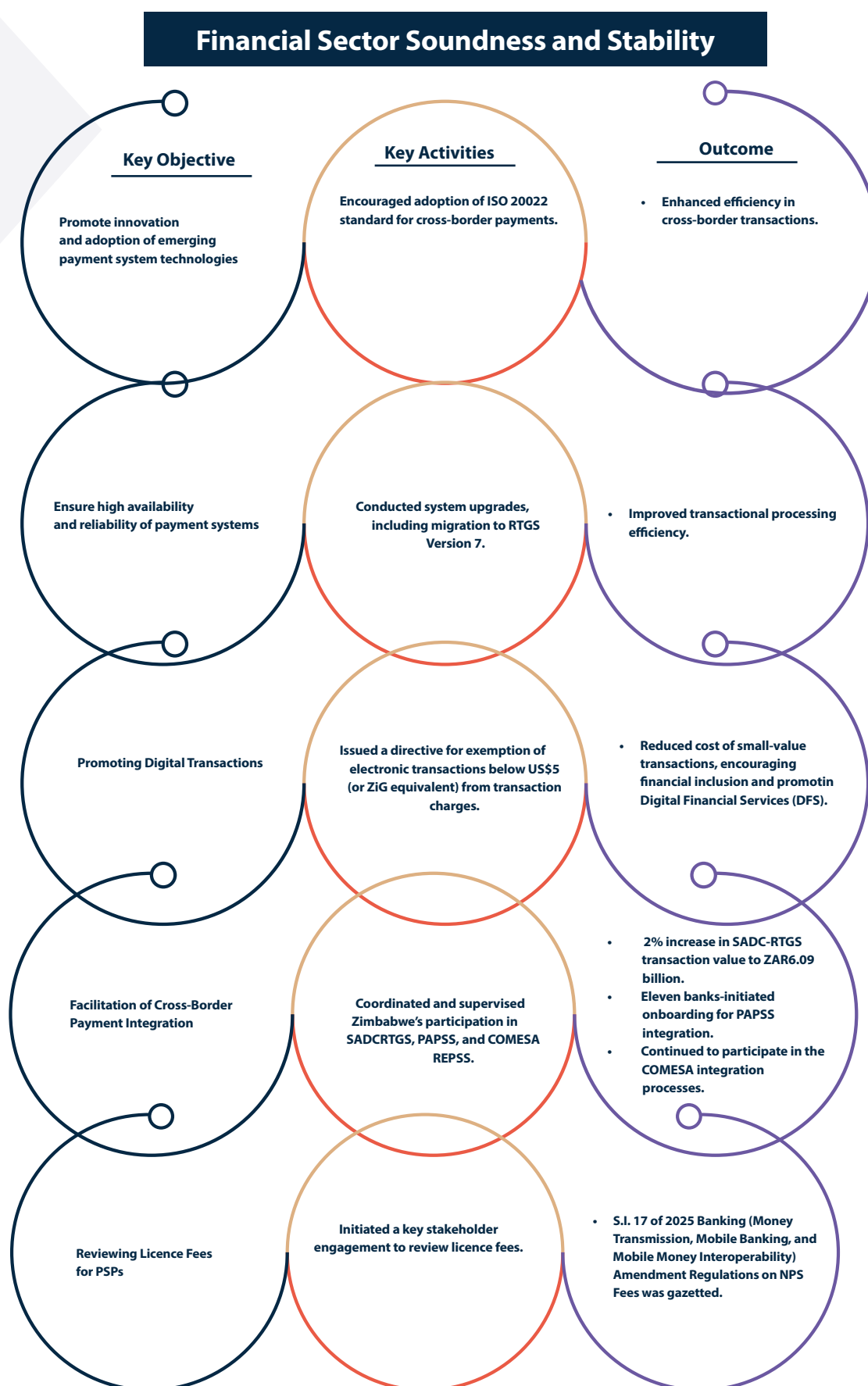


Figure 12: Performance Summary – Secure, Stable and Efficient Payment Systems

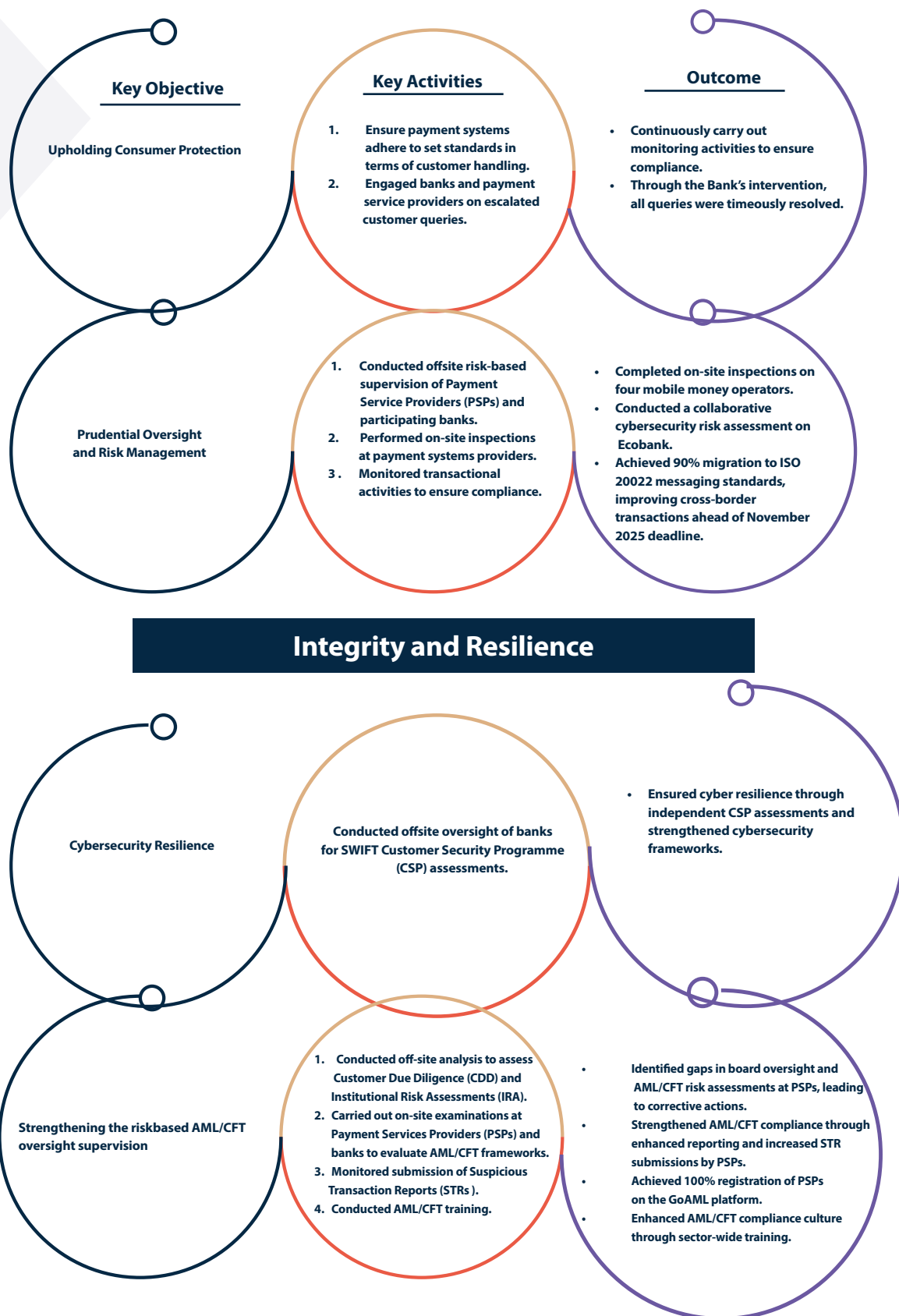


Figure 12: Performance Summary – Secure, Stable and Efficient Payment Systems





3.4 Leveraging Technology for Efficiency and Service Delivery

To realise the Reserve Bank's Strategic initiatives, the indispensable role of efficient information management procedures and investment in appropriate technological solutions remains critical.

Accordingly, the Reserve Bank established a solid foundation for Digital Transformation and Fintech Innovation. The Reserve Bank implemented a state-of-the-art Data Center with built-in infrastructure and information resilience that ensured that the Bank can recover information and resume operations in the shortest possible time. Furthermore, the Reserve Bank also upgraded its Network Infrastructure.

The Reserve Bank in delivering its core mandate, has set its sights on a Digital Transformation journey. To kickstart the journey, the Reserve Bank has started an initiative to strengthen the Bank's security against the ever-changing cyber threat landscape as part of the transformation process. The Bank initiated a Programme to align its Information Cyber Security Management System to the ISO 27001 Standard for Information Security Management.

The Reserve Bank has also started the process of bringing the Bank's Business Continuity Management System into compliance with ISO22301. Significant progress has been registered in this endeavor with the Bank now having a Comprehensive Risk Assessment and Treatment methodology that ensures that it is able to effectively identify, analyse, quantify and prioritise the risks pertaining to its Information, and Information Systems or assets.

The Bank has also initiated a project to comply with the Zimbabwe Cyber and Data Protection Act to ensure that it has a robust framework to protect the Personally Identifiable Information that it processes during normal business. The Reserve Bank appointed a Data Protection officer and two POTRAZ- Certified Data Protection officers. Further, the Reserve Bank is in the process of becoming a Licensed Data Controller.

In a bid to ensure the Bank continues to participate in the National, Regional and Global Banking and Payments ecosystem, the Reserve Bank has completed several projects to modernise its business applications which include but are not limited to:

"The Bank initiated a Programme to align its Information Cyber Security Management System to the ISO 27001 Standard for Information Security Management."



- i. Upgrading of the T24 Core Banking system from Version R16 to R23 to pave way for compliance with the ISO20022 International Payments Messaging Standard.
- ii. Conversion of Currency Code from ZWL to ZWG on the core banking system.
- iii. Upgrading of the RTGS platform for Compliance with the ISO20022 International Payments Messaging Standard.
- iv. Upgrading the SWIFT system to the ISO20022 messaging standard.
- v. Upgrading of the Computerised Exchange Control Batch Application System (CEBAS) for straight-through submission of Cross-border payments by commercial banks.

During the last quarter of 2024, and as part of the Reserve Bank's re-modeling process the ICT Division was expanded to incorporate Fintech Innovation and Digital Transformation functions.

The Reserve Bank accorded a special project status to the Information, Cyber Security, and Data Protection project which reflected its unequivocal intentions to drive business efficiencies using Information and Technology and to lead the Market in Digital Business and Fintech Innovation.

The special project status seeks to transform the Reserve Bank of Zimbabwe into a Data-Driven and customer-centric organisation, by the year 2029, through Technology Modernisation, Digital Transformation, Innovation and Culture Change.

The strategic plan, embodied in the Enabling Key Focus Area 1 (EKFA1): Leveraging Technology for Efficiency, Innovation and Service Delivery, will be executed under 3 Enabler Focus Areas (EFA) namely:

- **EFA1:** Information & Cyber Security, and Data Protection which aims at the establishment of a robust Information and Cybersecurity Management System (ICMS) that seeks to enable the Bank to proactively identify and mitigate risks that may arise from new and existing Technologies, Processes and People.
- **EFA2:** Internal Efficiencies and Infrastructure Optimisation which will see the Bank continue to upgrade and implement new infrastructure, business applications and management systems to sustain and enhance operational excellence and stakeholder experience as the Bank delivers its Mission.
- **EFA3:** Digital Transformation, Innovation and Culture Change which will ensure that the Bank goes beyond just adopting Digital Technologies but derives maximum value which includes immediate availability of accurate data to guide Decision-Making and Policy interventions, agility to respond to the accelerated pace of change of the operating environment and market as well as an optimal Return-On-Investment from technology investments.

3.5 Talent Management, Organisational Development Strategic Communications & Stakeholder Engagement

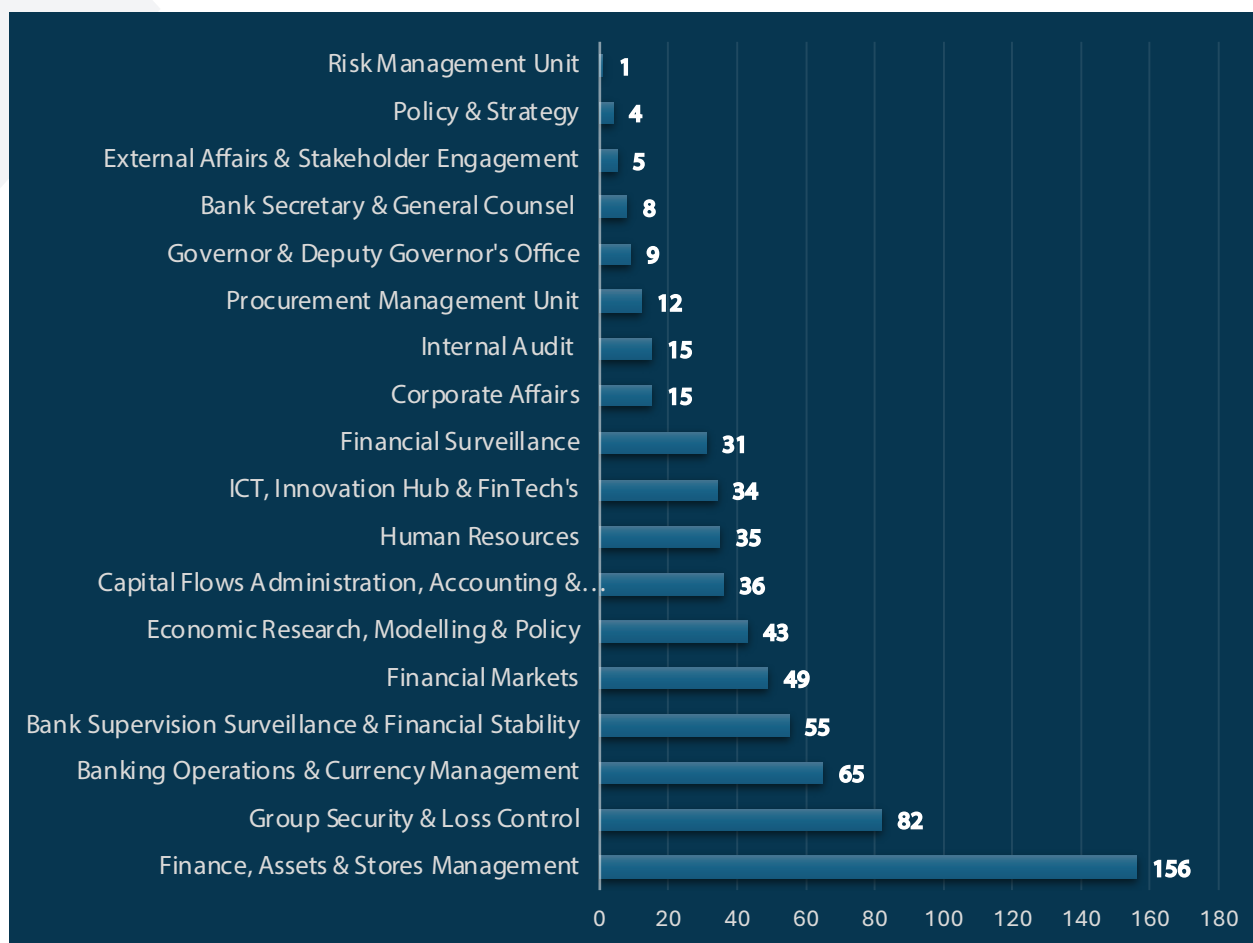


3.5.1. Workforce Profile, Recruitment and Development, Formal Training

3.5.1.1. Staff Complement

The Reserve Bank staff complement stood at 655 as at 31 December 2024 as shown in Figure 13.

Figure 13: Staff Complement with Contract Staff and Graduate Trainees.

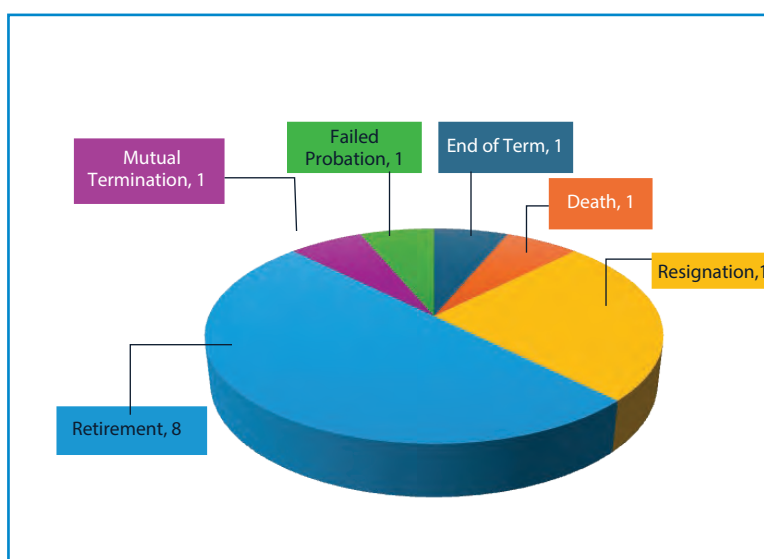


Source: Reserve Bank of Zimbabwe, 2024

3.5.1.2. Staff Turnover

The annual staff turnover rate was 2.74% as at 31 December 2024. The voluntary turnover rate inclusive of mutual terminations and resignations went down to 0.84% compared to 1.2% as of 2023. The staff turnover distribution is shown in Figure 14.

Figure 14: Staff Turnover Distribution



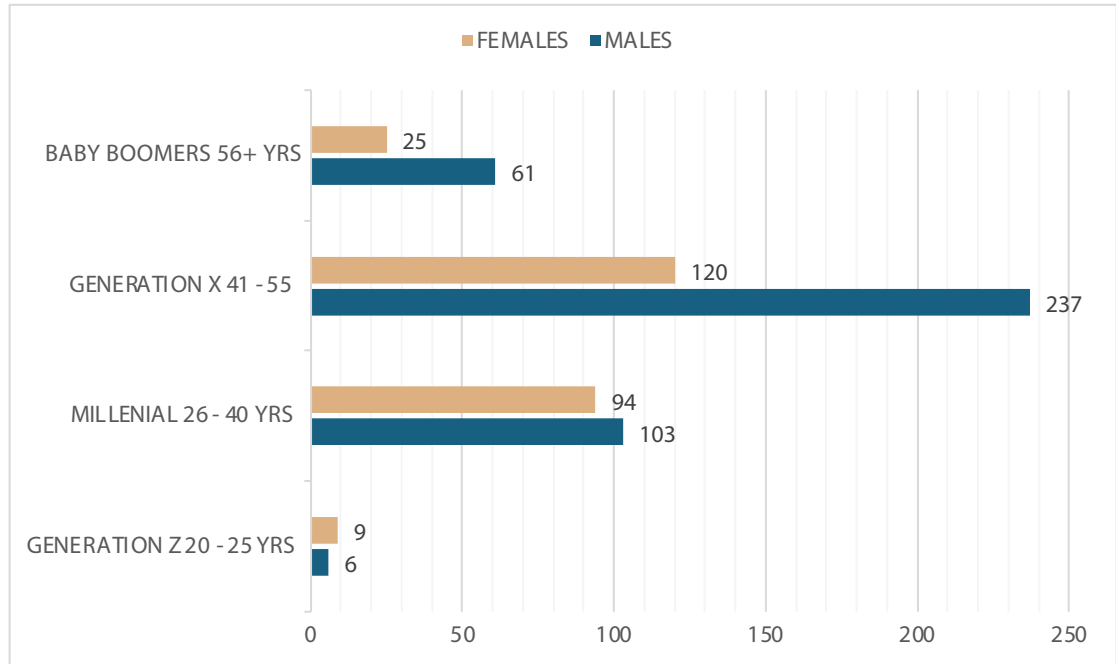
Source: Reserve Bank of Zimbabwe, 2024

The Bank continues to drive a compelling Employee Value Proposition (EVP) to ensure that staff are retained for greater business continuity and strategy execution. The Bank believes in a ‘farming’ rather than ‘hunting’ model of talent management. In this regard, it retains and develops its existing staff to feed the leadership pipeline.

3.5.1.3. Age Profile

The Bank continues to recruit younger professionals where necessary to balance the skewed age profile of the Bank. The appointment of graduate trainees is also assisting in that regard. The Generation X remains the most represented age group, as shown in Figure 15.

Figure 15: Generational Profile for the Bank for 2024



Source: Reserve Bank of Zimbabwe, 2024

3.5.1.4. Gender Distribution

The Gender distribution for 2024 was at 38% females and 62% males, with 1% increase in females from 2023. The Reserve Bank Executives consists of 26% females and 74% males, as shown in Figure 16.

Figure 16: Gender distribution for the Bank, 2024



Source: Reserve Bank of Zimbabwe, 2024

In line with the Bank's thrust on enhancing its Environmental, Social and Governance (ESG) performance, the Bank values gender parity and continues to invest in its talent acquisition. These efforts are geared at closing the gender gap through the Graduate Development Program (GDP), which is 58% Women and 42% Men, and this is meant to support the gender equity model.

3.5.2. The Reserve Bank Academy and Research Institute (RBZ-ARI)

The Bank places critical importance in the development of competencies for its staff. In this regard, it is setting up and registering the Reserve Bank of Zimbabwe Academy and Research Institute (RBZ-ARI) to steer the competency acquisition and development process. RBZ-ARI is envisaged to become Centre of Excellence for shaping the culture of the Bank and the 'people factory' that builds and shapes the leadership pipeline of the Bank.

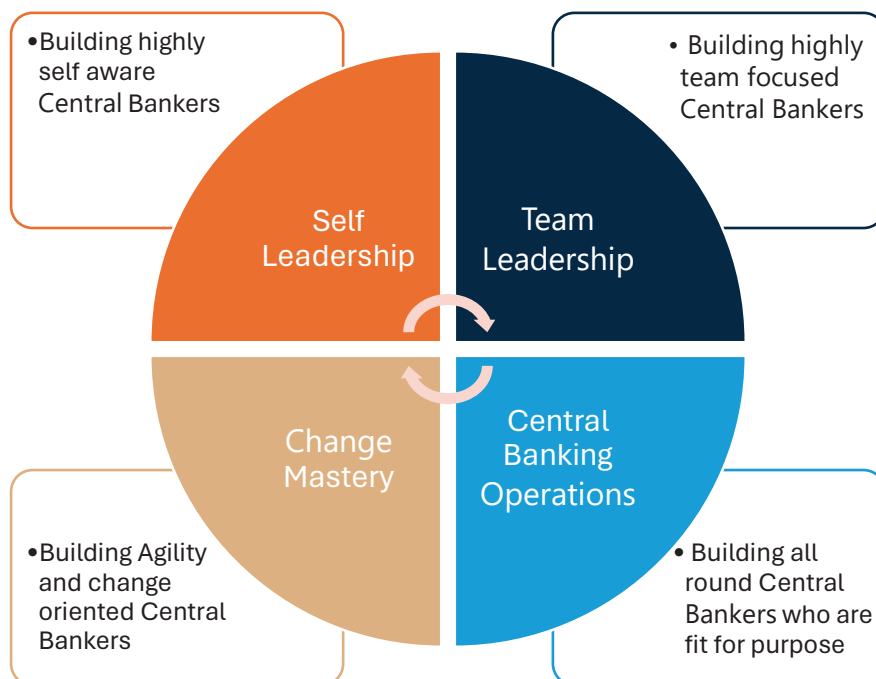
Following Benchmark exercises with the Bank of Tanzania Academy and the Kenya Institute of Monetary Studies, the Reserve Bank continued with its efforts to develop an all encompassing Academy with land acquisition for the Academy in Mt Hampden. The RBZ-ARI, a Centre of Excellence for the Central Bank, will be offering key programs to support the mandate of the Bank to maintain price and financial stability.



3.5.3.1. The 360 Degree Leadership Model

The 360 Degree Leadership Model is the guiding model which aligns the programs and courses for the Academy with the Central Bank strategic thrust, as shown in Figure 17.

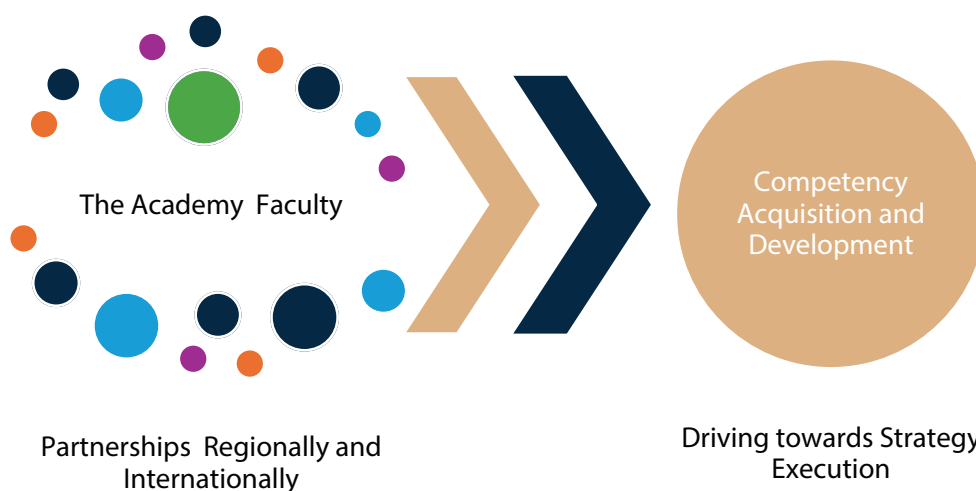
Figure 17: The 360 Degree Leadership Model



Adapted from Centre for Creative Leadership

3.5.3.2. The Reserve Bank Academy and Research Institute Ecosystem

The structure remodelling exercise of 01 October 2024 refocused the Human Resources Structure which now has a department focused on Talent and Organization Development – RBZ Academy and Research Institute headed by a Chief. This is in support of the evolution of the Academy.



3.5.3.3. Partnerships

The RBZ-ARI is 'mining' for the existing partnerships with the International Monetary Fund's training wing AFRITAC and is managing the accessing of programs from this institute for Bank staff. The academy is also exploring some possible international partnerships with global institutions to ensure that it offers current and future skills-based programs to staff.

3.5.3.4. Accreditations

The Academy successfully registered with the Ministry of Higher and Tertiary Education of Zimbabwe and its programs have been accredited and the journey continues as it develops more offerings. This accreditation goes a long way in ensuring that the Academy will offer more Central Bank focused programs to the market.

3.5.3.5. Programs and Courses

The RBZ -ARI focuses on delivering among other programs and courses. These are shown in the figure below as it evolves.

Central Banking Programs	Compliance Programs	Leadership Programs
<ul style="list-style-type: none">• Supervision and Surveillance Programs• Currency Management Courses• Economic Research Modelling and Forecasting Courses	<ul style="list-style-type: none">• Anti Money Laundering and Countering the Financing of Terrorism (AML/CFT)• Risk Management Programs	<ul style="list-style-type: none">• Emerging Leaders Development Program (EMDP)• Supervisory Development Programs• Management Development Programs

3.5.4. Capacity Development Interventions

During the period under review, the Bank partnered with regional and international partners including the Federal Reserve Bank of New York Training Institute, Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), International Monetary Fund's (IMF) Africa Regional Technical Assistance Centre (AFRITAC) for Southern Africa, Association of Financial Inclusion (AFI), Common Market for Eastern and Southern Africa (COMESA) Monetary Institute (CMI), in capacity building efforts. At the same time, within the SADC Committee of Central Bank Governors (CCBG) community of practices and working groups the Reserve Bank collaborated to align with leading practices on Central Banking.

3.5.5. Industrial Relations and Wellness

The Bank maintained industrial relations throughout the year through focused engagement. The Governor, Dr John Mushayavanhu, engaged with staff in both regions through a meet and greet exercise and sharing his strategic thrust of **'Back-to-Basics'**. During the year, the Bank conducted Works Council meetings to engage with employees.

3.5.6. Retirement / Pension Fund

The Reserve Bank continued to provide support to its pensioners during the year through the Fintrust Pension Fund and offering medical services to the pensioners and their spouses. The Reserve Bank also supplemented pensions as a way of cushioning staff and supporting their welfare.

3.5.7. Stakeholder Engagement

//

The Reserve Bank successfully organised the 59th SADC Committee of Central Bank Governors which was held from the 12th-14th of September 2024 in Victoria Falls. //



Dr. J. Mushayavanhu, Governor of the RBZ with SADC Central Bank Governors at the 59th CCBG meeting in Victoria Falls, Zimbabwe.



Hon. Vice President of the Republic of Zimbabwe, Cde Dr. C.G.D.N. Chiwenga receiving a token of appreciation from the Chairman of the HR and Governance Committee, Mr. E.I. Manikai with the Governor of the Reserve Bank of Zimbabwe, Dr. J. Mushayavanhu (far left) and Governor of the South African Reserve Bank and Chairman of CCBG, Mr. Letseja-Kganyago (far right) in attendance.

3.5.7.1. CCBG Meetings- May 2024 and September 2024

In 2024, the Reserve Bank actively participated in regional and international fora to advance its strategic goals. Regionally, the Reserve Bank participated in the SADC Committee of Central Bank Governors (CCBG) held in May 2024 and successfully hosted the CCBG September 2024 meeting in Victoria Falls.

The 58th Meeting of the SADC CCBG took place on 9 May 2024, hosted by the Central Bank of Eswatini (CBE). Subsequently, the 59th meeting was held on 13 September 2024, hosted by the Reserve Bank of Zimbabwe (RBZ) in Victoria Falls. During the 59th meeting, Dr. J. Mushayavanhu, Governor of the RBZ, presented a research paper titled *'Possibility of a Harmonized Monetary Policy Framework for the SADC Region.'* The paper provided a technical foundation for discussions on developing a unified monetary policy framework for Southern Africa.



Dr. J. Mushayavanhu, with former Governors of the RBZ from Left Dr. L.L. Tumba, Dr. G.Gono and Dr. J.P. Mangudya and on the right the Chairman of SADC Central Bank Governors Committee Mr. Letseja-Kganyago at the Presidential Dinner hosted by his Excellency the President of Zimbabwe and Chairman of SADC in Victoria Falls, Zimbabwe.



The Reserve Bank was represented at high-level CCBG meetings by the Governor, Deputy Governors, and the Executive Assistant/Advisor to the Governor. Additionally, senior officials from various Divisions, including Economic Research, Financial Markets, Bank Supervision, ICT, and the Bank Secretary and General Counsel who participated in several CCBG subcommittee meetings. These included the CCBG Macroeconomic Subcommittee, CCBG Payment Systems Subcommittee, Banking Supervision and Financial Stability Subcommittee, Financial Markets Subcommittee, Information and Communication Technology (ICT) Subcommittee, Business Continuity Management Decision Makers, and the Legal Subcommittee.

3.5.7.2. Other International and Regional Engagements

The Reserve Bank also participated in the Association of African Central Banks (AACB) Annual Meetings in Mauritius in September 2024 and the Common Market for Eastern and Southern Africa (COMESA) Monetary Cooperation Meetings in Eswatini in May 2024. Internationally, the RBZ hosted the IMF for Article IV Consultations and participated in the 2024 IMF Spring and Annual Meetings, contributing to global economic discussions. Additionally, the Bank engaged with the Alliance for Financial Inclusion (AFI) and the Network for Greening the Financial System (NGFS), emphasizing financial inclusion and sustainable finance. These efforts underscored the RBZ's commitment to regional leadership, global collaboration, and promoting sustainable finance.

The Reserve Bank's engagement in regional and international fora has enhanced its visibility by contributing towards global and regional monetary and financial cooperation initiatives in furtherance of Zimbabwe's economic interests.

The Reserve Bank continued to strengthen beneficial relationships with regional and overseas counterparts, including fellow Central Banks and international organisations. These platforms created opportunities to exchange knowledge, secure technical support, and improve cooperation on matters of mutual interest in pursuance of price, exchange rate and financial sector stability.

In 2024, discussions on arrears clearance under the African Development Bank (AFDB)-championed Structured Dialogue Platform gained momentum. In addition, the envisaged harmonisation of monetary policy frameworks in the SADC and COMESA regions, the Sustainability Standards Certification Initiative (SSCI) for Central Banks, climate-related financial risks, cross-border payments, and the integration of financial markets across the SADC and COMESA regions pre-occupied the Reserve Bank. These efforts, alongside strengthened foreign currency reserves management initiatives, are fully aligned with the Reserve Bank's **'Back-to-Basics'** philosophy and are geared at safeguarding Zimbabwe's macroeconomic stability to support sustainable growth.

The following are highlights of some of the main external partner engagements the Reserve Bank participated in:

3.5.7.3. COMESA Committee of Governors of Central Banks

The 28th Meeting of the COMESA Committee of Governors of Central Banks (CCGCB) was held on the 8th of November 2024 to consider, among others, the activities that were undertaken by COMESA Monetary Institute (CMI) and the COMESA Clearing House (CCH) in 2024 for enhancing Monetary Cooperation in the region. In addition, the meeting saw the Reserve Bank of Zimbabwe exiting the CCGCB Bureau as First Vice Chair in line with the rotational requirements under the CMI rules of procedure. The CCGCB Bureau is a core group of five-member central banks created to handle urgent matters necessary to allow for the smooth operations of the CMI and CCH with their decisions subject to ratification by the full CCGCB.

In addition to meetings of the Committee on Finance and Monetary Affairs and the CCGCB Bureau, the CCGCB meeting was preceded by a Governors' Symposium during which COMESA Central Bank Governors deliberated and exchanged views on the key emerging issues in central banking namely:

- Digital Banking and the impact of Cyber Security and other emerging risks to Central Banks in the COMESA region; and
- The era of using Big Data and Machine Learning (ML) in Central Banks and Financial Institutions: Implications for Monetary Policy.

The Governor and the Executive Assistant/Advisor to the Governor represented the Reserve Bank at the high-level meetings of the COMESA CCGCB. These were preceded by committee meetings where officials from the Strategy, Policy and External Affairs, Economic Research and Financial Markets Divisions represented the Bank.



3.5.7.4. AACB Meetings 2024

The Reserve Bank Chaired the AACB Southern Africa region which comprises of 11 countries for two years, 2023 and 2024. As such, the Reserve Bank participated in both AACB Bureau, which consists the Chair and Deputy Chair for each of the 5 Sub-regions in Dakar, Senegal and the 46th Annual Meetings of Governors in Port-Louis, Mauritius, from 30 August to 4 September 2024. The 2024 AACB Symposium of Governors was also held on 3 September 2024 under the theme: *'Using Big Data Analysis, Interest Rates, and Artificial Intelligence in the Fight Against Inflation'*.

The Symposium on Using Big Data Analysis, Interest Rates, and Artificial Intelligence in the Fight Against Inflation highlighted the need for a coordinated approach to responsibly implement the innovations offered by big data and artificial intelligence, focusing on financial stability, consumer interests, and sustainable growth. Notably, the Symposium emphasised that AACB member Central Banks could capitalise on shared experiences and strive to innovate relentlessly in a cooperative framework.

During the AACB meetings, Governors also discussed progress towards the establishment process of the African Central Bank (ACB), criteria for the selection of a host country for Systemically Important Financial Market Infrastructures (SIFMI) and the Terms of Reference (ToRs) of the African Financial Stability Board (AFSB).



3.5.7.5. IMF/World Bank Spring and Annual Meetings 2024

The 2024 IMF -World Bank Spring and Annual Meetings took place in April and October 2024, respectively. The meetings addressed key issues such as the global economic outlook, which has shown consistent growth, IMF lending operations, and significant governance reforms. The major highlight for the Annual meetings was the creation of the 25th Executive Board Chair, which enhances Sub-Saharan Africa's representation by introducing a third seat at the Fund's Executive Board. This increased the number of IMF Executive Directors to 25.

Discussions also focused on advancing debt resolution through a three-pillar strategy:

- (i) implementing reforms to stimulate growth and increase domestic revenue mobilisation;
- (ii) ensuring adequate financing, including support from international financial institutions; and
- (iii) fostering global cooperation to attract private funding at reduced costs. These measures aim to strengthen economic stability and promote sustainable development.

The Reserve Bank, represented by the Governor, the Executive Assistant/Advisor to the Governor, and the Directors of Economic Research and Financial Markets, participated in the World Bank and IMF's Statutory Annual Meetings. Zimbabwe's term as Executive Director for the IMF Group 1 Constituency concluded on 31 October 2024, and the country has now joined the Africa Group 1 Constituency (Africa South), which includes mostly SADC member states. During the meetings, the Zimbabwean delegation engaged in several bilateral discussions, including with the IMF Article IV Mission to Zimbabwe, the IMF Monetary and Capital Markets (MCM) Department regarding exchange restrictions and multiple currency practices, the IMF MCM on Technical Assistance to Zimbabwe, and the IMF African Department. Additionally, the RBZ held side meetings with Afreximbank, the Federal Reserve Bank of New York, and Crown Agents Bank.



3.5.7.6. Participation in the Sustainability Standards and Certification Initiative (SSCI)

The Reserve Bank continued to promote the adoption of sustainable banking practices as part of efforts to engender sustainability in the financial sector to create strong, resilient, profitable and sustainable financial institutions. During the year 2024, the Bank managed to on-board two new institutions to the SSCI program under the Central Bank Led model. Resultantly, as at 31 December 2024, 15 out of 19 banking institutions, two (2) development finance institutions and one (1) deposit-taking microfinance institution were undergoing the Sustainability Standards & Certification Initiative (SSCI) being driven by the European Organization for Sustainable Development (EOSD).



During the year, the Reserve Bank conducted three (3) orientation workshops to boards of directors of institutions that were accepted into the Sustainability Standards and Certification Initiative (SSCI) as well as refresher trainings for new board members of SSCI participating institutions. The key aspects of the presentations were on the overview of SSCI, the role played by financial institutions in contributing to the attainment of national developmental priorities, institutional sustainability and sustainability reporting.

The Reserve Bank also facilitated refresher trainings for SSCI champions and management of participating banking institutions, particularly on the review and implementation of the modules under the SSCI program. On-going monitoring of progress by participating institutions noted commendable progress in the adoption of modules under the SSCI program which revealed that the institutions were at varying levels of completion with some targeting certification by 30 June 2025.

“ The Reserve Bank has been leading the program to guide financial institutions in adopting the SSCI framework. Financial Institutions were submitting their applications to EOSD for certification directly or through the Reserve Bank. ”

Deputy Governor Dr. J.T. Chipika, presented at the 2024 Global Sustainable Finance Conference 2024 hosted by the European Organisation for Sustainable Development (EOSD) on the topics, *“The Role of Central Banks in Driving the Sustainability Agenda and Addressing the Challenge of Green-washing”*. She also presented on the topic, *“Sustainability-driven banking supervision and regulation through adoption of holistic sustainability standards”*.

Since commencement of the Sustainability Standards Certification Initiative in Zimbabwe, the Reserve Bank was mainly playing a facilitatory role on implementation of sustainability standards by banking institutions. The Reserve Bank has been leading the program to guide financial institutions in adopting the SSCI framework. Financial Institutions were submitting their applications to EOSD for certification directly or through the Reserve Bank.

In December 2023, the Reserve Bank became the second Central Bank after the Bank of Uganda to join the SSCI for central banks. The EOSD tailored the SSCI for central banks by aligning the sustainability principles to mandates of central banks which include price, exchange rate and financial stability, as well as supporting maximum employment.

The Reserve Bank is at the initial stages of implementation of the SSCI. The SSCI is a Reserve Bank wide program and a holistic approach is being pursued. During the year, the Reserve Bank held a half-day seminar to conscientize the Bank on the SSCI. It is critical to ensure that the SSCI is aligned to the overall Reserve Bank Strategy. This is also important to ensure there is bank-wide participation and ownership of the sustainability certification process. In this regard, the Reserve Bank has developed a roadmap that will ensure its certification by 31 December 2025.



3.5.7.7. Afreximbank Meetings 2024

The African Export-Import Bank (Afreximbank) and Factors Chain International (FCI) hosted a Regional Factoring Conference 2024 on 22–23 April 2024, in Harare, Zimbabwe. Senior officials from the Reserve Bank participated in the conference which focused on Factoring, Receivables Finance, and Credit Insurance in Southern Africa. The event emphasized the role of factoring in empowering SMEs and fostering financial inclusion, particularly within the context of the African Continental Free Trade Agreement (ACFTA).

Afreximbank is a Pan-African multilateral financial institution mandated to finance, facilitate and promote intra and extra-African trade. Its 31st Annual Meeting (AAM2024) was held in Nassau, The Bahamas, from 12-15 June 2024. The event took place jointly with the 3rd Afri-Caribbean Trade and Investment Forum (ACTIF2024), with the Annual General Meeting of Shareholders and Advisory Group Meetings taking place on 15 June 2024.

The theme for the AAM2024 was *"Owning Our Destiny: Economic Prosperity on the Platform of Global Africa"*. Zimbabwe, the third largest sovereign shareholder in Afreximbank, was represented at the highest level by the Reserve Bank Governor Dr. John Mushayavanhu. The meetings focused on strengthening linkages between Africa and the Caribbean region, promoting growth and accelerating trade and investment. The Caribbean region was keen to learn more from the Pan-African Payment and Settlement System (PAPSS). Other issues discussed at the meetings included sustainable development in the face of increased international competition and called upon Africa to unite. Discussions also focused on the best practices in dealing with macro-economic crises with focus on credibility and better access to finance.

The Reserve Bank also participated in the annual Afreximbank Trade Finance Seminar that took place during the period 5-8 November 2024, in Windhoek, Namibia. The Trade Finance Seminar focused on trade finance trends and provided training in innovative strategies.



3.5.8. Public Relations and Stakeholder Engagement

“ The ZiG outreach programme covered Zimbabwe’s ten provinces, reaching both urban and rural populations and addressed currency circulation, exchange rates, and banking services. ”



3.5.8.1. ZiG Awareness and Promotion

Following the introduction of the new currency, the ZiG, in April 2024, the Reserve Bank launched a comprehensive awareness campaign. This campaign was executed in two phases. The first phase involved distributing advertising materials through various channels, including TV and radio adverts in English, Shona, and Ndebele, achieving an estimated reach of three million people.

The second phase featured a provincial outreach program, conducted in partnership with the Ministry of Information, Publicity, and Broadcasting Services. This outreach covered Zimbabwe's ten provinces, reaching both urban and rural populations, and engaged approximately 132,816 people. Key issues addressed included currency circulation, exchange rates, and banking services. The campaign successfully acquainted the public with the new currency's features, enhancing understanding and trust, thereby contributing to its smoother integration into the economy.





3.5.8.2. Reserve Bank's Education Programmes

The Reserve Bank reaffirmed its commitment to financial literacy and education through various initiatives in 2024. Under the financial literacy pillar, the Reserve Bank accommodated educational tours for high schools, primary schools, and tertiary institutions. A total of seven schools and one polytechnic college were taken through the programme during the year. These tours provided students with valuable insights into the Bank's operations and the importance of financial literacy.



3.5.8.3. The Reserve Bank Museum

The Reserve Bank Museum continued to play a vital role in preserving and showcasing the Bank's history and contributions to Zimbabwe's financial sector. In 2024, the Museum hosted several educational tours for high school students, providing insights into the evolution of the country's monetary system and the Reserve Bank's pivotal role in shaping Zimbabwe's financial landscape. The Museum's exhibits and displays were updated to ensure sufficient coverage of recent currency developments, enhancing the visitor experience and promoting financial literacy.

3.5.8.4. Public Engagement Through Exhibition Shows

The Reserve Bank of Zimbabwe actively participated in various exhibition shows in 2024 to engage with the public and promote understanding of the Bank's policies and programmes. Notably, the Bank had a significant presence at the Zimbabwe International Trade Fair, where it interacted with approximately 2,500 visitors at its exhibition stand. This participation provided an excellent platform for the Reserve Bank to raise awareness about the ZiG currency, educate the public on financial matters, and gather valuable feedback from stakeholders.

3.5.8.5. Facilitating Engagement and Feedback Through Digital Touchpoints

Throughout 2024, the Reserve Bank leveraged its website and social media platforms to enhance communication and engagement with the public. Further, the Reserve Bank's online presence was strategically managed to disseminate important information, such as monetary policy statements, Monetary Policy Committee post-meeting statements, routine monthly and quarterly publications, and monetary and financial statistics. Social media channels were also deployed to publish simplified policy explainers, enhancing the public's understanding of information released by the Bank. The digital strategy was aimed to align with the aspiration of deliberate and intentional narrative management, and effective stakeholder engagement.



3.5.8.6. Global Money Week and Digital Financial Literacy Outreach

The 2024 Global Money Week commemoration was marked by a series of impactful outreach events and initiatives aimed at enhancing financial literacy among young people. Under the theme "Protect your money, secure your future," the campaign focused on safe money management and the importance of adopting a responsible and informed approach to personal finances.

The Reserve Bank, in collaboration with various financial sector stakeholders, conducted extensive outreach programs across multiple provinces, reaching over 22,830 pupils and 700 teachers. These efforts were complemented by digital financial literacy outreach programmes, which reached about 50,000 people across the ten provinces. The collective goal was to equip the youth with the knowledge and skills necessary to navigate the financial landscape confidently, thereby fostering a generation of financially literate and empowered individuals.



3.5.8.7. Charitable Activities and Social Responsibility

A notable highlight was the Reserve Bank's official adoption of the maintenance of the Victoria Falls International Airport's grounds. This commitment involved immediate beautification efforts, including the greening of the area.



The Reserve Bank of Zimbabwe Governor, Dr. J. Mushayavanhu unveiled the RBZ Community Investment maintenance project of the Victoria Falls Airport VIP entrance as part of the Bank's Corporate Social Responsibility on the 14th of September 2024.



3.6 Sustainable and Efficient Financial Management



3.6.1. Risk Management

In today's dynamic and complex business environment, effective risk management is crucial for sustaining long-term growth and stability. The Reserve Bank is committed to identifying, assessing, and mitigating risks that could impact its mandate. The Reserve Bank is exposed to significant inherent risks arising from the discharge of its statutory mandate of maintaining financial system and price stability as informed by the Bank's Strategy.

The Bank's risk profile is assessed quarterly, considering internal and external factors such as market conditions, regulatory changes, and emerging risks. Key risks identified in 2024 include strategic risks, reputational risk, geo-political tensions, supply chain disruptions and operational risks such as cybersecurity threats and information security. Climate risk management remains a key priority for the Bank and the thrust is to continuously investigate different strategies to effectively monitor and manage climate related risks.

Key risks are managed and tracked in line with the Board approved Risk Appetite Statement. The Statement outlines the Bank's tolerance for key risk categories and serves as a guide for decision-making and resource allocation as well as implementation of a robust controls framework to ensure that all risks are kept within acceptable thresholds.

During the year under review, the risk measurement tools and the performance indicators for the Bank were refined to improve their robustness for effective oversight. In addition, the Reserve Bank's Business Continuity Management (BCM) arrangements were peer reviewed by SADC Central Bank Governors (CCBG) ICT and Business Resilience sub-committee representatives. The peer review is a benchmarking exercise by SADC Central Banks. The Reserve Bank was awarded 77.04% or Level 4 of Business Resilience conformance in line with SADC level of conformity which ranges from 1 to 5, with 5 being the highest level of conformity. This implies that the Bank has implemented ISO 22301 Standard with a few areas of improvement.

Focus will continue to be given on incident response and remediation processes as well as Business Continuity Management. Therefore, the Banks' business resilience and operational efficiency capabilities will be continuously reviewed, with an emphasis on system and data backup techniques that enable recovery from disruptive and destructive attacks, such as ransomware.

3.6.2. Risk Governance and Oversight

Effective risk governance is critical to ensuring accountability and transparency in risk management practices. The Bank's risk governance structures ensures that risks are managed at all levels, from operational to strategic, with clear accountability and escalation mechanisms. Risk management related issues are discussed in the Audit and Oversight Committee which reports to the main Board.

Following the re-modelling of the Bank in October 2024, the Risk Management Unit is now a standalone department. The focus of the Unit is to establish an effective risk culture, supported by robust risk management frameworks and effective governance structures which promote sponsorship of risk management initiatives across all levels. Going forward, the Bank will constitute Executive Management and Board Committees that will specifically provide an oversight of Risk Management, Compliance and Sustainability activities.

3.6.3. Risk and Compliance Management Framework

The Reserve Bank is significantly exposed to inherent risks in many of its core functions. The Reserve Bank's risk management framework seeks to proactively address potential challenges, capitalize on opportunities and manage risks within the Appetite of the Bank to ensure resilience and sustainability. The Framework serves as the foundation for identifying, assessing, mitigating, and monitoring risks across the Bank.

Looking ahead into 2025, focus will be on reviewing the Governance Structures, Risk Management Framework and its supporting policies to enable timely identification, and effective management, of emerging risks and opportunities, including digital transformation, technological advancement (artificial intelligence, machine learning), privacy and data risks. Compliance Management will also be centralized to ensure full compliance with various legislations, including Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT). This will also include the development of a Compliance Management Framework and supporting policies.

04

2024 Audited Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

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The Finance, Assets and Stores Management Division of the Reserve Bank of Zimbabwe prepared these financial statements under the direction and supervision of the Director, Mr. Never Nyemudzo (PAAB registration number 03144).



DIRECTORS' REPORT

The Directors of the Reserve Bank of Zimbabwe ('the Bank', 'RBZ') have pleasure in submitting their report for the financial year ended 31 December 2024 as required by section 35 of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

1. NATURE OF BUSINESS

1.1 The Reserve Bank of Zimbabwe was established in terms of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

Section 6 of the Reserve Bank of Zimbabwe Act [Chapter 22:15] lists the functions of the Bank as follows:-

- a) to regulate Zimbabwe's monetary system;
- b) to achieve and maintain the stability of Zimbabwe Gold;
- c) to foster the liquidity, solvency, stability and proper functions of Zimbabwe's financial system;
- d) to supervise banking institutions and to promote the smooth operation of the payment system;
- e) to formulate and execute the monetary policy of Zimbabwe;
- f) to act as banker and financial advisor to, and fiscal agent of the State;
- g) whenever appropriate and subject to any written directions given to it by the Minister, to represent the interests of Zimbabwe in international or intergovernmental meetings, multilateral agencies and other organisations in matters concerning monetary policy;
- h) to provide banking services for the benefit of:
 - (i) foreign Governments;
 - (ii) foreign central banks or other monetary authorities; and
 - (iii) international organisations of which Zimbabwe is a party;
- i) to participate in international organisations whose objectives are to pursue financial and economic stability through international monetary co-operation;
- j) subject to any written directions given to it by the Minister, to undertake responsibilities and perform transactions concerning the State's participation in or membership of international organisations; and
- k) to exercise any functions conferred or imposed upon it by or in terms of any other enactment.

DIRECTORS' REPORT

1.2 The following are subsidiaries of the Bank and their activities:

	NAME OF SUBSIDIARY	STATUS	BUSINESS ACTIVITY	BANK OWNED	TRANSFERRED TO MUTAPA INVESTMENT FUND*
i.	Fidelity Gold Refineries (FGR)	Active	-refiners of gold		✓
ii.	Aurex Pvt Ltd	Active	-producers of gold jewellery and diamond cutting & polishing		✓
iii.	Export Credit Guarantee Corporation	Active	-insurers of Zimbabwe's exports and provider of credit guarantees -providers of short-term insurance.		✓
iv.	Homelink Pvt Ltd	Active	- providers of money transfer services, lending to micro, small and medium scale enterprises and development of housing schemes especially for Zimbabweans living abroad		✓
v.	Printing & Minting Company of Zimbabwe (PMCZ)	Active	-printers of currency and security documents	✓	
vi.	ResZim Investment	Active	-investment company	✓	
vii.	Finance Trust of Zimbabwe	Dormant	-investment company	✓	
viii.	Carlsone Pvt Ltd	Dormant	-miners of gold	✓	
ix.	Venture Capital Company Of Zimbabwe	Dormant	-financiers of Small to Medium Enterprises	✓	
x.	ZAMCO Pvt Ltd	Winding Up	-purchaser of non- performing loans	✓	
xi.	Fiscorp	Dormant	-administrators of quasi fiscal activities	✓	

The Bank does not consolidate results of its subsidiary companies. Refer to 'note 2' of the financial statements on the Bank's basis of preparation of financial statements.

*These were transferred at zero cost to Mutapa Investment Fund on the 15th of March 2024.

DIRECTORS' REPORT

2. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation and integrity of the financial statements that present the state of affairs of the Bank. These include statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows and statement of changes in equity for the year ended 31 December 2024 and other information contained in this report.

In order to meet the above requirements, the Directors are responsible for maintaining adequate accounting records and internal controls to safeguard the assets of the Bank and to prevent and detect fraudulent activities. The internal control systems are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties.

The financial statements of the Bank are prepared and presented in accordance with the requirements of the Reserve Bank of Zimbabwe Act [Chapter 22:15]. Accordingly, these financial statements have been prepared as outlined in the basis of preparation in 'note 2' to the financial statements and the accounting policies as determined by the Directors, as set out in 'note 3' to the financial statements. The Bank applies own accounting policies, in terms of the RBZ Act [Chapter 22:15] and uses International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) as a guide in formulating the accounting policies that are described in 'note 3' to the financial statements. The Directors consider the accounting policies adopted to be suitable for the intended users of these financial statements.

The financial statements are prepared to comply with International Accounting Standard (IAS) 29 'Financial Reporting in Hyper Inflationary Economies' following the directive issued by the Public Accountants and Auditors Board Zimbabwe (PAAB), in October 2019. The directive requires entities to implement IAS 29 for reporting periods starting 1 July 2019. The inflation adjusted financial statements are the primary financial statements. The historical cost financial statements have been presented as supplementary information. Freehold land & buildings, investment properties and unquoted shares were revalued at the reporting date. Assets and liabilities that are denominated in currencies other than the Zimbabwe Gold (ZWG) were translated to the functional currency in compliance with IFRS Accounting Standards. Zimbabwe introduced a new currency on the 5th of April 2024. The 2023 comparatives, previously reported in ZW\$, were restated to the new currency, ZWG.

The audited financial statements are presented in Zimbabwe Gold (ZWG) which is also the Bank's functional currency. The Bank's independent auditors, KPMG, had unrestricted access to all the accounting records and supporting documentation during the course of the audit.

DIRECTORS' REPORT

3. BOARD OF DIRECTORS

The Bank is governed by a Board of Directors appointed in accordance with the Reserve Bank of Zimbabwe Act [Chapter 22:15]. The Board is chaired by the Governor as Executive Chairperson and consists of the two Deputy Governors, an official employed in the Ministry of Finance, Economic Development and Investment Promotion and not less than five (5) but not more than nine (9) other appointed Non-Executive Directors.

3.1 BOARD MEMBERS

The following were Board members during the year:

NAME	DESIGNATION	MEETING ATTENDANCE
Dr. J. Mushayavanhu*	Governor and Board Chairperson (Executive)	5/5
Mrs. M. Dzumbunu	Deputy Chairperson (Independent Non-Executive Director)	5/5
Dr. J.T. Chipika	Deputy Governor (Executive)	4/5
Dr. I. Matshe	Deputy Governor (Executive)	5/5
Mr. F. Ngorora**	Non-Executive Director, Ministry of Finance and Investment Promotion Representative	2/5
Mr. E.I. Manikai	Independent Non-Executive Director	3/5
Prof. J. Parwada	Independent Non-Executive Director	5/5
Ms. B. Muswaka	Independent Non-Executive Director	5/5
Mrs. E. Fundira	Independent Non-Executive Director	5/5
Dr. C.M. Fundanga	Independent Non-Executive Director	5/5
Ms. K. Maphisa***	Independent Non-Executive Director	2/5

*The Governor, Dr. John Mushayavanhu assumed office as Governor of the Reserve Bank of Zimbabwe on the 28th of March 2024 replacing Dr. John Panonetsa Mangudya.

** Mr Ngorora was appointed with effect from 1 July 2024 but passed-on on the 20th of November 2024.

*** Ms. Kunyalala Maphisa was appointed to the board with effect from the 1st of July 2024.

3.2 BOARD COMMITTEES

The Board utilizes three committees to effectively fulfil its mandate. These committees have well-defined terms of reference that outline their specific roles, responsibilities, and reporting protocols. All three committees were fully constituted and operational throughout the year.

The committees are as follows:

- i. Audit and Oversight Committee,
- ii. Human Resources and Governance Committee and
- iii. Banking Sector Stability Committee.

DIRECTORS' REPORT

3.2.1 AUDIT AND OVERSIGHT COMMITTEE

Section 29A of the Reserve Bank of Zimbabwe Act [Chapter 22:15] requires that there be an Audit and Oversight Committee of the Board chaired by the Deputy Chairperson of the Board and consisting of a person employed by the Ministry of Finance and three other non executive members of the board. The functions of the Audit and Oversight Committee are as follows:

- a) review the operations of the Bank to ensure that they are conducted in compliance with the Act and in accordance with best corporate practice; and
- b) to establish appropriate accounting procedures and accounting controls in respect of the conduct of the Bank; and
- c) to ensure compliance with the procedures established in terms of paragraph (a); and
- d) to assist the Board to evaluate the adequacy and efficiency of the internal control systems, accounting practices, information systems and auditing processes applied in the day to day management of the Bank; and
- e) to introduce such measures as in its opinion may enhance the objectivity reports prepared with reference to the Bank; and
- f) to recommend to the Board the appointment of a suitably qualified person as the auditor of the Bank.

Consistent with good corporate governance practice, no Bank executive is a member of the Audit and Oversight Committee. The committee met regularly with the Bank's auditors (internal and external) and senior management to review accounting, auditing, risk, internal control and financial reporting matters. Both internal and external auditors have unrestricted access to the Audit and Oversight Committee.

The following were the Audit and Oversight Committee members and their meeting attendance during the year under review:

NAME	DESIGNATION	MEETING ATTENDANCE
Mrs. M. Dzumbunu	Chairperson, Independent Non-Executive Director	8/8
Mr. F. Ngorora (July-November 2024)	Non-Executive Director, Ministry of Finance and Investment Promotion Representative	2/8
Prof. J. Parwada	Independent Non-Executive Director	8/8
Ms. B. Muswaka	Independent Non-Executive Director	8/8
Mrs. E. Fundira	Independent Non-Executive Director	8/8

DIRECTORS' REPORT

3.2.2 HUMAN RESOURCES AND GOVERNANCE COMMITTEE

The Board set up the Human Resources and Governance Committee to assist it in line with the provisions of Section 29 of the Reserve Bank of Zimbabwe Act [Section 22:15]. The committee's mandate is:

- a) to give guidance to the Board on the Bank's governance, compensation, succession planning, performance management; and
- b) to give guidance on Board remuneration & performance matters.

The following were the Human Resources and Governance Committee members and their meeting attendance during the year under review:

NAME	DESIGNATION	MEETING ATTENDANCE
Mr. E.I. Manikai	Chairperson, Independent Non-Executive Director	4/4
Mrs. M. Dzumbunu	Member, Independent Non-Executive Director	4/4
Dr. I. Matshe	Deputy Governor (Executive)	4/4
Ms. K. Maphisa*	Non-Executive Director	2/4

* Ms. Kunyalala Maphisa was appointed to the board with effect from the 1st of July 2024.

3.2.3 BANKING SECTOR STABILITY COMMITTEE

The Banking Sector Stability Committee of the Board was also in place during 2024 in line with the provisions of Section 29 of the Reserve Bank of Zimbabwe Act [Section 22:15] with the following mandate:

- a) ensuring that the Bank has adequate supervisory and regulatory framework for banking institutions.
- b) it is responsible for compliance with applicable laws governing banking, exchange control, anti-money laundering, national payment systems and other relevant legislation.
- c) provides guidance to the Board on its mandate of promoting banking sector stability.

The following were the Banking Sector Stability Committee members and their meeting attendance during the year under review:

Name	Designation	Meeting Attendance
Dr. C.M. Fundanga	Acting Chairperson, Independent Non-Executive Director	4/4
Dr. J.T. Chipika	Deputy Governor (Executive)	2/4
Mr. F. Ngorora (July-November 2024)	Independent Non-Executive Director	1/4

DIRECTORS' REPORT

4. MONETARY POLICY COMMITTEE (MPC)

The Reserve Bank of Zimbabwe Act [Chapter 22:15] section 29B provides for the appointment of a Monetary Policy Committee, which is independent of the Board.

The Monetary Policy Committee's functions as stated in Section 29B are as follows: -

- a) to determine the monetary policy of Zimbabwe, including the setting of limits on open market operations by the Bank;
- b) to ensure price stability as defined by the Government's inflation target set out in the National Budget;
- c) to determine interest rates for the economy in line with the Government's economic policies and targets for growth and employment and
- d) to perform such other functions related to monetary policy, as the Minister may prescribe by regulations.

The following were members of the Monetary Policy Committee and their meeting attendance during 2024:

Name	Designation	Meeting Attendance
Dr. J. Mushayavanhu	Governor and MPC Chairperson (Executive)	5/5
Mrs. M. Dzumbunu	Independent Non-Executive Member	5/5
Dr. J.T. Chipika	Deputy Governor (Executive)	4/5
Dr. I. Matshe	Deputy Governor (Executive)	5/5
Prof. A. Chakravarti	Independent Non-Executive Member	4/5
Dr. C. Jinya	Independent Non-Executive Member	5/5
Dr. D. Makina	Independent Non-Executive Member	5/5
Mr. P.E. Gwanyanya	Independent Non-Executive Member	4/5
Prof. A. Makocheanwa*	Independent Non-Executive Member	3/5

*Professor Makocheanwa's term of office expired at the end of the 3rd Quarter of 2024.

5. ACCOUNTING POLICIES

The accounting policies adopted by the Bank are set out in 'note 3' to the financial statements.

DIRECTORS' REPORT

6. RESULTS OF THE BANK'S OPERATIONS

The Bank realised an inflation adjusted surplus of **ZWG1,167,536,807.83** (2023 a deficit of **ZWG1,483,491,448.53**) as indicated below:

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
Deficit from Bank operations	(3,892,974)	(5,335,664)	(2,645,719)	(294,075)
Monetary gain	5,060,511	3,852,173	-	-
(Deficit)/surplus for the year	1,167,537	(1,483,491)	(2,645,719)	(294,075)

The Bank recorded an inflation adjusted deficit of ZWG3,892,974,201.35 before monetary gain of ZWG5,060,511,009.17 which is a result of inflation accounting. Interest expenses and related fees on foreign lines of credit that the Bank is managing on behalf of Government contributed significantly to the deficit before the monetary gain. The Government interest expense was recorded as Bank expense because the loans were still in the Bank's books at year-end.

7. BANK CAPITALIZATION

The Government of Zimbabwe capitalized the Bank during the year through a transfer of gold reserve assets amounting to US\$111,092,640.58 (ZWG2, 866,023,488.05). The Bank is grateful for this provision as it will assist the Bank to achieve its mandate in years to come.

8. GOLD AND FOREIGN RESERVES

SI 189 Presidential Powers (Temporary Measures) (Amendment of Reserve Bank of Zimbabwe Act and Finance Act) Regulations, 2022 was issued on the 4th of November 2022. It empowers the Bank to collect mining royalties in respect of gold, diamonds, platinum and lithium (and any other precious stone or precious or valuable metal specified by the Bank by notice in a statutory instrument). Fidelity Gold Refinery (FGR) collected gold royalties from miners at the point of refining and remitted it to the Bank throughout 2024. For the other prescribed minerals, foreign currency was received from miners through Zimbabwe Revenue Authority (ZIMRA). The foreign currency received was used to buy gold reserves from FGR. At year end, the Bank was holding diamonds received in prior periods which were in the process of being sold, the proceeds will be used to buy gold.

Gold Holdings	Kgs	ZWG000	US\$000
Opening balance	635.79	701,759	41,911
Movement for the year	2,034.24	5,071,556	181,874
Closing Balance	2,670.03	5,773,315	223,785

The Bank's activity on the gold market was limited to acquisitions as the aim was to build reserves as evidenced by the significant increase of 2,034.24kgs during the year. On the other hand, the Bank also built foreign currency reserves starting the year with bank and cash holdings amounting to US\$67,074,834.00 and closing at US\$259,550,890.00. Gold and foreign currency reserve building is meant to stabilize the local currency, ZWG.

DIRECTORS' REPORT

9. INFLATION DEVELOPMENTS

The Reserve Bank of Zimbabwe managed to stabilize money supply growth in 2024, and this largely contributed to the relative stability in the exchange rate and inflation. Policy measures implemented included the new structured currency, the ZWG introduced in April 2024, together with an array of monetary policies which included the increase in the Bank Policy Rate to 35% per annum, as well as the upward adjustment in statutory reserve requirement ratios on both local and foreign currency deposits.

As a result, month-on-month ZWG inflation was successfully curtailed to single digit levels of below 5%, despite a depreciation-induced spike in monthly inflation of 37.2% in October 2024. The surge was expected following the 43% depreciation of the ZWG in September 2024. Month-on-month inflation, however, fell to 11.7% in November 2024, and ended the year at 3.7%, which was within the December 2024 target of 5%.

10. FOREIGN EXCHANGE MARKET

The foreign exchange market witnessed significant changes in April 2024, notably the introduction of the structured currency, the Zimbabwe Gold (ZWG) on 5 April 2024 and the discontinuation of the foreign exchange auction system. A conversion factor of 2,498.7242 was established to facilitate the conversion of all Zimbabwe dollar (ZWS) balances to ZWG. At the point of the introduction of ZWG, the initial exchange rate between the USD and ZWG was determined mainly from the prevailing price of gold at a level of US\$1:ZWG13.56. The exchange rate has evolved such that it closed the year 2024 at US\$1:ZWG25.79, representing a depreciation of about 45% over the period.

The foreign exchange auction system was replaced by a refined interbank foreign exchange market under the Willing Buyer Willing Seller (WBWS) arrangement. The Reserve Bank, as one of the market participants, has been making regular market interventions to liquefy the WBWS market. Cumulatively, from April 2024 to the end of the year 2024, the Reserve Bank sold a total of about US\$410 million representing about 7% of the total foreign exchange payments.

11. BANK INVESTMENTS IN SHARES

INVESTMENT	SHAREHOLDING	DIVIDEND RECEIVED	COMMENT
Afreximbank	5.86%	US\$15.7 million	Dividend was reinvested .
Africa Finance Corporation	0.03%	-	US\$1 million invested during the year.
SWIFT	0.04%	-	No dividend received.
Zimswitch	15.00%	ZWG5.5 million	Dividends received on a quarterly basis.
IDBZ	12.56%	-	No dividend received.
PMCZ	100%	-	Additional investments amounting to ZWG10,427,262.23 made during the year.
ZAMCO	100%	-	Liquidation is ongoing and all assets are to be transferred to RESZIM, a 100% owned subsidiary.

DIRECTORS' REPORT

12. BANK POLICY RATES

The Bank Policy Rate closed the year at 35% (2023: 130%) per annum.

13. LIQUIDITY MANAGEMENT

The Bank was holding ZWG16,690,725,374.00 (2023: ZWG8,588,837,055.92) worth of statutory reserves as at 31 December 2024. Statutory Reserve requirements for savings and time deposits for both local and foreign currencies closed the year at 15% whilst for demand and call deposits for both local and foreign deposits were 30%.

The Bank continued to use Non-Negotiable Certificates of Deposits (NNCDs) introduced in 2021 to mop up excess liquidity from the market and was holding ZWG1,046,247,750.00 (2023: 3,634,337,609.49) as at 31 December 2024.

14. CURRENCY DEVELOPMENTS

The Monetary Policy Statement issued by the Governor, Dr J. Mushayavanhu on the 5th of April 2024 introduced a new structured currency, the ZWG. Statutory Instrument 60 of 2024 Presidential Powers (Temporary Measures) (Zimbabwe Gold Notes and Coins) Regulations, 2024, (SI 60 of 2024) was effective on the 5th of April 2024 and the Zimbabwe Dollars (ZW\$) were converted into ZWG. All transactions previously denominated in Zimbabwe Dollars were converted into ZWG using a conversion factor of 2 498.7242.

15. ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") MATTERS

The Bank recognizes the growing importance of sustainability as a key strategic priority and an essential lever for achieving Environmental, Economic and Social Sustainability anchored on sound Governance. The Bank has adopted a holistic sustainability approach as part of its commitment to responsible and sustainability practices, and remains resolutely focussed on integrating environmental, economic, social and governance considerations in its strategy, operations, decision-making processes, and reporting. Pursuant to its mandate of financial stability, and as part of efforts to embed sustainability in the financial sector, the Bank is working in collaboration with the European Organisation for Sustainable Development (EOSD) under the Sustainability Standards Certification Initiative (SSCI) for the country's banks to become sustainability certified. As at end 2024, 15 out of Zimbabwe's 19 banks were enrolled on the SSCI. The Bank is also undergoing the sustainability certification program for Central Banks with EOSD. In addition, the Bank is also a member of the Network of Central Banks and Supervisors for Greening the Financial System (NGFS). This is a grouping of Central Banks and supervisors that aims to support the development of environment and climate risk management in the financial services sector.

Pursuant to the sustainability agenda, the Bank established a Climate Risk, Sustainability and Governance Management Committee to spearhead implementation of sustainability imperatives within the Bank. The Bank has also taken steps to integrate climate and environmental related risks in its on-going supervision. Through its Banking Supervision, Surveillance and Financial Stability Division, the Bank is leading a working group of the SADC Committee of Central Bank Governors (CCBG) Banking Supervision and Financial Stability Sub-Committee that has been tasked with the development of a Regional Supervisory Framework for Climate and Environmental Related Financial Risks as part of the Committee's deliverables under the 2023/2025 Strategy Plan. Enhanced climate risk management at regional level has a bearing on financial stability in Zimbabwe in view of regional banks operating in Zimbabwe.

DIRECTORS' REPORT

15. ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") MATTERS (continued)

The Bank continued to collaborate with stakeholders, industry experts, and regulatory authorities to stay abreast of emerging trends, assess risks and opportunities, and implement best practice. During 2024, the Bank engaged with technical staff in the Ministry of Environment, Climate & Wildlife Management to explore the scope for the Bank's integration into national climate risk mitigation and adaptation structures. National climate risk mitigation and adaptation strategies have the potential to minimise climate and related environmental risks with positive spinoffs to financial stability. The Bank was also represented at various national Climate Adaptation Financing Strategy workshops, where climate adaptation costings, funding sources, and gap refinancing thereof, were comprehensively discussed. Up to the end of 2024, the Bank had not issued any sustainability-linked (ESG-linked) financial instruments in the market.

Financial inclusion has been recognised as a powerful tool in driving broad-based wealth creation, poverty reduction and attainment of national development goals and objectives including the broader 2030 UN Sustainable Development Goals (SDGs), as well as financial stability, and thus remains a key priority for the Bank, in promoting inclusive economic growth. The Bank is championing the implementation of the National Financial Strategy II 2022-2026 (NFIS II), whose strategic vision is to empower all Zimbabweans towards building resilient, and sustainable livelihoods through access and usage of affordable, sustainable and quality financial services. The Bank, in collaboration with its financial inclusion stakeholders has implemented several initiatives to facilitate increased uptake and usage of financial services. These initiatives include operationalisation of the Collateral Registry which allows borrowers to use movable assets as collateral, establishment of women and Micro, Small and Medium Enterprises (MSME) desks in bank branches, extensive financial literacy outreach programs including organising and championing the 12th edition of the Global Money Week (GMW) celebrations aimed at ensuring that young people are financially aware and gradually acquire knowledge, skills, attitudes and behaviours that enable them to make sound financial decisions and ultimately achieve financial well-being and financial resilience. Financial literacy outreach programs were held in schools, colleges, and universities in collaboration with other financial sector regulators. Further, the Reserve Bank organised the 2nd National Financial Inclusion Conference from 17-18 October 2024, which provided an engagement platform for financial inclusion thought leaders, policy makers, regulators, mobile network operators and financial service providers to deliberate on initiatives to foster an inclusive financial system.

16. GOING CONCERN

The Bank realised an inflation adjusted surplus of ZWG1,167,536,807.83 for the year ended 31 December 2024 (2023: a deficit of ZWG1,483,491,448.53) and as at that date had a positive equity of ZWG2,305,822,431.37 (2023: ZWG2,157,464,095.45).

At the end of 2024, the Bank had a net current liability position. The Bank is a not-for-profit organisation, a creature of statute and has inherent powers to function with a negative equity. Government, through the Ministry of Finance and Investment Promotion capitalised the Bank to the tune of US\$111,092,640.58 (ZWG2,866,023,488.05) to enhance its operations. Government also provided a letter of support which shows its commitment for financial assistance, as may be required to ensure that the Bank is able to satisfy its financial obligations and pay its debts (both current and future) as they fall due within the next twelve months of the date of approval of the letter of support.

The financial statements are therefore prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

DIRECTORS' REPORT

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements, which appear on pages 94 to 162 were approved by the Board of Directors on 31 March 2025. In line with the Reserve Bank of Zimbabwe Act [Chapter 22:15], the following officials are the duly authorized signatories for the financial statements:

Dr. J. Mushayavanhu	Governor and Board Chairperson
Mrs. M. Dzumbunu	Deputy Board Chairperson & Audit and Oversight Committee Chairperson
Dr. J.T. Chipika	Deputy Governor
Dr. I. Matshe	Deputy Governor
Mrs. V. Sithole	Director, Bank Secretary



Dr. J. Mushayavanhu
Governor, Board Chairperson



Mrs. M. Dzumbunu
Deputy Board Chairperson & Audit and Oversight Committee Chairperson



Dr. J.T. Chipika
Deputy Governor



Dr. I. Matshe
Deputy Governor



Mrs. V. Sithole
Bank Secretary & General Counsel

Date: 31 March 2025



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Independent Auditors' Report

To the Minister of Finance, Economic Development and Investment Promotion

Opinion

We have audited the inflation adjusted financial statements of the Reserve Bank of Zimbabwe (the Bank), which comprise the inflation adjusted statement of financial position as at 31 December 2024, the inflation adjusted statement of profit or loss and other comprehensive income, the inflation adjusted statement of changes in equity and the inflation adjusted statement of cash flows for the year then ended, and notes to the inflation adjusted financial statements, comprising a summary of material accounting policies and other explanatory information, as set out on pages 94-162.

In our opinion, the accompanying inflation adjusted financial statements of the Reserve Bank of Zimbabwe for the year ended 31 December 2024 are prepared, in all material respects, in accordance with the basis of preparation described in note 2 to the inflation adjusted financial statements and the requirements of the Reserve Bank of Zimbabwe Act (Chapter 22:15).

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 Auditors' responsibilities for the audit of the inflation adjusted financial statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the inflation adjusted financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the inflation adjusted financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Expected credit loss allowance on Other loans and advances and Investment securities

Refer to accounting policy note 3.9.1.5 (Impairment), note 6.3 (Impairment of loans and advances), note 8 (Expected credit losses), note 11 (Investment securities), note 14 (Other loans and advances) and note 33.4 (Credit risk) to the inflation adjusted financial statements.

Key audit matter	How the matter was addressed in our audit
<p>As at 31 December 2024, the Bank had Investment securities of ZWG 13.9 billion (note 11) and Other loans and advances of ZWG 1.4 billion (note 14) inflation adjusted. The Bank uses an Expected Credit Loss (ECL) model to determine the ECL allowance for Investment securities and Other loans and advances.</p> <p>The Bank's ECL model includes certain judgements and assumptions such as:</p> <ul style="list-style-type: none"> the low credit risk grade where there is a low risk of default; the probability of default of a loan becoming past due and subsequently defaulting (probability of default 'PD'); the determination of the Bank's definition of default; the magnitude of the likely loss if there is default (loss given default 'LGD'); the expected exposure in the event of a default (exposure at default 'EAD'); the criteria for assessing significant increase in credit risk (SICR); the rate of recovery on the loans that are past due and in default and the discount rates used in the ECL model; and the incorporation of forward-looking information related to the expected outlook on the country's inflation rates, interest rates, and the gross domestic product used in determining the expected credit losses in the other loans and advances and investment securities. <p>Due to the significance of the investment securities and other loans and advances to the inflation</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> Evaluating the design, implementation and operating effectiveness of the key controls over credit origination and monitoring in the loan granting process. Assessing whether the Bank's credit policies are aligned with their accounting policy on Financial Instruments. Assessing the appropriateness of the credit risk grade through the performance of credit reviews and an analysis of the financial performance of entities for a sample of loans and advances at year end. Inspecting the terms and conditions on loan contracts to assess the collaterals on collateralized loans and advances on a sample basis. Evaluating the completeness and accuracy of data inputs used by our Financial Risk Management (FRM) specialists in recomputing the ECL by directly testing the relevant data elements over Other loans and advances and Investment securities at year end. Assessing the adequacy of the ECL allowance disclosures in accordance with the Reserve Bank of Zimbabwe Act (Chapter 22:15) and the Bank's relevant accounting policies. Using our own FRM specialists to assist us in: <ul style="list-style-type: none"> assessing the reasonability of management's assumptions in the determination of the PDs, EADs and the LGDs applied in computing the ECL allowance by comparing against industry benchmarks.

Key audit matter	How the matter was addressed in our audit
adjusted statement of financial position of the Bank and the level of judgement applied in determining the ECL, the ECL allowance on Investments securities and Other loans and advances was considered to be a key audit matter.	<ul style="list-style-type: none"> o assessing the reasonability of the recovery and discount rates used in the ECL model by comparing to industry benchmarks and external rates. o evaluating the appropriateness of the Bank's ECL models by using independent models to recompute the ECL and reviewing the reasonability of the methodology updates within the Bank's ECL model during the current year. o challenging management's judgements and assumptions incorporated into forward looking information used in calculating the ECL allowance by using available external and independent macro-economic information.

Valuation of land and buildings (owner-occupied property) and investment property

Refer to accounting policy note 3.5 (property, plant and equipment) and note 3.6 (investment property) note 6.1 (property, plant and equipment useful lives, residual values and depreciation rates), note 6.2 (fair valuation of investment properties, land and buildings), note 17 (investment property), note 18 (property, plant and equipment), 20 (Revaluation reserve) and note 35 (fair value measurement) to the inflation adjusted financial statements.

Key audit matter	How the matter was addressed in our audit
<p>The Bank holds land and buildings (owner-occupied property) that are measured at fair value in accordance with the Bank's Property, Plant and Equipment accounting policy. The Bank also holds investment property which is measured at fair value in accordance with the Bank's Investment Property accounting policy.</p> <p>As at reporting date the Bank had land and buildings amounting to ZWG 10.6 million and ZWG 2 billion, respectively (note 18), and investment property amounting to ZWG 350.9 million (note 17), inflation adjusted.</p> <p>The fair values of the Bank's land and buildings (owner-occupied property) and investment property are classified as level 3 in the fair value hierarchy, through their use of unobservable inputs</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Engaging external professional independent property valuers to assist us in: <ul style="list-style-type: none"> o obtaining an understanding of the methods and assumptions used by management in property valuations. o assessing the reasonability of the property valuations by reperforming the property valuations on a sample basis and compare it to valuations as determined by managements' valuation specialists. o challenging the reasonability of valuation inputs for the rates per square meter and capitalization rates used by managements' valuation specialists, by comparing it to industry benchmarks on a sample basis. o evaluating the valuation methods used by

Key audit matter	How the matter was addressed in our audit
<p>such as rental rates per square meter and capitalisation rates which have estimation uncertainty inherent in their values.</p> <p>The Bank's policy requires revaluation of its land and buildings (owner-occupied property) on a regular basis within periods not exceeding three years and measure investment property at its fair value at the reporting date.</p> <p>Determination of the fair value of land and buildings (owner-occupied property) and investment property is subject to significant judgment and estimation uncertainty, and the balances at year end is significant to the Bank's financial statements. As a result, the valuation of the land and buildings (owner-occupied property) and investment property was considered to be a key audit matter.</p>	<p>managements' valuation specialist for appropriateness, based on the knowledge of the industry and the requirements of the Bank's fair value measurement accounting standard.</p> <ul style="list-style-type: none"> Assessing the professional competence and capabilities, independence and objectivity of the external valuers engaged by management to value the properties through inspection of their professional membership and curriculum vitae. Assessing the adequacy of the disclosures in accordance with the Reserve Bank of Zimbabwe Act (Chapter 22:15) and the Bank's relevant accounting policies.

Recognition and recoverability of unrealised and realised exchange losses receivables

Refer to note 2.2.2 (IAS 21, Effects of changes in foreign exchange rates), note 3.9.1.1 (Loans and receivables), note 12 [(Receivables) specifically the Gold and Foreign Currency Adjustment Account] and note 33.4 (credit risk) to the inflation adjusted financial statements.

Key audit matter	How the matter was addressed in our audit
<p>As at the reporting date the Bank had inflation adjusted exchange losses of ZWG 38.1 billion in the form of accumulated exchange losses which are to be funded by the Government of Zimbabwe and are accordingly recognised as a receivable from Government in note 12 to the inflation adjusted financial statements.</p> <p>Section 34 of the Reserve Bank of Zimbabwe Act (Chapter 22:15) states that all exchange gains and losses from gold and foreign assets are borne by the Bank for the account of the Government of Zimbabwe.</p> <p>The Bank included exchange losses incurred from foreign denominated liabilities i.e blocked funds and foreign loans in the balance of accumulated exchange losses in note 12.</p> <p>We considered this to be a key audit matter, given</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> Testing, on a sample basis, the completeness of the foreign currency balances which resulted in exchange losses or gains and the accuracy of the rates which were used in the recalculation of the exchange losses and gains by agreeing the rates used to the official published daily exchange rates. Testing, on a sample basis, exchange losses or gains that are manually calculated and posted in the system through recalculating the exchange gains and losses. Verifying that the exchange gains and losses have been accounted for in line with the requirements of the Reserve Bank of Zimbabwe Act (Chapter 22:15).

Key audit matter	How the matter was addressed in our audit
the volume of transactions during the year and the significance of the unrealised and realised exchange losses receivable from the Government to the Bank in the inflation adjusted financial statements.	<ul style="list-style-type: none"> Assessing the adequacy of the disclosure in accordance with the Reserve Bank of Zimbabwe Act (Chapter 22:15) and the Bank's relevant accounting policies. Engaging our Information Technology specialists to re-compute on a sample basis exchange losses or gains calculated by the Bank's core banking system that resulted in the recorded unrealised exchange losses receivable.

Valuation of unlisted investments

Refer to note 6.4 (Investments in subsidiaries and unquoted shares), note 10 (Gold and foreign assets), note 15 (Other investments) and note 35 (Fair value measurement)

Key audit matter	How the matter was addressed in our audit
<p>The Bank holds unlisted investments in African Export-Import Bank (Afreximbank), Africa Finance Corporation (AFC), Zimswitch Technologies (Private) Limited and Infrastructure Development Bank of Zimbabwe (IDBZ). AfrximBank and AFC are foreign unlisted investments which amounted to ZWG 9.6 billion (note 10) and IDBZ and Zimswitch are local investments which amounted to ZWG 87.8 million and ZWG 99.3 million respectively (note 15) as at 31 December 2024.</p> <p>The Bank uses the market-based approach method that takes into account key inputs such as risk-free rates, country risk premium, credit spread, and beta was used in the valuation of the investments. Determination of fair value of unlisted investments involves estimation uncertainty and requires judgements about significant assumptions used in the calculation.</p> <p>Due to the high degree of estimation uncertainty involved in determining the assumptions and inputs in the market-based approach, valuation of unlisted investments was considered a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> Obtaining an understanding of the process followed in the valuation of unlisted investments through inquiries with Management's valuation specialist. Confirming with the investees, the shareholding of the Bank for the interests considered in the determination of the fair values. Assessing the professional competence and capabilities, independence and objectivity of Management's specialists through reviewing their curriculum vitae and inquiring with the specialists about their interests and relationships with the Bank. Assessing the adequacy of the disclosure in accordance with the Reserve Bank of Zimbabwe Act (Chapter 22:15) and the Bank's relevant accounting policies. Engaging our own deal advisory specialists to assist us in: <ul style="list-style-type: none"> obtaining an understanding of the methods, assumptions and data applied in the valuation reports prepared by the

Key audit matter	How the matter was addressed in our audit
	<p>management's valuation specialist through reviewing the valuation reports and further inquiries with the Management's valuation specialist.</p> <ul style="list-style-type: none"> ○ assessing the reasonability of management specialist prepared valuations by performing an independent recalculation of the fair value of the unlisted investments using independently sourced inputs and assumptions and comparing against valuations prepared by independent consultants. ○ challenging assumptions and data in the valuations in terms of the risk-free rates, country risk premium, credit spread, and beta used in the valuation of the investments against expectations based on the knowledge of the client and experience of the industry in which it operates. ○ evaluating whether the valuation methods used by the Management's valuation specialist remained appropriate, based on the knowledge of the industry and the requirements of the Bank's fair value measurement accounting policy.

Emphasis of matter – basis of accounting

We draw attention to note 2 to the inflation adjusted financial statements which describes the basis of accounting. The inflation adjusted financial statements are prepared to assist the Bank in complying with the requirements of the Reserve Bank of Zimbabwe Act (Chapter 22:15). As a result, the inflation adjusted financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other matter

The prior year statutory inflation adjusted financial statements were issued on 30 April 2024 using ZW\$ as the presentation currency. The comparative inflation adjusted financial statements are thus reflected as audited, based on the conversion to the presentation currency of the Zimbabwe Gold (ZWG), as indicated in note 3.2.2 to the inflation adjusted audited financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report and the unaudited financial information in the inflation adjusted financial statements titled "Unaudited historical cost", but does not include the inflation adjusted financial statements and our auditors' report thereon.

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

In connection with our audit of the inflation adjusted financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted 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 inflation adjusted financial statements

The Directors are responsible for the preparation of the inflation adjusted financial statements in accordance with the basis of preparation described in note 2 to the inflation adjusted financial statements and the requirements of the Reserve Bank of Zimbabwe Act (Chapter 22:15), and for such internal control as the Directors determine is necessary to enable the preparation of inflation adjusted financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted financial statements, the Directors are responsible for assessing the Bank'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 Bank or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the inflation adjusted financial statements

Our objectives are to obtain reasonable assurance about whether the inflation adjusted 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 inflation adjusted 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 inflation adjusted 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 Bank'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 Bank'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 inflation adjusted 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 Bank to cease to continue as a going concern.

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.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the inflation adjusted financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Themba Mudidi
Partner
Registered Auditor
PAAB Practicing Certificate Number 0437

2 April 2025

For and on behalf of, KPMG Chartered Accountants (Zimbabwe), Reporting Auditors

Mutual Gardens
100 The Chase (West)
Emerald Hill
P.O Box 6, Harare
Zimbabwe

INFLATION ADJUSTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTES	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST**	
		2024 ZWG 000	2023* ZWG 000	2024 ZWG 000	2023 ZWG 000
Interest income	7.1	259,925	661,714	162,968	33,074
Commission income	7.2	345,324	545,022	239,102	28,840
Interest and commission expense	7.3	(2,723,474)	(5,310,802)	(1,646,791)	(282,001)
Net interest and commission expense		(2,118,225)	(4,104,066)	(1,244,721)	(220,087)
Other income	7.4	1,090,175	1,413,072	791,104	96,423
Net interest and commission expense after other income		(1,028,050)	(2,690,994)	(453,617)	(123,664)
Operating costs	7.5	(2,308,163)	(2,154,280)	(1,635,341)	(125,271)
Expected credit losses	8	(556,761)	(490,390)	(556,761)	(45,140)
Deficit for the year before reversal of financial assets impairment and monetary gain		(3,892,974)	(5,335,664)	(2,645,719)	(294,075)
Monetary gain		5,060,511	3,852,173	-	-
Surplus/(deficit) for the year		1,167,537	(1,483,491)	(2,645,719)	(294,075)
Other comprehensive income					
Fair value (loss)/gain on investments	21	(3,053,861)	2,159,582	(42,370)	211,320
Revaluation (loss)/gain on properties	20	(831,340)	1,792,064	1,743,917	241,109
Total comprehensive (loss)/income for the year		(3,885,201)	3,951,646	1,701,547	452,429
Total (deficit)/surplus for the year		(2,717,664)	2,468,155	(944,172)	158,354

*2023 figures were restated to ZWG from ZW\$.

**The Historical Cost information has been shown as supplementary information for the benefit of users. These are not required in terms of International Accounting Standard (IAS 29) 'Financial Reporting in Hyperinflationary Economies'. The Auditors have not expressed an opinion on all Historical Cost information.

INFLATION ADJUSTED STATEMENT OF FINANCIAL POSITION

		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024	2023	2024	2023
	Notes	ZWG	ZWG	ZWG	ZWG
		000	000	000	000
Assets					
Cash and bank balances	9	6,733,082	1,944,656	6,733,082	179,003
Gold and foreign assets	10	15,699,221	11,361,863	15,699,221	1,045,841
Investment securities	11	13,320,478	9,277,838	13,320,478	854,010
Receivables	12	82,368,050	115,253,147	82,270,855	10,604,568
Loans and advances to Government	13	-	1,734,153	-	159,626
Other loans and advances	14	1,357,460	2,465,811	1,357,460	226,974
Other investments	15	187,115	206,701	187,115	19,027
Investments in subsidiaries	16	83,835	571,037	6,378	8,133
Investment property	17	350,860	453,384	350,860	41,733
Non-current asset held for sale	18	3,910	3,910	75	75
Property, plant and equipment	18	2,130,816	2,892,097	2,072,905	264,211
Total assets		122,234,827	146,164,597	121,998,429	13,403,201
Equity and liabilities					
Capital and reserves					
Share capital	19	58,023	6,426	51,598	1
Share premium	19	3,129,310	314,884	2,814,465	39
Revaluation reserve (buildings)	20	2,162,194	2,993,534	2,005,161	261,244
Mark to market (investments)	21	211,288	3,265,149	187,595	229,965
General reserve fund	22	-	-	-	-
Accumulated deficit	23	(3,254,992)	(4,422,529)	(2,989,394)	(343,675)
Surplus attributable to equity Shareholder		2,305,823	2,157,464	2,069,425	147,574
Liabilities					
Notes and coins in circulation	24	181,873	68,476	181,873	6,303
Deposit accounts	25	4,188,346	3,958,133	4,188,346	364,340
Payables	26	338,834	409,979	338,834	37,738
Term deposits	27	1,068,835	5,622,457	1,068,835	517,538
Foreign currency denominated liabilities	28	79,776,896	97,756,442	79,776,896	8,998,325
International Monetary Fund	29	34,374,220	36,191,646	34,374,220	3,331,383
Total liabilities		119,929,004	144,007,133	119,929,004	13,255,627
Total equity and liabilities		122,234,827	146,164,597	121,998,429	13,403,201

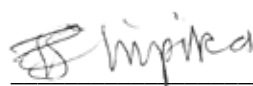
INFLATION ADJUSTED STATEMENT OF FINANCIAL POSITION



Dr. J. Mushayavanhu
Governor, Board Chairperson



Mrs. M. Dzumbunu
**Deputy Board Chairperson & Audit
and Oversight Committee Chairperson**



Dr. J.T. Chipika
Deputy Governor



Dr. I. Matshe
Deputy Governor



Mrs. V. Sithole
Bank Secretary & General Counsel

Date: 31 March 2025

RESERVE BANK OF ZIMBABWE
AUDITED FINANCIAL STATEMENTS
For the year ended 31 December 2024

STATEMENT OF CHANGES IN EQUITY AUDITED INFLATION ADJUSTED

		Share Capital	Share Premium	Revaluation Reserve	Mark to Market Reserve	General Reserve Fund	Accumulated Deficit	Total
	Notes	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
		000	000	000	000	000	000	000
Balance as at 1 January 2023		6,426	314,884	1,201,470	1,105,567	-	(2,939,038)	(310,691)
Deficit for the year	23	-	-	-	-	-	(1,483,491)	(1,483,491)
Revaluation gain on properties	20	-	-	1,792,064	-	-	-	1,792,064
Fair value gains on investments	21	-	-	-	2,159,582	-	-	2,159,582
Balance at 31 December 2023		6,426	314,884	2,993,534	3,265,149	-	(4,422,529)	2,157,464
Surplus for the year	23	-	-	-	-	-	1,167,537	1,167,537
Fair value loss on investments	21	-	-	-	(3,053,861)	-	-	(3,053,861)
Revaluation loss on properties	20	-	-	(831,340)	-	-	-	(831,340)
Recapitalisation	19	51,597	2,814,426	-	-	-	-	2,866,023
Balance at 31 December 2024		58,023	3,129,310	2,162,194	211,288	-	(3,254,992)	2,305,823

RESERVE BANK OF ZIMBABWE
AUDITED FINANCIAL STATEMENTS
For the year ended 31 December 2024

STATEMENT OF CHANGES IN EQUITY UNAUDITED HISTORICAL COST

		Share Capital	Share Premium	Revaluation Reserve	Mark to Market Reserve	General Reserve Fund	Accumulated Deficit	Total
	Notes	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
		000	000	000	000	000	000	000
Balance as at 1 January 2023		1	39	20,135	18,645	-	(49,600)	(10,780)
Deficit for the year	23	-	-	-	-	-	(294,075)	(294,075)
Revaluation gain on properties	20	-	-	241,109	-	-	-	241,109
Fair value gains on investments	21	-	-	-	211,320	-	-	211,320
Balance at 31 December 2023		1	39	261,244	229,965	-	(343,675)	147,574
Deficit for the year	23	-	-	-	-	-	(2,645,719)	(2,645,719)
Fair value loss on investments	21	-	-	-	(42,370)	-	-	(42,370)
Revaluation gain on properties	20	-	-	1,743,917	-	-	-	1,743,917
Recapitalisation	19	51,597	2,814,426	-	-	-	-	2,866,023
Balance at 31 December 2024		51,598	2,814,466	2,005,161	187,595	-	(2,989,394)	2,069,425

STATEMENT OF CASH FLOWS- AUDITED INFLATION ADJUSTED

	NOTES	2024 ZWG 000	2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating cash flows			
Surplus/(deficit) for the year		1,167,537	(1,483,491)
Adjustment for items not affecting operating cash flows			
-Depreciation	7.5	86,987	48,486
-Fair value gain in investment property	7.4	(309,127)	(421,258)
-Fair value loss on equity investment	7.5	223,286	-
-Disposal of Subsidiaries*	16	62,302	-
-Expected credit losses	8	556,761	490,390
-(Profit)/Loss on disposal of property, plant and equipment	37.2	(1,634)	1
-Other accrued income		(605,414)	(1,352,759)
-Interest expense	7.3	2,723,474	5,310,802
-Monetary gain		(5,060,511)	(3,852,173)
		(1,156,339)	(1,260,002)
Interest and commission paid			
-Interest and commission paid		(771,547)	(2,002,387)
Operating cash flows before movements in working capital			
		(1,927,886)	(3,262,389)
Movements in working capital			
Increase in receivables		(2,867,278)	(4,914,734)
Increase in deposit accounts		20,372,994	15,217,866
Increase/(decrease) in payables		618,000	(3,390,346)
Increase in advances		17,397	665,805
Net cash flows from working capital movements			
		18,141,113	7,578,591
Net cash inflow from operating activities			
		16,213,227	4,316,202

*Fidelity Gold Refinery, Aurex, Export Credit Guarantee Company and Homelink were disposed to Mutapa Investment Fund at zero cost. These transactions have no impact on cash flows from investing activities.

STATEMENT OF CASH FLOWS (continued)- AUDITED INFLATION ADJUSTED

	NOTES	2024 ZWG 000	2023 ZWG 000
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Activities			
Purchase investment securities		(1,701,748)	(403,491)
Purchase of shares		(184,567)	(123,431)
Proceeds from disposal of property, plant and equipment	37.2	1,978	6
Purchase of property, plant and equipment	37.1	(193,769)	(127,352)
Interest received		103,574	106,961
Dividend received		365,265	302,758
Net cash from Investing Activities		(1,609,267)	(244,549)
CASH FLOWS FROM FINANCING ACTIVITIES*			
Decrease in liabilities		(11,531,078)	(13,845,318)
Increase in liabilities		3,104,925	7,893,024
Decrease in legacy debt		(130,317)	(2,744,412)
Net cash from Financing Activities		(8,556,470)	(8,696,706)
Decrease in cash and cash equivalents due to revaluation and monetary adjustments		(1,259,064)	(1,833,006)
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		4,788,426	(6,458,059)
Cash and cash equivalents at beginning of the year	9	1,944,656	8,402,715
-Balances with foreign banks		1,122,674	8,057,691
-Foreign currency		821,977	344,999
-Committed funds		5	25
Cash and cash equivalents at end of the year	9	6,733,082	1,944,656
-Balances with foreign banks		3,517,440	1,122,674
-Foreign currency		3,215,642	821,977
-Committed funds		-	5

*The amounts represent movements in the loan balances. The disclosure is in terms of the Bank's basis of accounting as disclosed in note 2 to the financial statements.

STATEMENT OF CASH FLOWS- UNAUDITED HISTORICAL COST

	NOTES	2024 ZWG 000	2023 ZWG 000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating cash flows			
Deficit for the year		(2,645,719)	(294,075)
Adjustment for items not affecting operating cash flows			
-Depreciation	7.5	11,696	903
-Fair value gain in investment property	7.4	(309,127)	(38,776)
-Fair value loss on equity investment		223,286	-
-Disposal of Subsidiaries*	16	62,302	-
-Expected credit losses	8	556,761	45,140
-Profit on disposal of property, plant and equipment	37.2	(1,594)	-
-Other accrued income		(405,626)	(76,388)
-Interest expense	7.3	1,646,791	282,001
		(861,230)	(81,195)
Interest and commission paid			
-Interest and commission paid		(737,120)	(162,814)
Operating cash flows before movements in working capital		(1,598,350)	(244,009)
Movements in working capital			
Increase in receivables		(2,496,783)	(450,769)
Increase in deposit accounts		20,372,994	1,400,780
Increase in payables		618,000	25,307
Increase in advances		17,397	61,286
Net cash flows from working capital movements		18,511,608	1,036,604
Net cash inflow from operating activities		16,913,258	792,595

*Fidelity Gold Refinery, Aurex, Export Credit Guarantee Company and Homelink were disposed to Mutapa Investment Fund at zero cost. These transactions have no impact on cash flows from investing activities

STATEMENT OF CASH FLOWS (continued)- UNAUDITED HISTORICAL COST

	NOTES	2024 ZWG 000	2023 ZWG 000
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Activities			
Purchase investment securities		(1,701,748)	(37,140)
Purchase of shares		(66,403)	(7,821)
Proceeds from disposal of property, plant and equipment	37.2	1,810	-
Purchase of property, plant and equipment	37.1	(128,946)	(6,559)
Interest received		78,473	7,010
Dividend received		215,502	19,472
Net cash from Investing Activities		(1,601,312)	(25,038)
CASH FLOWS FROM FINANCING ACTIVITIES*			
Decrease in liabilities		(11,531,079)	(1,274,439)
Increase in liabilities		3,104,925	726,540
Decrease in legacy debt		(130,317)	(252,619)
Net cash from Financing Activities		(8,556,471)	(800,518)
(Decrease)/increase in cash and cash equivalents due to revaluation and monetary adjustments		(201,396)	50,829
INCREASE IN CASH AND CASH EQUIVALENTS		6,554,079	17,868
Cash and cash equivalents at beginning of the year	9	179,003	161,135
-Balances with foreign banks		103,340	154,519
-Foreign currency		75,663	6,616
-Committed funds		-	-
Cash and cash equivalents at end of the year	9	6,733,082	179,003
-Balances with foreign banks		3,517,440	103,340
-Foreign currency		3,215,642	75,663
-Committed funds		-	-

*The amounts represent movements in the loan balances. The disclosure is in terms of the Bank's basis of accounting as disclosed

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

1. REPORTING ENTITY

The Reserve Bank of Zimbabwe is a Statutory Body established in terms of the Reserve Bank of Zimbabwe Act [Chapter 22:15]. The Bank's registered office is number 80 Samora Machel Avenue, Harare.

2. BASIS OF PREPARATION

The financial statements of the Bank are prepared and presented as prescribed by the Reserve Bank of Zimbabwe Act [Chapter 22:15]. Accordingly, these financial statements have been prepared in accordance with the accounting policies, as determined by the Directors, as set out in 'note 3' to the financial statements. The Bank uses IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) as a guide on most appropriate accounting policies and model for presentation and disclosure framework in its financial statements. Accounting policies in respect of exchange losses (disclosed in note 3.2.1 and note 12) and blocked funds (disclosed in note 28) are in accordance with the RBZ Act [Chapter 22:15]. The Directors consider the accounting policies adopted to be suitable for the intended users of these financial statements.

2.1 Adoption of IAS 29 'Financial Reporting in Hyper Inflationary Economies'

The financial statements are prepared to comply with International Accounting Standard (IAS) 29 'Financial Reporting in Hyper Inflationary Economies' following the directive issued by the PAAB in October 2019. All Zimbabwean entities reporting under IFRS Accounting Standards are required to comply with requirements of IAS 29 'Financial Reporting in Hyper Inflationary Economies' for reporting periods starting from 1 July 2019. The inflation adjusted financial statements are the primary financial statements. The historical cost financial statements have been presented as supplementary information. Freehold land & buildings, investment properties and unquoted shares were revalued at the reporting date. Assets and liabilities that are denominated in currencies other than the Zimbabwe Gold (ZWG) were translated to the functional currency in compliance with IFRS Accounting Standards.

The Bank used the Total Consumption Poverty Line (TCPL) and Consumer Price Index (CPI) (published by Zimbabwe National Statistics Agency) for restating inflation adjusting transactions. All comparative figures have been inflation adjusted to reflect the changes in price levels from the start of the reporting period, 1 January 2024 to 31 December 2024. Zimbabwe introduced a new currency, ZWG, on the 5th of April 2024 and all ZW\$ balances (including 2023 comparatives previously reported in ZW\$) and transactions were converted to ZWG using the conversion factor of 2,498.7242 before being inflation adjusted to December 2024 price levels. The balances and transactions from 31 December 2023 to 31 March 2024 were inflation adjusted to December 2024 price levels through a two phased approach whereby they were initially adjusted to March 2024 price levels and then to December 2024 price levels using conversion factors in the table on the next page.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

2.1 Adoption of IAS 29 'Financial Reporting in Hyper Inflationary Economies' (continued)

MONTH	TCPL	CONVERSION FACTOR
December 2023	140,252.59	6.53268
January 2024	198,981.4	4.60458
February 2024	552,745.8	1.65759
March 2024	916,225.5	1.00000
MONTH	CPI	CONVERSION FACTOR
December 2023 to March 2024	-	1.66300
April 2024	100.0	1.66300
May 2024	97.6	1.70424
June 2024	97.6	1.70354
July 2024	97.5	1.70564
August 2024	98.9	1.68150
September 2024	104.6	1.58956
October 2024	143.6	1.15816
November 2024	160.4	1.03672
December 2024	166.3	1.00000

Assets and liabilities carried at fair value as at 31 December 2024 have not been inflation adjusted in the current year as they are presented at the measuring unit current at the reporting date. Non-monetary assets and depreciation that are not current at the statement of financial position date are inflation adjusted from date of initial application of hyperinflationary accounting, 1 January 2018. Share Capital and Premium have been inflation adjusted at the beginning of the period.

The statement of profit or loss and other comprehensive income items have been inflation adjusted by applying restatement factors applicable in the month when the transactions were processed in the Bank's financial statements up to 31 December 2024. A net monetary gain was recognized in the statement of profit or loss and other comprehensive income.

2.2 Financial Reporting Framework

The Bank presents its statement of financial position in order of liquidity starting with the most liquid. These financial statements are prepared and presented in the Bank's own accounting policies as prescribed by the Reserve Bank of Zimbabwe Act [Chapter 22:15] using IFRS Accounting Standards as a guide, except as described below.

2.2.1 IFRS 3 'Business Combinations' and IFRS 10 'Consolidated Financial Statements'

The financial statements of the subsidiary companies of the Bank are not consolidated into the Bank's financial statements. The Directors of the Bank are of the opinion that the nature of the activities of the Bank and its subsidiaries are so diverse that consolidation would not result in meaningful presentation of the results of the Bank and its subsidiaries. This is however, not in accordance with both IFRS 3 *Business Combinations* and IFRS 10 *Consolidated Financial Statements* which require that an entity (the parent) that controls one or more other entities (subsidiaries) should present consolidated financial statements. Investments in subsidiaries are stated at cost.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

2.2.2 IAS 21 'Effects of changes in foreign exchange rates'

The Bank accounts for exchange gains and losses for both assets and liabilities in terms of section 34 of the Reserve Bank of Zimbabwe Act [Chapter 22:15] which states that all exchange gains and losses, from Gold and Foreign denominated assets, borne by the Bank are for the account of the Government of Zimbabwe. Ordinarily, central banks do not hold Government foreign liabilities in their books hence the RBZ Act referring only to "exchange gains and losses on foreign assets", which are reserves. The Bank holds foreign liabilities on behalf of Government, and these are affected by movements in exchange rates. Government has however resolved to assume these liabilities through Finance Act No 7 of 2021 and other subsequent policy pronouncements.

The Bank records a receivable from the Government of Zimbabwe in the event of net exchange losses or records a payable to the Government of Zimbabwe in the event of net exchange gains. This does not conform to IAS 21 Effects of Changes in Foreign Exchange Rates, which requires that all realised and unrealised foreign exchange gains and losses should be recognised in the statement of profit or loss and other comprehensive income.

2.3 Use of estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies that affects assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. This results in making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. The Bank shall disclose the nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods except for the disclosure of the effect in periods when it is impracticable to estimate that effect. Management judgement was used in the application of accounting policies that have a significant effect on the financial statements and on estimates with a significant risk of material adjustments in the subsequent year.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in 'note 6' to the financial statements.

For the year ended 31 December 2024
NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Revenue and other income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, taking into account contractually defined terms.

3.1.1 Interest income

Interest income arises from the Bank's lending and money market activities. It is accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable to the instrument.

3.1.2 Fee income

The Bank earns fee income from a diverse range of financial services it provides to its customers. The Bank recognises fees earned from licensing services on receipt in accordance with the substance of the underlying transaction. Also, the Bank recognises income from facility fees from lending activities. Facility fees are amortised equally over the term of the underlying facility or loan.

3.1.3 Commission income

The Bank earns commission income from a diverse range of financial services it provides to its customers. Commission income is recognised as an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services. Commission income is recognised when control of the services is transferred to customers. The Bank has generally concluded that it is the principal in these revenue arrangements because it typically controls the services before transferring to customers. The Bank also earns commissions from foreign currency allocations and gold coin transactions (buying and selling). Revenue related to foreign currency allocations and gold coin transactions is recognised at the point in time when the transaction takes place.

3.1.4 Dividend income

Dividend income from investments is recognised when the dividend has been declared.

3.1.5 Rental income

Rental income arising from operating leases on investment property is accounted for on a straight line basis over the lease term.

3.1.6 Other income

Other income arising from the provision of other services to clients is recognised on an accrual basis in accordance with the substance of the underlying transaction.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.2.1 Foreign currency translation

These financial statements are presented in Zimbabwe Gold (ZWG). Transactions in currencies other than the ZWG are recorded at the spot exchange rate on the date of transaction. Monetary assets and liabilities carried at amounts that are denominated in currencies other than the ZWG are translated at the closing exchange rate on the reporting date.

3.2.2 Presentation and functional currency

Zimbabwe introduced a new currency, Zimbabwe Gold, ZWG, on the 5th of April 2024 and all ZW\$ balances (including 2023 comparatives previously reported in ZW\$) and transactions were converted to ZWG using the conversion factor of 2,498.7242. The Bank assessed its functional currency to comply with the requirements of IAS 21 'The Effects of Changes in Foreign Exchange Rates' and concluded that its functional currency is ZWG.

These financial statements are presented in ZWG, which is the Bank's functional currency.

3.3 Employee benefits

3.3.1 Retirement benefit costs

The Bank contributes towards a defined contribution scheme. Contributions to this scheme are recognised as an expense in the statement of profit or loss and other comprehensive income in the periods in which the employees render services.

3.3.2 Pension scheme

The Bank and its employees contribute 15% and 6% of pensionable earnings respectively to the Fintrust Pension Fund (Fund). The Fund is a defined contribution scheme, the assets of which are held in a separate trustee administered fund. The trustees of the Fund are appointed by the employer and employees. These trustees make up the board that is required by law to act in the best interests of the scheme participants and is responsible for setting investment management and pension payments policies. The Bank is not exposed to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.3.3 Termination benefits

Termination benefits are recognised as an expense when the Bank is committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Bank has made an offer encouraging voluntary redundancy, when it is probable that the offer will be accepted and the number of acceptances can be estimated reliably.

3.3.4 Short term benefits

Short term benefits consist of salaries, accumulated leave and any non-monetary benefits such as medical aid contributions etc. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.4 Taxation

The Bank is exempt from Income Tax and Capital Gains Tax in terms of the Income Tax Act [Chapter 23:06] and the Capital Gains Tax Act [Chapter 23:01].

3.5 Property, plant and equipment (PPE)

Land and buildings held for use in the provision and supply of services, or for administrative purposes, are initially measured at cost. They are subsequently stated in the statement of financial position at their revalued amounts, being the fair value at the reporting date. These are determined from market-based evidence by appraisals undertaken by independent professional valuers, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. On revaluation, accumulated depreciation is reversed.

Revaluations for land and buildings are performed with sufficient regularity such that the carrying amount does not differ materially from the fair value determined at the reporting date. Land and building assets are revalued after every three years or more frequently in periods of high inflation in accordance with Bank's accounting policy (see note 6.1). Any revaluation increase arising on the revaluation of land & buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same assets previously recognised as an expense, in which case the increase is credited to the statement of profit or loss and other comprehensive income to the extent of the decrease previously charged.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.5 Property, plant and equipment (continued)

Depreciation on buildings is charged to statement of profit or loss and other comprehensive income and reversed at the point of revaluation. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to the revaluation reserve.

Furniture, equipment and motor vehicles are stated at cost less accumulated depreciation and impairment losses, if any. When significant part of equipment is required to be replaced at intervals, the Bank depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognised in the statement of profit or loss and other comprehensive income as incurred.

Depreciation is charged so as to write off the acquisition cost or valuation of assets, other than land and buildings under construction, over their estimated useful lives to their residual values, using the straight line method, on the following basis:

Buildings	24 - 49 Years
Machinery	4 Years
Furniture and equipment	4 - 10 Years
Motor vehicles	5 Years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised as income or expense in the statement of profit or loss and other comprehensive income. Land is not depreciated in the Bank's financial statements.

3.6 Investment property

Investment property, which is property held to earn rentals and or for capital appreciation, is initially measured at cost and subsequently at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

When the use of an investment property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes the cost for subsequent accounting.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.7 Leases

The Bank has entered into commercial property leases on its investment property portfolio. The Bank has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases. Rental income and expenditure under operating leases is accounted for through the statement of profit or loss and other comprehensive income on an accrual basis, over the period of the lease.

3.8 Investments in subsidiaries

A subsidiary is an investment wherein the Bank controls the investee. The Bank controls an investee when it has power to govern the financial and operating policies, is exposed to variable returns from its involvement with the investee and has ability to use its power to affect the amount of the investee's returns.

Investments in subsidiaries are stated at cost. Subsequent to initial recognition, the investments in subsidiaries are carried at cost less any accumulated impairment. Subsidiaries are tested for impairment on an annual basis and impairments are accounted for through the statement of profit or loss and other comprehensive income.

3.9 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. Management determines the appropriate classification at initial recognition of the financial instrument. All financial assets and liabilities are initially recognised on the trade date i.e., the date the Bank becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and management's intention in acquiring them.

3.9.1 Financial assets

Financial assets are classified into the following categories: financial assets 'at fair value through other comprehensive income' (FVTOCI) and at amortised cost. The classification depends on the nature and purpose of the financial asset and it is determined at the time of initial recognition. The Bank's main financial assets include loans and receivables, investment securities, equity investments and foreign assets.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.9.1.1 Loans and receivables

Receivables, loans and advances not quoted on active markets are classified as loans and receivables. These include loans to subsidiaries. After initial measurement, such financial assets are subsequently measured at amortised cost less expected credit losses. Amortised cost is calculated by considering any discount or premium on acquisition. The interest amortised is included in interest income in the statement of profit or loss and other comprehensive income. The losses arising from expected credit losses are recognised in the statement of profit or loss and other comprehensive income as other operating expenses. Also included in receivables are exchange losses accounted for under section 34(1) of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

3.9.1.2 Foreign assets

Foreign assets are recognised at the rate of exchange ruling when they are acquired and subsequently restated using the closing exchange rate at the reporting date. Gains and losses arising from movements in exchange rate of foreign assets are for the account of the Government of Zimbabwe as stipulated in section 34 (1) of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

3.9.1.3 Equity investments

FVTOCI financial assets are equity investments. The FVTOCI designation was made because the investments are expected to be held for the long term for strategic purposes. After initial measurement, FVTOCI financial assets are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income (OCI) and posted in the mark to market reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other income in the statement of profit or loss and other comprehensive income. When the investment is determined to be impaired, the cumulative loss is reclassified from the mark to market reserve to the statement of profit or loss and other comprehensive income as impairment loss. Dividend received whilst holding FVTOCI financial assets is reported as dividend income.

3.9.1.4 Investment securities

Non derivative financial assets with fixed or determinable payments and fixed maturities are classified as investment securities when the Bank has the intention and ability to hold them to maturity. After initial measurement, investment securities are measured at amortised cost less impairment. The interest amortised is included as interest income in the statement of profit or loss and other comprehensive income. The losses arising from impairment are recognised in the statement of profit or loss and other comprehensive income as expected credit losses. The Bank's investments in Treasury Bills have been classified as investment securities.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.9.1.5 Impairment

The Bank is a policy driven institution whose lending guidelines are directed as outlined by the Monetary Policy Committee resolutions. The Bank recognises an allowance for expected credit losses (ECLs) for all debt instruments according to IFRS 9. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Bank expects to receive, discounted at an approximation of the original interest rate. The expected cash flows will include cash flows from the sale of collateral held.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit losses.

The 12-month ECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Bank groups its debt instruments (loans & receivables excluding rent receivable and foreign assets) into credit risk grades of Stage 1, Stage 2 and Stage 3 as described below:

- i. Stage 1: When debt instruments are first recognised, the Bank recognises an allowance based on 12-month ECL. Stage 1 debt instrument also includes facilities where the credit risk has improved, and the loan facility has cured as per policy.
- ii. Stage 2: When a debt instrument has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL.
- iii. Stage 3: These debt instruments are considered credit impaired. The Bank records an allowance for the LTECL. The Bank considers a financial asset in default when contractual payments are 90 days past due.

For rent receivable, the Bank applies a simplified approach in calculating ECLs. Therefore, the Bank does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Bank has established a provision model that is based on historical credit loss experience.

Equity instruments are not subject to impairment under IFRS9. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.9.2 Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are recognised when the Bank becomes party to the contractual provisions of the instrument. Financial liabilities are initially recognised at fair value, generally being their issue proceeds net of transaction costs incurred.

The best evidence of fair value on initial recognition is the transaction price, unless the fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on discounted cash flow models and option-pricing valuation techniques whose variables include only data from observable markets.

The Bank's main financial liabilities include foreign loans, domestic loans, other deposits payable and interest bearing deposits which are subsequently measured at amortised cost using the simple interest method.

3.9.2.1 Loans and borrowings

After initial measurement, interest bearing loans and borrowings are subsequently measured at amortised cost using the simple interest method. Gains and losses are recognised in profit or loss and other comprehensive income when the liabilities are derecognised as well as through the interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition. The interest amortised is included as interest expense in the statement of profit or loss and other comprehensive income.

This category generally applies to interest bearing loans and borrowings.

3.9.2.2 Currency in circulation

Currency issued by the Bank represents a claim on the Bank in favour of the holder. Currency in circulation represents the face value of notes and coins issued to commercial banks by the Reserve Bank of Zimbabwe. Unissued notes and coins held by the Bank in the vaults are not part of the currency in circulation. Printing and minting costs of notes and coins are expensed on an accrual basis.

3.9.2.3 Gold-backed digital tokens (GBDT)

Gold-backed digital tokens are issued by the Reserve Bank of Zimbabwe and represent a claim on the Bank in favour of the holder. GBDT are backed by gold held by the Bank and their value track international gold prices which change daily. These are accounted for as foreign denominated liabilities in the Bank's financial statements.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.9.3 Derecognition of financial assets and financial liabilities

The Bank derecognises a financial asset when it loses control over the contractual rights that comprise the financial asset and transfers substantially all the risks and benefits associated with the financial asset. This arises when the rights either are realised, expired or surrendered. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount of the portion of the asset to be transferred), the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain that had been recorded in other comprehensive income is recognised in profit or loss and other comprehensive income.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

3.10 Fair value measurement

The Bank measures non-financial assets, such as investment properties, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Climate change variables are assumed to be incorporated in fair values of the Bank's assets and liabilities, having been taken into consideration when these were priced or valued. Based on this reasoning, it can be concluded that climate risk factors are reflected adequately within fair values of assets and liabilities reported in these financial statements.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i. Level 1. Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.10 Fair value measurement (continued)

- i. Level 2. Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ii. Level 3. Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.11 Gold

The RBZ holds gold as part of its foreign reserves in terms of the RBZ Act Section 49(1). Gold is recorded in the Bank's financial statements at prevailing rates at initial recognition including transaction costs. Subsequent to initial recognition, it is valued at market prices. Gains and losses arising from movements in exchange rate is for the account of the Government of Zimbabwe as stipulated in section 34(1) of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

SI 189 Presidential Powers (Temporary Measures) (Amendment of Reserve Bank of Zimbabwe Act and Finance Act) Regulations issued on the 4th of November 2022 empowered the Bank to collect mining royalties in respect of gold and other specified minerals on behalf of Government. The Bank collects physical gold as royalties from Fidelity Gold Refinery and ZIMRA transfers money as royalties collected for other specified minerals. The money is then used to buy gold reserves. The royalties collected are held as Government deposits by the Bank whose gains and losses arising from movements in exchange rate is for the account of the Government of Zimbabwe as stipulated in section 34(1) of the Reserve Bank of Zimbabwe Act [Chapter 22:15].

3.12 Cash and bank balances

Cash and bank balances include foreign currency on hand and foreign currency balances held with local and foreign banks. Cash and bank balances are carried at fair value in the statement of financial position.

3.13 Rounding Off

Amounts in these financial statements are rounded to the nearest thousand (000) unless otherwise stated.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

4. STANDARDS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

The Bank has not early adopted any new or amended standards in preparing these financial statements. The following new and amended standards are not expected to have a significant impact on the Bank's financial statements: -

- i. Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 – amendments include clarification that a financial liability is derecognized on the 'settlement date' and additional guidance on how contractual cash flows for ESG-linked financial assets should be assessed. These amendments are effective for annual periods starting on or after 1 January 2026.
- ii. IFRS 18 Presentation and Disclosure in Financial Statements – introduces new requirements for specified totals and subtotals within the statement of profit and loss and other comprehensive income. The five statement of profit or loss and other comprehensive income required categories are: operating, investing, financing, income taxes and discontinued operations. IFRS 18 is effective for annual periods starting on or after 1 January 2027.

5. NEW AND AMENDED STANDARDS

The following amendments to existing IFRS Accounting Standards became effective for annual periods beginning on 1 January 2024:

- i. IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- ii. IFRS S2 Climate Related Disclosures Information
- iii. Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- iv. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- v. Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

6. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING THE BANK'S ACCOUNTING POLICIES

In the process of applying the Bank's accounting policies, the Board made the following judgements and estimates that have a significant effect on the amounts recognised in the financial statements.

6.1 Property, plant and equipment useful lives, residual values and depreciation rates

The Bank's property, plant and equipment are depreciated using depreciation rates, useful lives and residual values estimated by the Directors. The Bank's policy requires revaluation of its land and buildings on a regular basis within periods not exceeding three years. The Bank's land and buildings were professionally revalued based on open market values for periods ending 31 December 2022, 2023 and 2024 by external property valuers due to volatility in the property market.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

6. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING THE BANK'S ACCOUNTING POLICIES (continued)

6.2 Fair valuation of investment properties, land and buildings

Independent professional valuers were engaged to revalue the Bank's investment properties, land and buildings as at 31 December 2024. The valuations were performed on the basis of open market values based on prevailing arm's length market transactions in accordance with International Valuation Standards.

The Directors have reviewed the results of the independent valuation for reasonableness, and they believe these have been fairly valued. The valuations were conducted in accordance with International Valuation Standards using the following assumptions:

- i. The properties are not contaminated and are not adversely affected by any existing or proposed environmental law in terms of the Environmental Management Act (Chapter 20:27, No. 13/2002);
- ii. Any processes which are carried out on the properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;
- iii. There are no abnormal ground conditions, nor archaeological remains present which might adversely affect the present or future occupation, development or value of the freehold properties.
- iv. The properties are free from rot, infestation, structural or latent defect; and no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to the properties.

The fair values of the Bank's properties are classified as Level 3 in the fair value hierarchy, through their use of unobservable inputs such as rental rates per square meter and capitalisation rates which have estimation uncertainty inherent in their values.

6.3 Impairment of loans and advances

The Bank's business model is to hold financial assets in order to collect contractual cashflows that are solely payments of principal and interest on the principal amount outstanding. The Bank applies IFRS 9, which requires forward looking impairment for all financial instruments. Expected Credit Losses were calculated for financial assets using recalibrated models as at 31 December 2024.

The key components of the impairment methodology are described as follows:

6.3.1 Significant increase in credit risk ("SICR")

At each reporting date the Bank assesses whether the credit risk of its exposures has increased significantly since initial recognition by considering the change in the risk of default occurring over the expected life of the financial asset. Credit risk of exposures which are overdue for more than 30 days are also considered to have increased significantly.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

6. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING THE BANK'S ACCOUNTING POLICIES (continued)

6.3.2 Low credit risk

Exposures are generally considered to have a low credit risk where there is a low risk of default, the exposure has a strong capacity to meet its contractual cash flow obligations and adverse changes in economic and business conditions may not necessarily reduce the exposure's ability to fulfil its contractual obligations.

6.3.3 Default

The Bank's definition of default has been aligned to its internal credit risk management definitions and approaches. A financial asset is in default when there is objective evidence of impairment. The following criteria are used in determining whether there is objective evidence of impairment for financial assets or groups of financial assets:

- i. significant financial difficulty of borrower and/or modification (i.e. known cash flow difficulties experienced by the borrower),
- ii. a breach of contract, such as default or delinquency in interest and/or principal payments,
- iii. active market disappearance due to financial difficulties, and
- iv. it becomes probable that the borrower will enter bankruptcy or other financial reorganisation where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants the borrower a concession that the Bank would not otherwise consider.
- v. exposures which are overdue for more than 90 days are also considered to be in default.

6.3.4 Forward-looking information

Forward-looking information is incorporated into the Bank's impairment methodology calculations and in the Bank's assessment of SICR. The Bank includes all forward-looking information which is reasonable and available without undue cost or effort. The information will typically include expected macro-economic conditions and factors that are expected to impact portfolios or individual counterparty exposures such as interest & exchange rates and the country's Gross Domestic Product (GDP).

6.3.5 Probability of default (PD)

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for counterparties. If an entity or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

6. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING THE BANK'S ACCOUNTING POLICIES (continued)

6.3 Impairment of loans and advances (continued)

6.3.6 Loss given default (LGD)

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. LGD estimates are recalibrated taking into account macro-economic conditions. They are calculated on a discounted cash flow basis using the interest rate as the discounting factor. Where possible, Basel floors are used where there is insufficient data to statistically model the LGD.

6.3.7 Exposure at default (EAD).

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments and financial guarantees, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. Where possible, Basel floors are used where there is insufficient data to statistically model the EAD.

6.4 Investments in subsidiaries and unquoted shares

Investments in subsidiaries are stated at cost less accumulated impairment. The Bank tests all investments in subsidiaries for impairment on an annual basis. The breakdown of investments is disclosed in 'note 16'.

The Bank's investments in unquoted shares are in Infrastructural Development Bank of Zimbabwe (IDBZ), Zimswitch, Africa Finance Corporation (AFC) and African Export-Import Bank (Afreximbank). The Bank engaged services of professional consultants for independent fair valuation of its investments in IDBZ, Zimswitch, AFC and Afreximbank. The fair values of the Bank's investments in unquoted shares are classified as Level 3 in the fair value hierarchy. The consultants' key methods, assumptions and inputs used in the valuation methods are disclosed in 'note 35'. The Directors have reviewed the results of the independent valuations for reasonableness, and they believe the investments in unquoted shares have been fairly valued.

6.5 Provisions

The Bank recognises provisions when it has current obligations (legal or constructive) due to past events, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligations, and reliable estimates can be made of the amounts. Where the probability of outflows is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
7.1 Interest income comprises:				
- Interest on Treasury Bills (foreign and local Treasury Bills)	27,191	9,646	17,937	416
- Interest on local and foreign bank balances	79,854	32,035	56,417	1,318
- Interest on Government loans & advances	43,183	159,463	17,670	8,795
- Interest on advances to financial institutions and other	109,697	460,570	70,944	22,545
	259,925	661,714	162,968	33,074
Interest earning assets as at 31 December 2024 were ZWG1.4 billion (2023: ZWG1.7 billion). The average interest rate on assets was 18% per annum (2023: 32.21%). (See note 33.1.2)				
7.2 Commission earned (RTGS)	345,324	545,022	239,102	28,840
7.3 Interest and commission expense				
- Interest on loans being serviced by Government	2,562,873	5,132,870	1,500,056	259,662
- Bank interest and commission expenses	115,645	143,857	122,136	20,709
- Interest on Savings Bonds	44,956	34,075	24,599	1,630
	(2,723,474)	(5,310,802)	(1,646,791)	(282,001)
Interest bearing liabilities as at 31 December 2024 were ZWG28.3 billion (2023: ZWG9.3 billion) and the average interest rate on liabilities was 8% (2023:5.30%) (See note 33.1.2).				
7.4 Other income comprises:				
Dividends from shares	365,265	302,758	215,502	19,472
Licensing fees	49,334	45,766	16,854	1,381
Fair value gains on investment property	309,127	421,258	309,127	38,776
Fees received and other income	350,652	619,844	239,015	35,458
Profit on disposal of PPE (see note 37.2)	1,634	-	1,594	-
Rental Income (refer note 17)	14,163	23,446	9,012	1,336
	1,090,175	1,413,072	791,104	96,423

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
7.5 Operating expenses	(2,308,163)	(2,154,280)	(1,635,341)	(125,271)
Included in operating expenses are:				
Auditors' remuneration	16,322	11,559	13,718	706
Advertising Expenses	8,439	12,169	5,532	762
Computer software licences	41,252	47,921	24,603	2,036
Depreciation of PPE	86,987	48,486	11,696	903
Impairment on investments	223,286	-	223,286	-
Repairs, maintenance and Bank vehicle expenses	45,098	39,794	31,060	2,422
Utility bills and telecommunication	97,041	63,474	67,420	3,465
Travel	107,054	144,435	69,821	8,261
External printing	4,036	199,699	3,950	5,173
Courier services	21,380	10,008	13,461	902
Employee benefits	1,320,614	1,277,515	907,972	80,891
-Salaries	884,777	909,230	627,637	58,804
-Staff bonuses	68,740	61,060	50,276	3,554
-Medical expenses	56,675	57,236	37,797	3,180
-Pension & NSSA contributions	103,217	90,967	51,840	5,384
-Other expenses	207,205	159,022	140,422	9,969
Directors' fees	6,870	8,877	5,383	570
<p>The Bank incurred a total of ZWG16,322,345.77 (US\$665,280.17) as audit fees for the audit of financial statements with ZWG6,302,374.52 (US\$276,075.30) going towards the 2023 audit and ZWG10,019,971.25 (US\$389,204.87) for the 2024 audit. KPMG did not provide non-audit services during the year.</p>				
8. Expected Credit loss	(556,761)	(490,390)	(556,761)	(45,140)

The Bank uses forward looking impairment models for all financial assets and lease receivables. The total expected credit losses at the end of the year was ZWG609,954,113.44 and ZWG556,761,027.55 is the current year expense.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
9. CASH AND BANK BALANCES				
Nostro accounts balances	3,481,473	958,420	3,481,473	88,221
Bank balances/cash at hand	3,215,642	821,977	3,215,642	75,663
SDR Holdings	35,967	164,254	35,967	15,119
Committed Funds	-	5	-	-
	6,733,082	1,944,656	6,733,082	179,003

Cash and Bank Balances comprise of foreign currency cash on hand and foreign currency bank deposits with local and foreign banks. Also included are Special Drawing Rights (SDR) balances held at the International Monetary Fund. The Government retains full control of the SDR balances.

10. GOLD AND FOREIGN ASSETS				
Gold	5,773,315	1,115,359	5,773,315	102,667
Diamonds	244,761	251,814	244,761	23,179
Foreign investments	9,648,793	9,944,555	9,648,793	915,380
	15,666,869	11,311,728	15,666,869	1,041,226
South African Land Bills (Investment securities)	32,376	51,257	32,376	4,718
Expected credit losses on SALB	(24)	(1,122)	(24)	(103)
	15,699,221	11,361,863	15,699,221	1,045,841
Foreign Investments Breakdown				
	9,648,793	9,944,555	9,648,793	915,380
Afreximbank shares (5.86%)	9,613,913	9,933,845	9,613,913	914,394
Swift shares (0.04%)	8,419	10,710	8,419	986
African Finance Corporation shares (0.03%)	26,461	-	26,461	-

Foreign investments are shares in African Export-Import Bank (Afreximbank), African Finance Corporation and the Swift (payment platform). Professional valuers were engaged to value investments, they used key inputs such as risk-free rates, country risk premium, credit spread and beta to come up with these values in Afreximbank, and AFC and these investments are held at FVTOCI. The Bank acquired 454,545 shares in African Finance Corporation during the year for US\$1 million.

The South African Land Bills (SALBs) of ZAR23 million (ZWG32,376,356.50) ((2023: ZAR35 million) (ZWG51,257,183.64) are investments securities made through the South African Reserve Bank. These Bills were previously pledged as security for an overdraft facility at the South African Reserve Bank which was fully paid in 2023.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

10. GOLD AND FOREIGN ASSETS (continued)

Gold Holdings	2024 Kgs	2023 Kgs
Opening	635.79	136.21
Additions	2,034.24	499.58
Closing Balance	2,670.03	635.79

The Bank's activity on the gold market was limited to acquisitions during the year as the aim was to build reserves.

**11. INVESTMENT SECURITIES –
Zimbabwe Treasury Bills**

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
Holdings	13,877,095	9,648,488	13,877,095	888,128
Expected credit losses	(556,617)	(370,650)	(556,617)	(34,118)
Balance at year end	13,320,478	9,277,838	13,320,478	854,010

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
12. RECEIVABLES				
Gold and Foreign Currency Adjustment Account (GFCA)	38,076,383	105,304,865	38,076,383	9,693,145
Sundry debtors	7,851,142	4,245,998	7,851,142	390,837
Prepayments	2,152,902	3,227,168	2,055,707	292,755
Expected credit losses	(6,407)	(5,401)	(6,407)	(497)
Government IMF drawdowns and interest	34,294,030	2,480,517	34,294,030	228,328
Balance at year end	82,368,050	115,253,147	82,270,855	10,604,568
Movement in expected credit losses on receivables				
Balance at the beginning of the year	(5,401)	(7,254)	(497)	(139)
Expected credit losses adjustment	(1,006)	1,853	(5,910)	(358)
Balance at the end of the year	(6,407)	(5,401)	(6,407)	(497)

GFCA balances (exchange losses) are accounted for in terms of Section 34 of the Reserve Bank of Zimbabwe Act [Chapter 22:15]. The losses mainly emanate from foreign denominated liabilities borrowed on behalf of Government. Government assumed liabilities in the Bank's books through the Finance Act no. 7 of 2021 and other subsequent policy pronouncements. GFCA account does not accrue any interest.

Government's cumulative drawdowns from the IMF amounted to SDR1.011 billion (2023: SDR1.011 million) as at 31 December 2024. These balances are recorded at the closing exchange rate on the 31st of December 2024.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
13. LOANS AND ADVANCES TO GOVERNMENT AND STATUTORY BODIES				
Loans and advances (legacy debt)	-	254	-	24
Government loans	-	1,797,863	-	165,490
Expected credit losses	-	(63,964)	-	(5,888)
Balance	-	1,734,153	-	159,626
Movement in expected credit losses on Government and Statutory Bodies				
Balance at the beginning of the year	(63,964)	(33,375)	(5,888)	(640)
Expected credit losses adjustment	63,964	(30,589)	5,888	(5,248)
Balance at the end of the year	-	(63,964)	-	(5,888)
14. LOANS AND ADVANCES - OTHER				
Advances				
-Loans to banks	905,120	1,010,910	905,120	46,736
-Loans to subsidiaries	3,581	1,503,067	3,581	138,355
Private sector loans				
-Advances	457,305	87,338	457,305	54,356
Expected credit losses	(8,546)	(135,504)	(8,546)	(12,473)
	1,357,460	2,465,811	1,357,460	226,974
Movement in expected credit losses of other loans and advances				
Balance at the beginning of the year	(135,504)	(332,080)	(12,473)	(6,400)
Expected credit losses adjustment	126,958	196,576	3,927	(6,073)
Balance at the end of the year	(8,546)	(135,504)	(8,546)	(12,473)
Private Sector Advances				
Private sector loans are advances made by the Bank to strategic Government institutions and other facilities.				

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
15. OTHER INVESTMENTS				
Opening balance	206,701	161,634	19,027	3,099
IDBZ	104,325	70,470	9,604	1,351
Zimswitch	102,376	91,164	9,423	1,748
Current Year Movements				
Rights Issue - IDBZ	-	10	-	201
Fair value gain - IDBZ	(16,529)	33,845	78,192	8,052
Fair value gain - Zimswitch	(3,057)	11,212	89,896	7,675
Closing Balance	187,115	206,701	187,115	19,027
IDBZ	87,796	104,325	87,796	9,604
Zimswitch	99,319	102,376	99,319	9,423

The investments in unquoted local shares are classified as FVTOCI. The FVTOCI designation was made because the investments are expected to be held for the long term for strategic purposes. The Bank's unquoted local shares relate to 12.56% shareholding in IDBZ and 15% in Zimswitch.

Professional consultants were engaged to evaluate the fair value of the Bank's investment in unquoted local shares as at 31 December 2024. Market based approach methods that takes into account key inputs such as risk-free rates, country risk premium, credit spread, and beta were used in the valuation of the investments. Refer to note 35 for detailed ranges of the inputs.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
		000	000	000	000
16. INVESTMENT IN SUBSIDIARIES					
Investment in subsidiaries at cost less impairment losses					
	Shareholding				
FGR (Pvt) Limited*	100%	-	87,542	-	207
Aurex (Private) Limited*	100%	-	83,768	-	2,310
Homelink (Private) Limited*	100%	-	218,642	-	5,042
Export Credit Guarantee Corporation*	100%	-	113,382	-	46
Zimbabwe Asset Management Corporation	100%	48,739	48,739	14	14
PMCZ (Pvt) Limited	100%	35,096	18,964	6,364	514
Reszim Investments (Private) Limited	100%	-	-	-	-
Finance Trust of Zimbabwe (Private) Limited**	100%	-	-	-	-
Carslone (Private) Limited**	100%	-	-	-	-
Fiscorp (Private) Limited**	100%	-	-	-	-
Venture Capital Company of Zimbabwe (Private) Limited**	100%	-	-	-	-
		83,835	571,037	6,378	8,133

All of the above subsidiaries are incorporated in Zimbabwe. Zimbabwe Asset Management Corporation is under liquidation and its assets are being transferred to the Bank.

*Aurex Private Limited, Export Credit Guarantee Corporation of Zimbabwe (Private) Limited, Fidelity Gold Refinery (Private) Limited and Homelink Private Limited were transferred to Mutapa Investment Fund at zero cost during the year following the publication of Statutory Instrument (SI) 51 of 2024 Sovereign Wealth Fund of Zimbabwe Act [Chapter 22:20] section 14(6) (No. 7 of 2014) (Amendment of Fourth Schedule) on the 15th of March 2024. The total carrying amount of the transferred subsidiaries in the Bank's financial statements amounted to ZWG62,302,061.00 on the date of disposal.

** Dormant.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
17. INVESTMENT PROPERTY				
Opening balance	453,384	154,208	41,733	2,957
Fair value adjustment	309,127	421,258	309,127	38,776
Monetary loss	(411,651)	(122,082)	-	-
Closing balance	350,860	453,384	350,860	41,733

Professional valuers were engaged to revalue the Bank's investment property as at 31 December 2024. The valuations were performed on the basis of open market values based on prevailing arm's length market transactions in accordance with International Valuation Standards. Refer to 'note 6.2' and 'note 35' for the key valuation assumptions and inputs. The valuations were done in US\$ and converted to ZWG using the prevailing exchange rate as at 31 December 2024.

The following amounts were recognised in the statement of profit or loss and other comprehensive income as a result of rentals from the investment property held:

	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
Rental income	14,163	23,446	9,012	1,336
Direct operating expenses from rental income	(1,710)	(6,278)	(1,114)	(361)
	12,453	17,168	7,898	975

The Bank leases (operating lease) its investment properties to various tenants. The lease agreements are renewable on an annual basis. Future minimum lease receipts as at 31 December 2024:

Up to 1 Year undiscounted
ZWG19,961,765.52

Sensitivity analysis on investment property fair values

If the market prices are to decrease or increase by the following percentages, investment property fair values will be as follows: -

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
Valuation	350,860	453,384	350,860	41,733
Decrease by 50%	175,430	226,692	175,430	20,867
Increase by 50%	526,290	680,076	526,290	62,600

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

18. PROPERTY, PLANT AND EQUIPMENT: AUDITED INFLATION ADJUSTED

	Land ZWG 000	Buildings ZWG 000	Furniture, equipment and machinery ZWG 000	Motor vehicles ZWG 000	Total ZWG 000
Cost/Revaluation					
At 1 January 2023	6,067	1,035,841	85,475	62,710	1,190,093
Additions	-	-	21,438	48,343	69,781
Disposals	-	-	(216)	(51)	(267)
Non-Current Assets Held for sale (NCAHS)*		(3,944)	-	-	(3,944)
Revaluation	9,498	1,782,566	-	-	1,792,064
Cost/Valuation					
At 31 December 2023	15,565	2,814,463	106,697	111,002	3,047,727
Additions	-	-	36,186	67,184	103,370
Disposals	-	-	(243)	(8,376)	(8,619)
Revaluation	(4,988)	(826,352)	-	-	(831,340)
At 31 December 2024	10,577	1,988,111	142,640	169,810	2,311,138
Accumulated Depreciation					
At 1 January 2023	-	-	77,683	56,299	133,982
Charge for the year	-	26,817	12,176	9,493	48,486
Disposals	-	-	(19)	(2)	(21)
Depreciation-NCAHS		(34)	-	-	(34)
Reversal on revaluation	-	(26,783)	-	-	(26,783)
At 31 December 2023	-	-	89,840	65,790	155,630
Charge for the year	-	62,252	12,836	11,899	86,987
Disposals	-	-	(15)	(28)	(43)
Reversal on revaluation		(62,252)	-	-	(62,252)
At 31 December 2024	-	-	102,661	77,661	180,322
Net Book Values					
At 31 December 2024	10,577	1,988,111	39,979	92,149	2,130,816
At 31 December 2023	15,565	2,814,463	16,857	45,212	2,892,097

The valuations on land and buildings were done in US\$ and converted to ZWG using the closing exchange rate as at 31 December 2024.

*This is a property that the Bank has agreed to sale but was yet to receive full consideration at year end and its Net Book Value as at 31 December 2024 was ZWG3,909,725.00 (2023: ZWG3,909,725.00).

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

18. PROPERTY, PLANT AND EQUIPMENT: UNAUDITED HISTORICAL COST

	Land ZWG 000	Buildings ZWG 000	Furniture, equipment and machinery ZWG 000	Motor vehicles ZWG 000	Total ZWG 000
Cost/Revaluation					
At 1 January 2023	116	19,864	147	80	20,207
Additions	-	-	1,031	2,904	3,935
Disposals	-	-	-	-	-
Non- (NCAHS)*		(76)	-	-	(76)
Revaluation	1,316	239,279	-	-	240,595
Cost/Valuation					
At 31 December 2023	1,432	259,067	1,178	2,984	264,661
Additions	-	-	23,403	53,290	76,693
Disposals	-	-	(3)	(225)	(228)
Revaluation	9,144	1,729,044	-	(6)	1,738,182
At 31 December 2024	10,576	1,988,111	24,578	56,043	2,079,308
Accumulated Depreciation					
At 1 January 2023	-	-	43	18	61
Charge for the year	-	514	134	255	903
Disposals	-	-	-	-	-
Depreciation-NCAHS		(1)	-	-	(1)
Reversal on revaluation	-	(513)	-	-	(513)
At 31 December 2023	-	-	177	273	450
Charge for the year	-	5,730	2,208	3,757	11,695
Disposals	-	-	(3)	(9)	(12)
Reversal on revaluation		(5,730)	-	-	(5,730)
At 31 December 2024	-	-	2,382	4,021	6,403
Net Book Values					
At 31 December 2024	10,576	1,988,111	22,196	52,022	2,072,905
At 31 December 2023	1,432	259,067	1,001	2,711	264,211

The valuations on land and buildings were done in US\$ and converted to ZWG using the closing exchange rate as at 31 December 2024.

*This is a property that the Bank has agreed to sale but was yet to receive full consideration at year end and its Net Book Value as at 31 December 2024 was ZWG74,975.00 (2023: ZWG74,975.00).

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
19. SHARE CAPITAL				
<u>Authorised and Issued</u>				
2 million shares				
Opening	6,426	6,426	1	1
Recapitalisation	51,597	-	51,597	-
Closing balance	58,023	6,426	51,598	1
<u>Share premium</u>				
Opening Balance	314,884	314,884	39	39
Recapitalisation	2,814,426	-	2,814,426	-
Closing balance	3,129,310	314,884	2,814,465	39

The Bank's authorised capital is wholly issued to the Government of Zimbabwe as per Section 31 of the Reserve Bank of Zimbabwe Act [Chapter 22:15]. The Government of Zimbabwe recapitalised the Bank with gold reserve assets valued at US\$111,092,640.58 (ZWG2,866,023,488.05) in 2024.

20. REVALUATION RESERVE

Opening Balance	2,993,534	1,201,470	261,244	20,135
Fair value gain on land and buildings	(831,340)	1,792,064	1,743,917	241,109
Closing balance	2,162,194	2,993,534	2,005,161	261,244

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
21. MARK TO MARKET RESERVE				
Opening balance	3,265,149	1,105,567	229,965	18,645
Fair value (loss)/gain on Afreximbank	(3,035,231)	2,119,400	(211,414)	195,532
Fair value (loss)/ gain IDBZ	(16,529)	23,464	78,193	7,675
Fair value (loss)/ gain ZIMSWITCH	(3,057)	11,212	89,895	8,051
Fair value gain SWIFT	293	5,506	293	62
Fair value gain AFC	663	-	663	-
Balance at the end of the year	211,288	3,265,149	187,595	229,965
22. GENERAL RESERVE FUND	-	-		
In terms of section 32 of the Reserve Bank of Zimbabwe Act [Chapter 22:15], the Bank is required to maintain a general reserve fund. Once the balance of the fund exceeds three times the issued share capital of the Bank, any operating surplus, after providing for doubtful debts, depreciation, staff costs and any such items as are usually provided for by financial institutions, shall ultimately be paid to the Government of Zimbabwe. At the end of 2024, the Fund had a nil balance because of yearly deficits.				
23. ACCUMULATED DEFICIT				
Opening Balance	(4,422,529)	(2,939,038)	(343,675)	(49,600)
Surplus/deficit for the year	1,167,537	(1,483,491)	(2,645,719)	(294,075)
Closing balance	(3,254,992)	(4,422,529)	(2,989,394)	(343,675)
24. NOTES AND COINS IN CIRCULATION				
Notes	141,264	68,141	141,264	6,272
Coins	40,609	335	40,609	31
	181,873	68,476	181,873	6,303

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
		000	000	000	000
25.	DEPOSIT ACCOUNTS				
	ZWG Deposits				
	-Bankers RTGS	398,702	290,812	398,702	26,769
	-Statutory reserves	2,934,787	2,319,825	2,934,787	213,537
	-Government	293,763	701,423	293,763	64,564
	-Other	559,912	610,922	559,912	56,128
	-Short term local deposits	1,182	35,151	1,182	3,342
		4,188,346	3,958,133	4,188,346	364,340
26.	PAYABLES				
	Local Payables	338,834	409,979	338,834	37,738
		338,834	409,979	338,834	37,738
	Local payables is mainly made up of amounts due to suppliers and for utilities at year end including ZWG7,126,835.63 (US\$276,250.00) accrued for 2024 audit expenses, payable to the Bank's external auditor, KPMG.				
26.1	LEAVE PAY LIABILITY RECONCILIATION				
	Opening balance 1 January 2024	68,530	25,204	6,308	2,320
	Net provisions accrued	19,547	43,326	81,769	3,988
	Closing balance as at 31 December 2024	88,077	68,530	88,077	6,308
	The leave pay liability is included in the payables balance at year end.				
27.	TERM DEPOSITS				
	Deposits	1,063,837	3,638,290	1,063,837	334,899
	Savings Bonds	4,998	1,983,772	4,998	182,603
	Other	-	395	-	36
		1,068,835	5,622,457	1,068,835	517,538

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
28. FOREIGN CURRENCY DENOMINATED LIABILITIES				
Foreign loans	28,204,482	52,288,888	28,204,482	4,813,109
Blocked Funds	17,365,023	21,080,485	17,365,023	1,940,425
Statutory Reserves	13,755,939	6,269,012	13,755,939	577,053
Local institution deposits	6,324,599	4,876,303	6,324,599	448,856
Miners export proceeds	5,260,993	2,485,205	5,260,993	228,759
Bankers RTGs balances	3,123,261	3,996,699	3,123,261	367,890
Government Nostro balances	2,042,711	992,658	2,042,711	91,372
Royalties	1,293,968	1,564,861	1,293,968	144,043
Savings Bonds	950,768	990,352	950,768	91,160
Foreign Deposits	797,905	881,834	797,905	81,171
Gold Backed Digital Tokens	555,651	985,053	555,651	90,673
Payables and other	74,877	764,122	74,877	70,337
Interest accrued	26,719	580,970	26,719	53,477
	79,776,896	97,756,442	79,776,896	8,998,325

This is a combination of all foreign currency denominated liability balances in the Bank's financial statements at the end of the year amounting to US\$3,092,307,544.00 (2023: US\$3,683,104,507.29).

Foreign loans (US\$1,093,260,557.48; 2023: US\$1,970,053,678.28) include facilities and lines of credit from regional and international institutions which the Government secured through the Bank for critical imports. Government is responsible for servicing of these loans though they remain in the Bank's books.

Blocked funds (US\$673,102,057.83; 2023: US\$794,235,435.00) relate to obligations incurred by Zimbabwean entities from foreign entities for goods, services and dividends. These entities failed to repay the debts as a result of foreign currency shortages. The Government of Zimbabwe assumed these blocked funds and a framework for the resolution of the blocked funds was issued by the Bank under Exchange Control Directives RU28/2019 and RU102/2019 that contained guidelines for the registration of blocked funds/foreign liabilities/legacy debts through the Bank's Exchange Control Division. Government of Zimbabwe, through the Finance Act No. 7 of 2021 and other subsequent pronouncements assumed the blocked funds from the Bank and became responsible for the discharge of these liabilities in line with the framework provided.

Royalties were received in compliance to SI 189 Presidential Powers (Temporary Measures) (Amendment of Reserve Bank of Zimbabwe Act and Finance Act) Regulations, 2022 issued on the 4th of November 2022. SI 189 empowers the Bank to collect mining royalties in respect of gold, diamonds, platinum and lithium (and any other precious stone or precious or valuable metal specified by the Bank by notice in a statutory instrument).

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
29. INTERNATIONAL MONETARY FUND FACILITIES				
Cumulative SDR allocations	34,183,386	36,180,790	34,183,386	3,330,384
IMF Interest and charge	189,835	-	189,835	-
IMF No.1 and 2	999	10,856	999	999
	34,374,220	36,191,646	34,374,220	3,331,383

The equivalent SDRs owed to the IMF were as follows:

	2024 SDR	2023 SDR
Cumulative SDR allocations	1,016,017,051	1,016,017,051

The exchange rate applied, SDR : ZWG33.64 (2023 SDR1 : ZWG35.61).

30. CONTINGENT LIABILITIES AND COMMITMENTS

30.1 The Bank had no contingent liabilities or commitments as at 31 December 2024.

31. CAPITAL COMMITMENTS

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
Authorised and contracted:	90,408	73,590	90,408	3,571
Authorised and uncontracted:	-	26,715	-	1,296
	90,408	100,305	90,408	4,867

Contracted and authorised suppliers for service delivery as at 31 December 2024 amounted to ZWG90,408,437.00.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

32. RETIREMENT BENEFIT SCHEMES

32.1 Private scheme

The Bank and its employees contribute to the Fintrust Pension Fund. The Fund is a defined contribution scheme, the assets of which are held in a separate trustee administered fund. The Bank contributes 15% and the employees 6% of pensionable earnings. The board of the pension fund is required by law to act in the best interests of the scheme participants and is responsible for setting investment management and pension payment policies.

Due to low levels of pensions which were being paid to most pensioners because of high levels of inflation, the Pension Fund made a request to the Bank to assist with cash flow injections to help pay reasonable pensions. The Bank paid ZWG24,112,350.00 (2023: ZWG15,217,151.95) towards pensions top ups during the year.

32.2 National Social Security Authority (NSSA) scheme

Bank employees are also members of a state-managed retirement benefit scheme, NSSA, and the contributions to the scheme are made in terms of the National Social Security Authority Act [Chapter 17:04]. During the year the Bank contributed ZWG10,967,764.03 (2023: ZWG9,149,555.23) towards this scheme and the cost is included in staff costs. Employees also make equal contributions to the scheme from their earnings.

32.3 Recognition of pension contributions

The Bank's obligation with respect to the retirement benefit scheme is to make the specific contributions. The contributions to the pension fund are recognized as an expense when they fall due.

32.4 Contributions recognized as an expense during the year

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
Fintrust Pension Fund	68,137	66,600	44,504	3,693
Fintrust Pension Fund – Pensioners	24,112	15,217	15,915	1,186
National Social Security Authority Scheme	10,968	9,150	7,337	504
	103,217	90,967	67,756	5,383

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33. RISK MANAGEMENT

The Bank is exposed to a range of risks arising from its policy responsibilities some of which are significant. These risks are managed through detailed processes that emphasise the importance of integrity, accuracy, staff capacity and public accountability. The Bank has a low risk appetite.

Risk governance policies and procedures are performed by Divisional Directors and oversight provided by the Board through the Audit and Oversight Committee. The Audit and Oversight Committee oversees management monitoring and compliance of the Bank's risk management policies and procedures. It also reviews the adequacy of the risk management framework in relation to the risks faced by the Bank. The Audit and Oversight Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Oversight Committee of the Board.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Bank's activities. The Bank, 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. Certain aspects of risk management specific to financial instruments are described below.

33.1 Market price risk

Market price risk is the risk of loss resulting from changes in market conditions and prices. Market price risk includes interest rate risk, currency risk and equity price risk. In its monetary policy operations, the Bank is obliged to accept certain market-related risks which would not be fully compatible with pure commercial practice. The Bank nevertheless manages its market risks responsibly, utilising modern technology and appropriate organisational structures and procedures. Exposures and limits are measured continuously and strategies are routinely reviewed by management on a daily basis and, when circumstances require, throughout the day.

33.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is managed at both the Monetary Policy Committee and management levels through regular policies and benchmarks which relate to interest rate risk management. Some of the Bank's loans and advances are at concessionary rates and some are at nil interest which is not market linked.

If the Bank fails to repay its dues on time, most institutions apply punitive interest rates. The Bank's senior management manages these risks and the Board's Banking Sector Stability Committee that advises on financial services sector stability supervises them.

The following are the Bank's interest earning assets and interest bearing liabilities:

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33. RISK MANAGEMENT (continued)

33.1.2 Interest Earning Assets and Liabilities

		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
		000	000	000	000
Financial assets	Average Interest				
Zimbabwe Treasury Bills	5%	468,058	287,295	468,058	26,445
Loans to banks	24%	894,788	977,691	894,788	89,995
Loans to subsidiaries	25%	3,042	325,333	3,042	29,946
South African Land Bills	11%	32,376	51,257	32,376	4,718
Loans and advances other	25%	2,001	45,729	2,001	4,209
		1,400,265	1,687,305	1,400,265	155,313
Financial Liabilities					
Foreign liabilities - loans	9%	28,326,076	9,118,041	28,326,076	839,701
Savings Bonds	7%	4,998	213,586	4,998	19,660
		28,331,074	9,331,627	28,331,074	859,361

33.2 Equity Risk Analysis

The Bank has invested in non-listed entities as part of its efforts to support economic development aspirations of the country despite inherent equity risks. The Bank has investments in Afreximbank Class A shares and also made an investment in African Finance Corporation during the year. These investments are multinational institutions offering services across Africa. Locally, the Bank is invested in IDBZ as part of its efforts to support infrastructure development in the country and in Zimswitch which provides the national payment switch.

The following valuation methods were applied in the valuation of unlisted investments:

- Net Asset Valuation Method – this method was applied because it is the least subjective of all methods as it gives net realizable value of the entity though it does not reflect earnings potential of the assets.
- Price Earnings Multiple Valuation Method – this method is suitable because it reflects market sentiment and growth potential, particularly given the growth in infrastructure projects in Zimbabwe.
- Dividend Discount Method – dividend-driven valuations are appropriate when minority interest are being valued. The Bank holds minority interests in the four unlisted entities.
- Price To Book Value – this method is widely used in the financial services sector where tangible book value is a significant driver of value.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33. RISK MANAGEMENT (continued)

33.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Bank's liabilities are predominantly held in US\$ hence increased foreign currency risk. The introduction of an exchange rate in February 2019 brought with it an increased foreign currency risk since the Bank has huge foreign currency denominated liabilities in its books with little reserves to back them. Government however, assumed responsibility for servicing most liabilities in the Bank's books lessening the foreign currency risk.

Below is a sensitivity analysis on foreign currency exchange risk for foreign assets and liabilities:

Assets/ liabilities	Value as at 31 December 2024			Decrease by 10%		Increase by 10%	
	Value US\$ 000	Exchange Rate	Value ZWG 000	Exchange Rate	Value ZWG 000	Exchange Rate	Value ZWG 000
Foreign Assets	886,366	25.7985	22,866,925	23.219	20,580,543	28.378	5,153,294
Foreign Liabilities	3,092,305	25.7985	79,776,896	23.219	71,800,289	28.378	87,753,503

33.3 The Bank is also exposed to foreign currency risk arising from issued Gold Backed Digital Tokens (GBDT). To mitigate against this risk, the Bank was holding 2,670.03kg of gold against 257.27kg of GBDT in issue at year end as shown in the table below:-

	2024			2023		
	KG	US\$ 000	ZWG 000	KG	US\$ 000	ZWG 000
Gold	2,670.03	223,785	5,773,315	635.78	41,911	701,759
GBDT	(257.27)	(21,538)	(555,651)	(480.87)	(37,113)	(621,427)
Surplus	2,412.76	202,247	5,217,664	154.91	4,798	80,332

33.4 Credit risk

Credit risk is the risk of loss due to inability or unwillingness of a counterparty to meet its contractual obligations. Credit risk arises from such activities of the Bank as advances to and deposits made with other institutions and the settlement of financial market transactions. The Bank's Financial Markets Division manages these risks. Credit mitigation is employed by the Bank through taking collateral mostly in the form of Treasury Bills, real estate and other guarantees. The Bank is also exposed to credit risk on expected rental collections when its tenants fail to pay rentals for occupying its investment properties.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33. RISK MANAGEMENT (continued)

33.4 Credit risk (continued)

Expected Credit Losses

The Bank applied IFRS 9 'Financial Instruments' which uses forward looking impairment models for all financial assets and lease receivables. The total expected credit losses at the end of the year were as follows:

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
South African Land Bills	24	1,121	24	103
Receivables	6,407	5,400	6,407	497
Other loans & Advances	8,546	135,504	8,546	12,473
Investment securities and other	594,977	434,613	594,977	40,120
	609,954	576,638	609,954	53,193

IFRS 9 requires the incorporation of reasonable and supportable forward-looking information based on past, current conditions and forecast macroeconomic conditions into the models. Forward looking economic expectations are included in the ECL by adjusting the probability of default (PD) and loss given default (LGD). Adjustments are made based on the Bank's macro-economic outlook, using models that correlate these parameters with macro-economic variables. The process of including forward-looking variables is as below:

- The Bank considers historical macroeconomic variables from reliable sources over a horizon of at least 5 years,
- Artificial Neural Network is used to determine significant macroeconomic variables that drive default and their respective relative weights,
- For the period under review, the Bank was using GDP per Capita and Annual Inflation. GDP per Capita and Annual Inflation are consistent macro-economic variables that may have the requisite intuitive correlation to credit default risk measurement and can be easily corroborated over time,
- The forward-looking economic expectations are updated on an annual basis or more regularly when deemed appropriate.

The Bank's loan exposures were performing at year end and were in stage 1. The Bank continues to monitor performance of all loans and advances and take security in the form of Treasury Bills and properties for advances it makes. The Bank is satisfied with the levels of ECLs provided for as at 31 December 2024.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33. RISK MANAGEMENT (continued)

Concentration of credit risk

This is a risk which arises in the business of lending whereby there is too much exposure to a single counterparty or obligor. If that obligor fails, the lending institution suffers. The Bank lends to Government, banks and its subsidiaries which it has 100% control. Lending to banks is done under monetary policy operations, special facilities and Lender of Last Resort window usually caused by a mismatch between the borrowing banks' assets and liabilities. Ordinarily, lending to banks is secured by either Government or RBZ securities. The role of the central bank is to craft and implement monetary policy in its pursuit of price and financial sector stability.

33.4.1 Credit Risk Analysis AUDITED INFLATION ADJUSTED

	Stage 1 ZWG 000	Stage 2 ZWG 000	Stage 3 ZWG 000	Total ZWG 000
Credit Risk Analysis 2024				
Gold and foreign assets	33,311	-	-	33,311
Receivables	1,540,858	-	-	1,540,858
Investment securities	13,877,094	-	-	13,877,094
Other loans and advances	952,077	-	-	952,077
Total non-derivative assets	16,403,340	-	-	16,403,340
Credit Risk Analysis 2023				
Gold and foreign assets	50,135	-	-	50,135
Receivables	4,243,450	-	-	4,243,450
Investment securities	9,277,838	-	-	9,277,838
Government loans and advances	1,734,153	-	-	1,734,153
Other loans and advances	2,465,811	-	-	2,465,811
Total non-derivative assets	17,771,387	-	-	17,771,387

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

33.4.1 Credit Risk Analysis UNAUDITED HISTORICAL COST

	Stage 1	Stage 2	Stage 3	Total
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
Credit Risk Analysis 2024				
Gold and foreign assets	33,311	-	-	33,311
Receivables	1,540,858	-	-	1,540,858
Investment securities	13,877,094	-	-	13,877,094
Other loans and advances	952,077	-	-	952,077
Total non-derivative assets	16,403,340	-	-	16,403,340
Credit Risk Analysis 2023				
Gold and foreign assets	4,615	-	-	4,615
Receivables	390,603	-	-	390,603
Investment securities	854,010	-	-	854,010
Government loans and advances	159,626	-	-	159,626
Other loans and advances	226,974	-	-	226,974
Total non-derivative assets	1,635,828	-	-	1,635,828

33.5

Liquidity risk

Liquidity risk concerns the ability of the Bank to fulfil its financial obligations as they become due without incurring unacceptable losses. Ultimate responsibility of managing liquidity risk lies with the Board of Directors which has built an appropriate liquidity risk management framework for the management of the Bank's short, medium and long term funding and liquidity requirements.

The table below shows the Bank's financial assets and financial liabilities grouped into relevant maturities and the amounts disclosed in the table are the contractual undiscounted cash flows.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - AUDITED INFLATION ADJUSTED

33.5 Liquidity risk

33.5.1 Maturity Analysis (2024)

	Notes	On demand ZWG 000	Due between 0-3 months ZWG 000	Due between 3-12 months ZWG 000	Due between 1-5 years ZWG 000	Due After 5 years ZWG 000	Total Carrying amount ZWG 000
Assets held for managing liquidity risk							
Cash and Bank balances	9	6,733,082	-	-	-	-	6,733,082
Gold and foreign assets	10	5,773,315	-	9,648,793	244,761	32,352	15,699,221
Investment securities	11	1,074,112	-	3,606,214	6,798,732	1,841,420	13,320,478
Receivables	12	-	9,624,046	78,407	251,982	72,413,615	82,368,050
Loans and advances	14	414,634	330,369	612,457	-	-	1,357,460
Total assets held for managing liquidity risk		13,995,143	9,954,415	13,945,871	7,295,475	74,287,387	119,478,291
Non-derivative liabilities							
Notes and coins in circulation	24	181,873	-	-	-	-	181,873
Deposit accounts	25	4,188,346	-	-	-	-	4,188,346
Payables	26	338,834	-	-	-	-	338,834
Term deposits	27	4,997	1,046,248	-	17,590	-	1,068,835
Foreign currency denominated liabilities	28	51,288,655	891,310	150,225	4,816,895	22,629,811	79,776,896
International Monetary Fund facilities	29	190,834	-	-	34,183,386	-	34,374,220
Total non-derivative liabilities		56,193,539	1,937,558	150,225	39,017,871	22,629,811	119,929,004
Net exposure		(42,198,396)	8,016,857	13 795,646	(31,722,394)	51,657,576	(450,713)

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - AUDITED INFLATION ADJUSTED

33.5 Liquidity risk (continued)

33.5.1 Maturity Analysis (2023)

		On demand	Due between 0-3 months	Due between 3-12 months	Due between 1-5 years	Due after 5 years	Total carrying amount
		ZWG 000	ZWG 000	ZWG 000	ZWG 000	ZWG 000	ZWG 000
Assets held for managing liquidity risk	notes						
Cash and Bank balances	9	1,944,656	-	-	-	-	1,944,656
Gold and foreign assets	10	1,367,173	-	9,944,555	-	50,135	11,361,863
Investment securities	11	595	913	1,281,991	6,400,244	1,594,095	9,277,838
Receivables	12	-	7,429,562	6,696	23,780	107,793,109	115,253,147
Loans and advances to Government	13	-	-	-	1,734,153	-	1,734,153
Loans and advances	14	1,257,885	32	153,585	43,172	226	1,454,900
Interbank advances	14	-	205,886	751,822	53,203	-	1,010,911
Total assets held for managing liquidity risk		4,570,309	7,636,393	12,138,649	8,254,552	109,437,565	142,307,468
Non-derivative liabilities							
Notes and coins in circulation	24	68,476	-	-	-	-	68,476
Deposit accounts	25	3,958,133	-	-	-	-	3,958,133
Payables	26	409,979	-	-	-	-	409,979
Term deposits	27	-	3,847,923	1,770,187	4,347	-	5,622,457
Foreign currency denominated liabilities	28	35,746,708	2,894,406	5,505,872	5,515,374	48,094,082	97,756,442
International Monetary Fund facilities	29	10,856	-	-	-	36,180,790	36,191,646
Total non-derivative liabilities		40,194,152	6,742,329	7,276,059	5,519,721	84,274,872	144,007,133
Net exposure		(35,623,843)	894,064	4,862,590	2,734,831	25,162,693	(1,699,665)

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - UNAUDITED HISTORICAL COST

33.5 Liquidity risk (continued)

33.5.1 Maturity Analysis (2024)

	Notes	On demand ZWG 000	Due between 0-3 months ZWG 000	Due between 3-12 months ZWG 000	Due between 1-5 years ZWG 000	Due After 5 years ZWG 000	Total Carrying amount ZWG 000
Assets held for managing liquidity risk							
Cash and Bank balances	9	6,733,082	-	-	-	-	6,733,082
Gold and foreign assets	10	5,773,315	-	9,648,793	244,761	32,352	15,699,221
Investment securities	11	1,074,112	-	3,606,214	6,798,732	1,841,420	13,320,478
Receivables	12	-	9,526,852	78,407	251,982	72,413,614	82,270,855
Loans and advances	14	414,634	330,369	612,457	-	-	1,357,460
Total assets held for managing liquidity risk		13,995,143	9,857,221	13,945,871	7,295,475	74,287,386	119,381,096
Non-derivative liabilities							
Notes and coins in circulation	24	181,873	-	-	-	-	181,873
Deposit accounts	25	4,188,346	-	-	-	-	4,188,346
Payables	26	338,834	-	-	-	-	338,834
Term deposits	27	4,997	1,046,248	-	17,590	-	1,068,835
Foreign currency denominated liabilities	28	51,288,655	891,310	150,225	4,816,895	22,629,811	79,776,896
International Monetary Fund facilities	29	190,834	-	-	34,183,386	-	34,374,220
Total non-derivative liabilities		56,193,539	1,937,558	150,225	39,017,871	22,629,811	119,929,004
Net exposure		(42,198,396)	7,919,663	13,795,646	(31,722,396)	51,657,575	(547,908)

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - UNAUDITED HISTORICAL COST

33.5 Liquidity risk (continued)

33.5.1 Maturity Analysis (2023)

		On demand	Due between 0-3 months	Due between 3-12 months	Due between 1-5 years	Due after 5 years	Total carrying amount
	Notes	ZWG 000	ZWG 000	ZWG 000	ZWG 000	ZWG 000	ZWG 000
Assets held for managing liquidity risk							
Cash and Bank balances	9	179,003	-	-	-	-	179,003
Gold and foreign assets	10	125,846	-	915,380	-	4,615	1,045,841
Investment securities	11	55	84	83,887	589,132	180,852	854,010
Receivables	12	-	644,891	6,695	23,780	9,929,202	10,604,568
Loans and advances to Government	13	-	-	-	159,626	-	159,626
Loans and advances	14	-	708	76,823	3,981	4,908	86,420
Interbank advances	14	-	103,437	27,781	9,336	-	140,554
Total assets held for managing liquidity risk		304,904	749,120	1,110,566	785,855	10,119,577	13,070,022
Non-derivative liabilities							
Notes and coins in circulation	24	6,303	-	-	-	-	6,303
Deposit accounts	25	364,340	-	-	-	-	364,340
Payables	26	37,738	-	-	-	-	37,738
Term deposits	27	-	354,195	162,943	400	-	517,538
Foreign currency denominated liabilities	28	3,198,995	266,425	506,807	507,681	4,518,417	8,998,325
International Monetary Fund facilities	29	999	-	-	-	3,330,384	3,331,383
Total non-derivative liabilities		3,608,375	620,620	669,750	508,081	7,848,801	13,255,627
Net exposure		(3,303,471)	128,500	440,816	277,774	2,270,776	(185,605)

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - AUDITED INFLATION ADJUSTED

33.5 Liquidity risk (continued)

33.5.2 Secured and unsecured Loans and Advances (2024)

	Notes	Secured value ZWG 000	Unsecured value ZWG 000	Total carrying Amount ZWG 000
Financial Assets				
Receivables	12	-	82,368,050	82,368,050
Loans and advances	14	111,349	1,246,111	1,357,460
Total		111,349	83,614,161	83,725,510
Secured and Unsecured Financial Liabilities				
Term deposits	27	-	1,068,835	1,068,835
Notes and coins in circulation	24	181,873	-	181,873
Deposit accounts	25	-	4,188,346	4,188,346
Payables	26	-	338,834	338,834
Foreign Liabilities	28	24,898,168	54,878,728	79,776,896
International Monetary Fund facilities	29	-	34,374,220	34,374,220
Total		25,080,041	94,848,963	119,929,004

The security tendered on the loans and advances is in the form of Zimbabwe Treasury Bills worth ZWG19,942,474.00 property worth ZWG31,716,738.32 and Government guarantees of ZWG60,689,743.16.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - AUDITED INFLATION ADJUSTED

33.5 Liquidity risk (continued)

33.5.2 Secured and unsecured Loans and Advances (2023)

	Notes	Secured value ZWG 000	Unsecured value ZWG 000	Total carrying Amount ZWG 000
Financial Assets				
Receivables	12	-	115,253,147	115,253,147
Loans and advances	14	741,641	1,724,170	2,465,811
Loans and advances to Government	13	-	1,734,153	1,734,153
Total		741,641	118,711,470	119,453,111
Secured and Unsecured Financial Liabilities				
Term deposits	27	-	5,622,457	5,622,457
Notes and coins in circulation	24	68,476	-	68,476
Deposit accounts	25	-	3,958,133	3,958,133
Payables	26	-	409,979	409,979
Foreign Liabilities	28	24,822,006	72,934,436	97,756,442
International Monetary Fund facilities	29	-	36,191,646	36,191,646
Total		24,890,482	119,116,651	144,007,133

The security tendered on loans and advances is in the form of Zimbabwe Treasury Bills worth ZWG552,112,720.30 and properties worth ZWG189,528,866.59. Liabilities are secured by future mineral exports.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - UNAUDITED HISTORICAL COST

33.5 Liquidity risk (continued)

33.5.2 Secured and unsecured Loans and Advances (2024)

	Notes	Secured value ZWG 000	Unsecured value ZWG 000	Total carrying Amount ZWG 000
Financial Assets				
Receivables	12	-	82,270,855	82,270,855
Loans and advances	14	111,349	1,246,111	1,357,460
Total		111,349	83,516,966	83,628,315
Secured and Unsecured Financial Liabilities				
Term deposits	27	-	1,068,835	1,068,835
Notes and coins in circulation	24	181,873	-	181,873
Deposit accounts	25	-	4,188,346	4,188,346
Payables	26	-	338,834	338,834
Foreign Liabilities	28	24,898,168	54,878,728	79,776,896
International Monetary Fund facilities	29	-	34,374,220	34,374,220
Total		25,080,041	94,848,963	119,929,004

The security tendered on the loans and advances is in the form of Zimbabwe Treasury Bills worth ZWG19,942,474.00 property worth ZWG31,716,738.32 and Government guarantees of ZWG60,689,743.16.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS - UNAUDITED HISTORICAL COST

33.5 Liquidity risk (continued)

33.5.2 Secured and unsecured Loans and Advances restated (2023)

	Notes	Secured value ZWG 000	Unsecured value ZWG 000	Total carrying Amount ZWG 000
Financial Assets				
Receivables	12	-	10,604,568	10,604,568
Loans and advances	14	33,849	193,125	226,974
Loans and advances to Government	13	-	159,626	159,626
Total		33,849	10,957,319	10,991,168
Secured and Unsecured Financial Liabilities				
Term deposits	27	-	517,538	517,538
Notes and coins in circulation	24	6,303	-	6,303
Deposit accounts	25	-	364,340	364,340
Payables	26	-	37,738	37,738
Foreign Liabilities	28	2,305,692	6,692,633	8,998,325
International Monetary Fund facilities	29	-	3,331,383	3,331,383
Total		2,311,995	10,943,632	13,255,627

The security tendered on loans and advances is in the form of Zimbabwe Treasury Bills worth ZWG5,614,519.69 and properties worth ZWG28,234,954.21. Liabilities are secured by future mineral exports.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

34. CAPITAL MANAGEMENT

The Bank's objective when managing capital which is a broader concept than the equity on the face of financial position, is to safeguard the Bank's ability to maintain liquidity and stability of the economy.

The RBZ Act [Chapter 22:15] section 31 states that the Bank's capital stock shall be in the amount of two million United States dollars or its equivalent in other currencies, all of which shall be issued to the State. During 2024, the Government recapitalized the Bank using gold worth US\$111,092,640.58 (ZWG2,866,023,488.05).

The table below summarises the composition of the Bank's capital for the year ended 31 December 2024.

	NOTES	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024 ZWG 000	2023 ZWG 000	2024 ZWG 000	2023 ZWG 000
Share Capital	19	58,023	6,426	51,598	1
Share Premium	19	3,129,310	314,884	2,814,465	39
Revaluation Reserve	20	2,162,194	2,993,534	2,005,161	261,244
Mark to Market	21	211,288	3,265,149	187,595	229,965
General Reserve Fund	22	-	-	-	-
Accumulated deficit	23	(3,254,992)	(4,422,529)	(2,989,394)	(343,675)
Total		2,305,823	2,157,464	2,069,425	147,574

The Bank's policies in respect of capital management are in accordance with its mandate as spelt out by the Reserve Bank of Zimbabwe Act [Chapter 22:15] and in accordance with any directives from the Minister of Finance, Economic Development and Investment Promotion.

The deployment of capital between specific operations is largely driven by the mandate of the Bank to strengthen and impose discipline in the financial services sector aimed at managing inflation and maintaining financial sector stability.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS- AUDITED INFLATION ADJUSTED

35. Fair Value Measurement

Quantitative disclosures fair value measurement hierarchy for assets as at December 2024

	Notes	Date of valuation	Level 1				Level 2	Level 3
			Total	Quoted prices in active markets		Significant observable	Fair value measuring using Significant observable	Significant unobservable
			ZWG 000	ZWG 000		ZWG 000		ZWG 000
Assets measured at fair value								
Investment properties	17	31 December 2024	350,860	-		-		350,860
FVTOCI financial investments								
Unquoted equity shares	15	31 December 2024	187,115	-		-		187,115
Revalued property								
Land and buildings	18	31 December 2024	1,998,688	-		-		1,998,688
Other Assets								
Gold and foreign assets	10	31 December 2024	15,699,221	5,805,667		-		9,893,554

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS- AUDITED INFLATION ADJUSTED

35. Fair Value Measurement (continued)

Quantitative disclosures fair value measurement hierarchy for assets as at December 2023

				Level 1	Level 2	Level 3
	Notes	Date of valuation	Total	Quoted prices in active markets	Fair value measuring using Significant observable inputs	Significant unobservable inputs
			ZWG 000	ZWG 000	ZWG 000	ZWG 000
Assets measured at fair value						
Investment properties	17	31 December 2023	453,384	-	-	453,384
FVTOCI financial investments						
Unquoted equity shares	15	31 December 2023	206,701	-	-	206,701
Revalued property						
Land and buildings	18	31 December 2023	2,830,028	-	-	2,830,028
Other Assets						
Gold and foreign assets	10	31 December 2023	11,361,863	1,165,494	-	10,196,369

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS- UNAUDITED HISTORICAL COST

35. Fair Value Measurement

Quantitative disclosures fair value measurement hierarchy for assets as at December 2024

	Notes	Date of valuation	Fair value measurement hierarchy			
			Total	Level 1 Quoted prices in active markets	Level 2 Fair value measuring using Significant observable	Level 3 Fair value measuring using Significant unobservable
			ZWG 000	ZWG 000	ZWG 000	ZWG 000
Assets measured at fair value						
Investment properties	17	31 December 2024	350,860	-	-	350,860
FVTOCI financial investments						
Unquoted equity shares	15	31 December 2024	187,115	-	-	187,115
Revalued property						
Land and buildings	18	31 December 2024	1,998,688	-	-	1,998,688
Other Assets						
Gold and foreign assets	10	31 December 2024	15,699,221	5,805,667	-	9,893,554

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS- UNAUDITED HISTORICAL COST

35. Fair Value Measurement (continued)

Quantitative disclosures fair value measurement hierarchy for assets as at December 2023

	Notes	Date of valuation	Level 1		Level 2	Level 3
			Quoted prices		Fair value measuring using	Significant
			Total	in active markets	Significant observable inputs	Unobservable Inputs
			ZWG 000	ZWG 000	ZWG 000	ZWG 000
Assets measured at fair value						
Investment properties	17	31 December 2023	41,733	-	-	41,733
FVTOCI financial investments						
Unquoted equity shares	15	31 December 2023	19,027	-	-	19,027
Revalued property						
Land and buildings	18	31 December 2023	260,499	-	-	260,499
Other Assets						
Gold and foreign assets	10	31 December 2023	1,045,841	102,667	-	943,174

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

35. FAIR VALUE MEASUREMENT (continued)

Description of valuation techniques used and key inputs to valuation of properties 2024

	Valuation Technique	Significant unobservable inputs	Range
Investment properties	Direct Comparison and Income capitalisation.	Capitalisation rate	10.5%
		Estimated rental value per sqm per month.	ZWG180.00 - ZWG387.00
Office properties	Direct Comparison and Income capitalisation.	Capitalisation rate	9-12.5%
		Estimated rental value per sqm per month.	ZWG39.00 - ZWG387.00
Land	Market Value	The market value was determined through analysis of property data, comparable evidence and trends.	Sale trends usually higher
			(5.6%-6.76% of the asking price).
Residential properties	Market Value	The market value was determined through analysis of property data, comparable evidence and trends.	Sale trends usually higher
			(5.6%-6.76% of the asking price).

Description of valuation techniques used and key inputs to valuation of properties 2023

	Valuation Technique	Significant unobservable inputs	Range
Investment properties	Direct Comparison and Income capitalisation.	Capitalisation rate	10.5%
		Estimated rental value per sqm per month.	ZWG350.15 – ZWG1,050.44
Office properties	Direct Comparison and Income capitalisation.	Capitalisation rate	9-11.5%
		Estimated rental value per sqm per month.	ZWG211.35 – ZWG1,056.75
Land	Market Value	The market value was determined through analysis of property data, comparable evidence and trends.	Sale trends usually higher
			(5.6%-6.76% of the asking price).
Residential properties	Market Value	The market value was determined through analysis of property data, comparable evidence and trends.	Sale trends usually higher
			(5.6%-6.76% of the asking price).

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

35. FAIR VALUE MEASUREMENT (continued)

Description of methods used in the valuation of unlisted investments

Investment	Valuation methods	Valuation inputs
Afreximbank	Price to Book Value Valuation Method (P/BV), Net Asset Valuation Method, Market Price Valuation Method, Dividend Discount Model Valuation Method	Projected Growth: 9% Cost of Equity: 13% P/BV multiple:1.290
AFC	Price to Book Value Valuation Method (P/BV), Net Asset Valuation Method, and Dividend Discount Model Valuation Method.	Projected Growth: 7% Cost of Equity: 10.4% Price/book multiple 1.290
Zimswitch	Price Earnings Valuation Method (P/E), Net Asset Valuation Method, and Dividend Discount Model Valuation Method.	Projected Growth: 10% Cost of Equity: 27% P/E multiple 4.73
IDBZ	Net Asset Valuation Method, Price Earnings Valuation Method (P/E), and Price to Book Valuation Method.	P/E multiple: 5.08 Cost of Equity: 22% P/BV multiple:0.82

Valuation Assumptions

Investment	Valuation assumptions
Afreximbank	On the P/E valuation, a marketability discount of 2% was applied on the average PE for comparable listed entities. On the market-based valuation, a tradability discount of 5% was applied on the price of Afreximbank share price on the Stock Exchange of Mauritius.
AFC	Dividend Discount Method a Cost of Equity ("Ke") of 10.4% and projected growth of 7% was applied to determine the value as this is more appropriate to value for minority shareholding.
Zimswitch	On P/E valuation, a weighted average of comparable ZSE listed entities was used to calculate the PE valuation. On the Dividend Discount Method a Cost of Equity ("Ke") of 27% and projected growth of 10%.
IDBZ	On P/E valuation, a weighted average of comparable ZSE listed entities was used to calculate the PE valuation. On the Price to Book Value, weighted average of comparable ZSE listed entities was used to calculate the P/BV valuation.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

36. RELATED PARTY INFORMATION

The Bank is wholly owned by the Government of Zimbabwe. The Bank holds equity interests in the companies listed below as indicated:

Ownership interest and voting power	%
Printing and Minting Company of Zimbabwe (Private) Limited	100
Finance Trust of Zimbabwe (Dormant)	100
Carstone (Private) Limited (Dormant)	100
Fiscorp (Private) Limited (Dormant)	100
Zimbabwe Asset Management Corporation (ZAMCO) (under liquidation)	100
Venture Capital Company of Zimbabwe (Private) Limited (Dormant)	100
ResZim (Private) Limited	100

36.1 Balances with related parties: Former Subsidiaries

		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
		000	000	000	000
Subsidiary	Transaction Type				
FGR	Loan	-	1,490,068	-	137,158
Homelink	Loan	-	12,998	-	1,196
TOTAL		-	1,503,066	-	138,354

36.2 Transactions with related parties: Subsidiaries

- i. **Rental Income**
ZAMCO rents office space in the Bank's Investment Properties. The lease arrangements and collections are handled by an agent on behalf of the Bank.
- ii. **Security Documents**
All printing jobs for security documents are done at PMCZ.
- iii. **Other Printing Jobs**
For other general printing jobs the Bank deals with PMCZ.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

36. RELATED PARTY INFORMATION (continued)

36.3 Compensation of key management personnel of the Bank.

The Bank has not entered into any transactions with its Non-Executive Directors and their associates in 2024. Generally, the non-executive directors do not receive pension entitlements from the Bank. Compensation of the Bank's key management personnel includes salaries, non-cash benefits, medical aid and contributions to the post-employment pension scheme.

Salaries and benefits to management personnel

Compensation paid to the Bank's senior management and Directors during the year included the following:

	AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG
	000	000	000	000
Short term senior management benefits	36,821	29,271	23,934	1,813
Non-executive Directors	4,412	6,739	4,412	436
Senior managers loans (balances)	5,863	13,972	5,863	1,286
Total	47,096	49,982	34,209	3,535

NOTES TO THE STATEMENT OF CASH FLOWS

37. Property, plant and equipment		AUDITED INFLATION ADJUSTED		UNAUDITED HISTORICAL COST	
37.1 Additions		2024	2023	2024	2023
Property, plant and equipment		ZWG	ZWG	ZWG	ZWG
		000	000	000	000
Additions as per PPE note (note 18)		103,370	69,781	76,693	3,935
Add assets purchased not yet delivered:					
Computer Hardware & Software		69,604	44,878	43,870	1,522
Office Equipment & Furniture		10,617	4,501	733	128
Motor Vehicles		10,178	8,192	7,650	974
Balance as per Statement of Cash flow		193,769	127,352	128,946	6,559
37.2 Disposals					
Property, plant and equipment					
Disposals as per PPE note (note 18)		8,619	267	228	-
Less accumulated depreciation		(21)	(22)	(12)	-
		8,598	245	216	-
Adjustments		(4,986)	(240)	3,188	-
(Profit)/loss on disposal		(1,634)	1	(1,594)	-
Balance as per Statement of Cash flow		1,978	6	1,810	-

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

38. EVENTS AFTER REPORTING PERIOD

Subsequent to year-end, the following events took place:

- i. The Bank released 23,466.79 diamond carats valued at US\$2.8 million to Murowa Diamonds to facilitate disposal through their usual channels in January 2025. The Bank expect these to be sold around their valuation amounts and to receive cash net of selling costs.
- ii. The Governor of the Reserve Bank of Zimbabwe announced in his monetary statement on the 6th of February 2025 and below are some key pronouncements:
 - a) Exporters foreign currency retention threshold were reviewed downwards from 75% to 70%.
 - b) Introduction of US Dollar Denominated Deposit Facility (USDDDF) whereby exporters have an option to invest 5% of their export surrender proceeds with the Reserve Bank of Zimbabwe. Withdrawals will be done in ZWG on demand at the prevailing interbank exchange rate on the settlement date.
 - c) The Governor advised that the Bank will continue accumulation of Gold and Foreign Currency Reserves.
 - d) The Bank introduced the Targeted Finance Facility (TFF) to facilitate lending to productive sectors by banks.

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS

39. GOING CONCERN

The Bank realised an inflation adjusted surplus of ZWG1,167,536,807.83 for the year ended 31 December 2024 (2023: a deficit of ZWG1,483,491,448.53) and as at that date had a positive equity of ZWG2,305,822,431.37 (2023: ZWG2,157,464,095.45).

At the end of 2024, the Bank had a net current liability position. The Bank is a not-for-profit organisation, a creature of statute and has inherent powers to function with a negative equity. Government, through the Ministry of Finance and Investment Promotion capitalised the Bank to the tune of US\$111,092,640.58 (ZWG2,866,023,488.05) to enhance its operations. Government also provided a letter of support which shows its commitment for financial assistance, as may be required to ensure that the Bank is able to satisfy its financial obligations and pay its debts (both current and future) as they fall due within the next twelve months of the date of approval of the letter of support.

The financial statements are therefore prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

05

ANNEXURE 1

Monetary and Financial Statistics

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Statistical Table 1: Depository Corporations Survey (ZWL\$ Millions (2020-2023) ZWG Millions -2024)

	Dec-20	Dec-21	Dec-22	Dec-23	*Dec-24
Net Foreign Assets	(335,335.13)	(380,991.28)	(2,349,872.97)	(18,830,050.20)	(47,290.39)
<i>Central Bank</i>	(410,600.84)	(532,705.42)	(2,828,947.11)	(22,724,299.91)	(56,911.91)
<i>Other Depository Corporations</i>	75,265.71	151,714.15	479,074.14	3,894,249.71	9,621.51
Net Domestic Assets (NDA)	540,383.05	856,352.79	4,688,099.95	37,744,636.99	136,641.59
Domestic Claims	106,948.54	340,288.98	1,861,880.52	16,661,349.82	75,982.55
Claims on Central Government(net)	22,594.56	83,222.48	454,800.75	4,633,764.25	17,476.05
<i>Claims on Central Government</i>	37,107.46	98,039.99	613,516.29	5,826,109.04	27,515.15
<i>Less Liabilities to Central Government</i>	14,512.90	14,817.51	158,715.54	1,192,344.79	10,307.99
Claims on Other Sectors	84,353.98	257,066.49	1,407,079.76	210,979.10	57,223.76
<i>Other Financial Corporations</i>	1,439.02	10,056.88	157,280.63	210,979.10	829.89
<i>State and Local Government</i>	37.92	170.57	282.61	73.45	0.57
<i>Public Non-Financial Corporations</i>	8,214.24	23,908.91	161,107.43	779,253.50	914.33
<i>Private Sector</i>	74,662.79	222,930.13	1,088,409.10	11,037,279.52	55,478.97
Other Items (Net)	(433,434.51)	(516,063.82)	(2,826,219.43)	(21,083,287.17)	(60,196.77)
Broad Money-M3	205,047.92	475,361.52	2,338,226.98	18,914,586.79	87,448.96
<i>Securities Other than Shares Included in Broad Money</i>	1,436.20	3,696.33	14,148.96	42,811.41	-
Broad Money-M2	203,611.72	471,665.18	2,324,078.02	18,871,775.39	87,448.96
<i>Other Deposits</i>	9,906.84	37,402.96	233,411.78	1,287,203.96	8,189.14
Narrow Money-M1	193,704.87	434,262.22	2,090,666.24	17,584,571.42	79,259.81
<i>Transferable Deposits</i>	192,511.36	431,948.43	2,086,456.10	17,572,220.00	79,160.58
<i>Currency Outside Depository Corporations</i>	1,193.51	2,313.79	4,210.14	12,351.42	99.23

Source: Reserve Bank of Zimbabwe, 2024

*Statistics are denominated in ZiG

Statistical Table 2 : Central Bank Survey (ZWL\$ Millions (2020-2023) ZWG Millions -2024)

	Dec-20	Dec-21	Dec-22	Dec-23	*Dec-24
Net Foreign Assets	-392,036.91	-513,012.57	-2,780,839.76	-22,724,299.91	-56,911.91
Claims on Non-Residents	14,624.50	134,462.90	653,511.53	2,750,142.28	23,239.75
Less Liabilities to Non-Residents	406,661.40	647,475.47	3,434,351.30	25,474,442.19	80,151.65
Net Domestic Assets (NDA)	410,799.30	538,956.83	2,884,883.96	24,745,515.21	77,307.02
Domestic Claims	17,721.76	70,963.42	327,159.83	2,685,240.42	6,804.39
Net Claims on Central Government	15,520.80	46,157.62	193,502.85	2,195,411.21	6,357.41
Claims on Central Government	25,693.68	56,954.68	344,351.64	3,186,271.12	15,948.98
Loans	19,658.46	51,228.99	250,439.96	967,084.34	2,071.88
<i>Loans and Advances</i>	15,645.17	17,897.37	83,409.68	423,620.50	1,579.04
<i>Amounts Due from Gvt including SDR Drawdowns</i>	401.72	29,720.05	167,030.28	543,463.85	492.84
<i>Export Incentives</i>	3,611.57	3,611.57	0	0	0
<i>Less Liabilities to Central Government</i>	10,172.88	10,797.06	150,848.79	990,859.91	9,591.57
<i>Claims on Other Sectors</i>	2,200.96	24,805.80	133,656.99	489,829.21	446.98
<i>Other Financial Corporations</i>	188.35	1,940.32	8,835.80	28,216.64	18.68
<i>Public Non-Financial Corporations</i>	1,309.27	20,881.24	111,380.89	359,338.87	24.96
<i>Private Sector</i>	703.34	1,984.24	13,440.29	102,273.70	403.34
Claims on Other Depository Corporations	3,684.02	4,919.97	24,419.54	266,265.29	907.94
Other Liabilities to ODCs	53,880.04	108,150.00	685,265.98	3,854,578.28	8,273.62
Securities	22,262.48	72,821.16	373,427.75	1,519,969.71	2,002.01
Other Items(Net)	-443,273.56	-571,223.44	-3,218,570.56	-25,648,587.78	-77,868.31
Other Items(Net)	-3,242.65	41,146.12	-118,055.94	-1,251,036.31	-8,239.99
Deposits and Securities Excluded from Base Money	2,160.46	8,518.03	47,734.68	655,896.80	4,467.42
Monetary Base	18,762.40	25,944.26	104,044.19	2,021,215.30	20,395.12
Liabilities to ODCs	16,386.47	20,792.15	96,472.35	1,975,463.24	20,213.24

Source: Reserve Bank of Zimbabwe, 2024

*Statistics are denominated in ZiG

Statistical Table 3: Other Depository Corporations Survey (ZWL\$ Millions (2020-2023) ZWG Millions -2024)

	Dec-20	Dec-21	Dec-22	Dec-23	*Dec-24
Net Foreign Assets	75,270.27	151,714.15	479,074.14	3,894,249.71	9,621.51
Claims on Non-Residents	89,458.70	175,421.22	656,889.02	5,729,082.98	19,141.21
Less Liabilities to Non-Residents	14,188.43	23,707.07	177,814.87	1,834,833.27	9,519.70
Net Domestic Assets (NDA)	127,131.17	319,731.03	1,849,663.03	14,986,724.82	77,581.55
Domestic Claims	83,427.96	269,323.46	1,560,712.80	13,976,109.40	67,738.19
Net Claims on Central Government	7,756.04	37,452.45	281,091.63	2,438,353.04	10,961.41
Claims on Central Government	12,096.07	41,473.15	288,958.38	2,639,837.91	11,677.83
Less Liabilities to Central Government	4,340.03	4,020.70	7,866.75	201,484.87	716.42
Claims on Other Sectors	75,671.92	231,871.01	1,279,621.17	11,537,756.36	56,776.78
Other Financial Corporations	407.93	7,769.94	154,024.86	182,762.46	811.21
State and Local Government	37.92	170.57	282.61	73.45	0.57472
Public Non-Financial Corporations	1,269.01	2,984.60	50,344.90	419,914.63	889.37
Private Sector	73,957.06	220,945.90	1,074,968.79	10,935,005.82	55,075.63
Claims on the Central Bank	77,254.38	121,289.62	655,646.09	5,977,105.23	32,226.43
Currency	1,177.85	2,838.32	3,361.70	3,398.38	82.64
Reserves	76,076.54	118,451.30	652,284.39	5,973,706.85	32,109.98
Liabilities to the Central Bank	1,318.62	2,808.10	10,597.78	55,157.36	233.01
Other Items (Net)	32,232.56	68,073.94	356,098.08	4,911,332.45	22,150.06
Shares and Other Equity	52,039.78	118,865.73	713,741.35	7,483,381.60	32,915.57
Liabilities to other resident sectors	292.02	139.77	752.48	138,722.56	112.46
Other Items (Net)	-20,099.24	-50,931.56	-358,395.75	-2,710,771.70	-10,877.97
Deposits and Securities Included in Broad Money	202,401.45	471,445.18	2,328,737.18	18,880,974.53	87,203.06
Deposits Included in Broad Money	200,965.24	467,748.85	2,314,588.21	18,838,163.13	87,203.06
<i>Transferable Deposits</i>	191,058.40	430,345.88	2,081,176.43	17,550,959.16	79,013.92
<i>of which FCAs</i>	102,824.76	210,688.45	1,325,367.13	13,391,882.43	67,075.96
<i>Other Deposits (Time Deposits)</i>	9,906.84	37,402.96	233,411.78	1,287,203.96	8,189.14
<i>of which FCAs</i>	0	10,530.71	121,810.43	878,430.93	5,598.13
Money Market Instruments	1,436.20	3,696.33	14,148.96	42,811.41	-

Source: Reserve Bank of Zimbabwe, 2024

*Statistics are denominated in ZiG

Statistical Table 4: Commercial Banks Lending Rates (percent per annum)

Weighted Lending Rates				
End of	Individuals		Corporates	
	Minimum	Maximum	Minimum	Maximum
2020	32.11	55.47	26.91	60.54
2021	39.34	58.65	37.94	64.00
2022	99.02	125.64	110.83	242.53
2023	69.02	101.71	93.77	164.47
2024	41.03	46.47	39.91	45.64

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 5: Commerical Banks Deposit Rates (percent per annum)

SAVINGS			3 MONTHS	
	Minimum	Maximum	Minimum	Maximum
2021	3.04	4.97	11.26	15.05
2022	18.03	18.03	55.32	60.08
2023	34.38	37.13	57.94	65.65
2024	3.54	3.38	5.67	8.15

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 6: Monthly Inflation - % change in Consumer Price Index

	ALCOHOLIC BEVERAGES & TOBACCO	CLOTHING & FOOTWEAR	HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS	FURNITURE AND EQUIPMENT	HEALTH	TRANSPORT	COMMUNICATION	RECREATION & CULTURE	EDUCATION	RESTAURANTS & HOTELS	MISC. GOODS & SERVICES	TOTAL NON FOOD	FOOD & NON ALCOHOLIC BEVERAGES	ALL ITEMS
WEIGHTS	4.90	4.35	27.62	5.29	1.42	8.39	2.65	2.27	4.25	1.08	6.46	68.70	31.30	100
2024														
*May	-6.05	-1.36	0.54	-3.09	-1.14	-0.73	0.65	-2.60	0.00	-0.90	-2.82	-0.99	-5.55	-2.42
*Jun	-0.48	0.82	0.08	0.21	0.44	0.84	0.33	-0.03	0.17	0.04	0.21	0.22	-0.38	0.04
*Jul	0.57	0.89	0.38	-0.11	0.45	-0.45	-2.41	0.06	0.37	0.22	0.09	0.14	-0.73	-0.13
*Aug	2.31	1.57	0.20	2.07	1.19	2.72	-0.06	1.41	0.49	1.24	2.11	1.14	2.15	1.44
*Sep	11.10	3.65	1.14	6.71	4.01	5.70	2.87	6.26	0.86	4.45	7.46	3.89	10.15	5.78
*Oct	55.63	44.94	16.79	39.81	50.55	38.72	42.19	49.16	3.69	30.79	54.02	31.75	49.25	37.25
*Nov	15.83	15.10	2.30	15.16	15.13	13.80	6.82	17.47	4.67	10.69	14.76	9.67	15.66	11.72
*Dec	4.07	6.71	1.49	3.19	3.69	3.57	3.29	2.46	6.03	3.61	3.52	3.19	4.56	3.67

Source: ZIMSTAT, 2024

*Monthly ZiG inflation

Statistical Table 7: Selected International Exchange Rates

	USA DOLLAR	SOUTH AFRICAN RAND	BOTSWANA PULA	JAPANESE YEN	EURO	POUND STERLING
2020	81.815	5.4767	7.5022	0.7878	99.5164	109.9537
2021	108.666	6.8292	9.2257	0.9441	123.0208	108.6660
2022	671.447	39.5836	52.6414	5.0669	715.4935	809.2610
2023	6104.723	329.1177	455.4123	43.1811	6753.9598	7783.5213
2024	25.6843	1.4166	1.8831	0.1678	26.9255	32.5120

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 8: Zimbabwe Stock Market Statistics

	All Share Index	Mining Index	Market Turnover ZWG	Volume of Shares	Market Capitalisation ZWG millions
2020	2636.34	4134.09	2,734.50	316,737,200	317,879.3
2021	12079.74	7815.37	17577.25	228,225,060	1,317,205.11
2022	19493.85	25487.77	27753.79	472,926,200	2,044,869.14
2023	210833.92	145542.27	109727.94	254,991,213	16,812,914.36
2024	217.58	235.38	225,234,022	152,111,200	66,241.20

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 9: ZETSS & Retail Payments Values (ZiG Millions)

	ZETSS	POS	ATM	MOBILE	INTERNET
2024					
Jan	11,319.83	763.33	740.84	1,637.95	8,812.40
Feb	15,327.38	1,143.47	1,072.17	2,212.81	11,832.98
Mar	24,185.38	1,575.64	1,786.80	2,219.12	14,944.99
*Apr	41,317.54	2,063.05	2,797.06	4,754.91	15,996.48
*May	53,741.28	3,335.65	3,355.39	7,058.05	22,545.40
*Jun	51,046.38	3,281.73	3,230.95	6,470.44	22,040.12
*Jul	63,526.12	3,956.03	3,646.28	7,361.68	27,328.40
*Aug	54,975.89	3,973.70	3,937.26	7,555.92	25,760.62
*Sep	65,045.55	4,685.21	5,331.36	1,194.06	38,798.22
*Oct	109,554.74	6,900.07	6,836.32	16,082.35	50,983.09
*Nov	107,345.13	7,074.56	6,940.40	15,645.29	47,876.36
*Dec	123,594.82	7,954.46	8,665.18	17,068.54	50,613.24

Source: Reserve Bank of Zimbabwe, 2024

*Statistics are denominated in ZiG

Statistical Table 10: ZETSS & Retail Payments Volumes ('000)

END OF	ZETSS	POS	ATM	MOBILE	INTERNET
2024					
Jan	914.90	10,017.90	708.10	52,445.00	882.80
Feb	889.70	7,868.70	737.50	51,545.90	904.20
Mar	941.14	7,569.28	728.43	58,151.43	921.38
Apr	791.83	5,729.47	744.79	30,450.44	938.01
May	1,046.65	7,950.08	899.38	42,290.80	1,690.28
Jun	927.30	7,224.24	849.61	41,224.15	1,155.79
Jul	1,059.13	8,228.22	920.88	44,159.41	1,318.93
Aug	974.38	8,669.34	965.97	47,536.92	1,233.10
Sep	1,009.71	8,369.30	860.54	49,927.24	1,408.88
Oct	1,015.68	8,101.53	866.85	52,795.20	1,447.54
Nov	868.41	7,253.15	864.37	50,820.53	1,359.22
Dec	931.58	8,017.72	1,071.61	50,767.85	1,541.29

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 11: Institutional Asset Base & Market Share

	Dec-20	Dec-21	Dec-22	Dec-23	*Dec-24	Market Share (%)
	ZW\$ mn	ZW\$ mn	ZW\$ mn	ZW\$ mn	ZiG bn	
Commercial Banks	305,570	686,094	3,360,352	29,849,248	139,388,675	86.27%
Building Societies	31,535	74,716	420,050	4,109,626	19,714,618	12.20%
P.O.S.B	2,903	7,654	34,024	453,353	2,478,558	1.53%
GRAND TOTAL	340,008.00	768,464.00	3,814,426.16	34,412,227.25	161,581,852.47	100.00%

Source: Reserve Bank of Zimbabwe, 2024

*Statistics are denominated in ZiG

Statistical Table 12: Balance of Payments – US\$ Millions

	2020	2021	2022	2023	2024
Trade balance	-139.0	-779.4	-1,131.6	-1,452.9	-1,262.0
Current Account Balance (excluding official transfers)	678.4	348.2	305.0	133.9	501.2
Capital Account Balance (including official transfers)	299.7	330.5	282.5	220.3	205.8
Financial Account: Net Lending (+)/Net Borrowing (-)	496.5	-267.7	-418.6	-987.0	158.7
Net Errors and Omissions	-481.5	-946.4	-1,006.0	-1,341.2	-548.2
Gross Foreign Reserves (US \$m)	168.7	1,009.6	881.4	405.4	876.9
Import Cover (months) at 100% (Goods & Services)	0.3	1.5	1.1	0.5	0.6

Source: Reserve Bank of Zimbabwe, 2024

Statistical Table 13: Exports of Major Commodities (US\$ Millions)

Year	Tobacco	Gold	PGMs	Ferro-Alloys	Total Exports	Total Imports
2020	741	982	1,964	129	4,932	5,071
2021	781	1,613	2,277	316	6,359	7,138
2022	926	1,998	2,222	370	7,000	8,132
2023	1,191	1,806	1,544	347	7,204	8,656
2024	1,328	2,521	1,515	337	7,795	9,057

Source: Reserve Bank of Zimbabwe, 2024



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