

**CLOTHING INDUSTRY PENSION FUND
(IPEC REGISTRATION NUMBER 29)**

ANNUAL FINANCIAL STATEMENTS

For the year ended 31 December 2022

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

ANNUAL FINANCIAL STATEMENTS
For the year ended 31 December 2022

NATURE OF OPERATIONS

The Clothing Industry Pension Fund is a self-administered pension fund established on 1 September 1979 on an equi-share funding arrangement. The Fund converted to a defined contribution plan with effect from 1 July 2005. The Clothing Industry Pension Fund is registered in terms of the Pension and Provident Funds Act (Chapter 24:32), as amended, and Insurance and Pensions Commissions Act (Chapter 24:21) under Registration Number 29.

BOARD OF TRUSTEES

Mpofu F.	(Chairman)
Muzariri P.	(Employer Representative)
Dr. Mutasa J.	(Employer Representative)
Ndlovu K.	(Employee Representative)
Simika F.	(Employee Representative)

PRINCIPAL OFFICER

Mlilo L.

REGISTERED OFFICE

7th Floor, C.I.P.F Centre
96 Jason Moyo Street
Between 9th and 10th Avenues
BULAWAYO

BANKERS

Stanbic Bank
Stanbic Chambers
Cnr. J.M.N. Nkomo Street/8th Avenue
BULAWAYO

INDEPENDENT AUDITORS

PKF Chartered Accountants (Zimbabwe)
3 Albermarle Road
Bradfield
BULAWAYO

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

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For the year ended 31 December 2022

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These financial statements are expressed in Zimbabwean Dollars ("RTGS\$" or "ZWL") and United States Dollars ("USD")

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

BOARD OF TRUSTEES' RESPONSIBILITIES AND APPROVAL OF FINANCIAL STATEMENTS
For the year ended 31 December 2022

To the Members of the Clothing Industry Pension Fund

It is the Trustees' responsibility to ensure that the financial statements fairly present the state of affairs of the Clothing Industry Pension Fund. The external auditors are responsible for independently auditing and reporting on the financial statements.

The Trustees have assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, the Trustees believe that under the current economic environment, a continuous assessment of the ability of the Fund to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.


The financial statements set out in this report have been prepared by management in accordance with the basis of preparation applicable to retirement benefit plans in Zimbabwe and the manner prescribed by the Pension and Provident Funds Act (Chapter 24:32) and Statutory Instrument (S.I.) 323/91, as amended. The statements are based on appropriate accounting policies which are supported by reasonable and prudent judgements and estimates.

The Commission issued circular 34 of 2022, Basis and Form of Reporting for Pension Fund Financial Statements which requires the Pension Fund to align to the guidelines for the Insurance and Pension Industry on adjusting insurance and pension values in response to the currency reforms and International Accounting Standard (IAS) 26. Therefore, the financial statements have been prepared in accordance with the requirements.

The Fund's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures and all employees are required to maintain the highest ethical standards in ensuring that the Fund's operating practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Trustees have been addressed and the Trustees confirm that the systems of accounting and internal control are operating in a satisfactory manner.

In light of the current financial position, the Trustees are satisfied that the Fund is a going concern and have continued to adopt the going concern basis in preparing the financial statements. The Fund's financial statements and notes, which are set out below on pages 7 to 34 were in accordance with their responsibilities, approved by the Board of Trustees of the Clothing Industry Pension Fund on:

..... 12 May 2023, and are signed on its behalf by:


.....
Mpofo F
Chairperson


.....
Mlilo L
Principal Officer

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

INDEPENDENT AUDITORS' REPORT To the Board of Clothing Industry Pension Fund

Opinion

We have audited the accompanying annual financial statements of the Clothing Industry Pension Fund, set out on pages 7 to 34, which comprise Forms P.P.F.R 6 and 10 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Clothing Industry Pension Fund present fairly the financial position of the Fund as at 31 December 2022, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), the Pension and Provident Funds Act (Chapter 24:32), as amended, and Statutory Instrument (S.I) 323/91 of the Insurance and Pensions Commissions Regulations of Zimbabwe.

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 Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibility 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.

Emphasis of Matter

Non-compliance with IPEC Regulations with respect to investments in locally registered securities

We draw attention to Note 12 in the financial statements, which indicates that as at 31 December 2022, the Fund was not in compliance with the Pension and Provident Funds Act (Chapter 24:32) with regards to prescribed assets ratios.

Note 1 to the financial statements describes the basis of accounting. The financial statements are prepared for regulatory purposes. Consequently, the financial statements and the related auditors' report may not be suitable for any other purpose.

Other Information

From the matters communicated with the Trustees, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters noted below relate to the financial statements:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue recognition</p> <ul style="list-style-type: none"> Contribution income is a key performance indicator used to evaluate the performance of the Fund. There is a presumed risk of inappropriate revenue recognition specifically identified in ISA 240 "The Auditors Responsibilities Relating to Fraud in an Audit of Financial Statements." Fraud in revenue recognition may take the form of revenue transactions not recorded; theft of contributor collections concealed by issuing credit notes; inadequate allowances for credit losses; fictitious contributors created to conceal fraud; and contribution premiums not accounted for at appropriate rates. 	<ul style="list-style-type: none"> We tested the design and operating effectiveness of controls established over the contribution's income and receivables cycle. We performed substantive analytical procedures to identify areas that need significant attention. We sampled contributor invoices and credit notes and obtained supporting documents to determine whether contribution income was complete. We tested for gaps and duplicates in invoice numbers; and investigated exceptions and discussed with management. We verified whether the Funds revenue recognition criteria is consistent with the requirements of the Fund's Rules. We tested significant outstanding contributions for impairment. We satisfied ourselves that contribution income as presented in the statement of income and expenditure is fairly stated.

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

INDEPENDENT AUDITORS' REPORT
To the Board of Clothing Industry Pension Fund

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of investment property</p> <ul style="list-style-type: none"> The Fund holds investment properties, carried at market value in the inflation adjusted financial statements in accordance with IAS 16, Property, Plant and Equipment and IAS 40, Investment Property. Fair valuation of properties is difficult to ascertain as market comparable sales are not as readily available as a result of depressed economic activity. Furthermore, the hyperinflationary environment has made it increasingly difficult to determine the fair value in local currency. The valuers, determined property values in ZWL\$ therefore given the degree of complexity involved in determining the fair value of the investment properties and the significant judgement and estimation required in determining the key inputs and assumptions used in determining the fair values, the valuation of the Fund's investment properties was considered a key audit matter. 	<ul style="list-style-type: none"> We evaluated the professional competence and objectivity of the external valuers engaged by management to value the investment properties and specifically evaluating the independence of the external valuers by enquiring about their interests and relationship with the Fund. We evaluated the appropriateness of the valuation methodologies used by the valuers based on our knowledge of the industry and the requirements of the applicable financial reporting standards. We evaluated the key assumptions and key inputs, used by external valuers, to evaluate the reasonableness of assumptions applied. We assessed whether the disclosures for the valuation of investment properties in the financial statements met the requirements of the relevant financial reporting standards.
<p>Allowance for credit losses relating to contributions receivable.</p> <ul style="list-style-type: none"> The current economic environment is characterized by liquidity challenges, and as such, the recognition and measurement of the allowance for credit losses is an area requiring management to make significant judgement on whether billed amounts on pension contributions to contributors represent consideration receivable. 	<ul style="list-style-type: none"> We obtained an understanding of management's processes for the recognition and measurement of allowances for credit losses. We verified the underlying data used by management to external evidence. We also assessed whether management used any alternative means for determining estimates. We assessed for any signs of management bias in developing estimates, and skeptically reviewed management assumptions for internal consistency and compliance with observable market data. We documented an independent assessment of estimation for each material contribution receivable balance in the financial statements. We reviewed subsequent events for evidence that conditions existed as at the reporting date.
<p>Valuation of Old Mutual shares</p> <p>On 3 August 2020, the Zimbabwe Stock Exchange Limited and Old Mutual Limited agreed to halt trading in the shares of Old Mutual Limited with effect from that date, pending finalisation of the modalities on the resumption of trading on the Zimbabwe Stock Exchange on that date. The suspension only affected the trading of shares of Old Mutual Limited and two other dually listed counters. All other rights, including the right to receive dividends as and when they are declared, were not affected. At the date of our report the trading in the shares of Old Mutual Limited on the Zimbabwe Stock Exchange remained suspended.</p>	<ul style="list-style-type: none"> We verified whether the use of the Johannesburg Stock Exchange price is appropriate to value the shares held in Zimbabwe. We performed a comparison of the Johannesburg and London Stock Exchange to determine whether the use of the London Stock Exchange would be more appropriate. We reviewed management's assumptions on the use of the Johannesburg Stock Exchange. We verified whether the Pension Fund was in compliance with the directive issued by the Securities and Exchange Commission of Zimbabwe on the valuation of the Old Mutual shares. We reviewed subsequent events for evidence that conditions existed as at the reporting date which may affect the value of the shares. <p>No exceptions were noted.</p>

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)

INDEPENDENT AUDITORS' REPORT

To the Board of Clothing Industry Pension Fund

Trustees' Responsibilities for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the basis of preparation applicable to retirement benefit plans in Zimbabwe and the manner prescribed by the Pension and Provident Funds Act (Chapter 24:32) and SI 323/91, as amended, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Fund'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 Trustees intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustees, as Those Charged with Governance, are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Fund's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



BhekiMpilo Mpofu
Partner
Registered Public Auditor
PAAB Practicing Certificate Number 0589

18 May 2023

For and on behalf of **PKF Chartered Accountants (Zimbabwe)**, Reporting auditors
3 Albemarle Road
Bradfield
Bulawayo
Zimbabwe

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022**

HISTORICAL	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
Membership Activities								
Contributions								
by members:								
(a) Normal	-	19 697 105	388	19 820 547	-	5 609 224	-	5 609 224
(b) Voluntary	-	77 417 616	1 553	78 406 681	-	21 946 702	-	21 946 702
by employers								
(a) Normal	-	19 697 105	388	19 820 547	-	5 609 224	-	5 609 224
(b) Special towards member accumulations	-	77 417 616	1 553	78 406 681	-	21 946 702	-	21 946 702
(c) Stabilisation reserve	-	39 146 551	777	39 641 093	-	11 218 448	-	11 218 448
GLA premiums	-	-	-	-	-	-	-	-
Interest on contribution arrears	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Total Contributions (A)	-	233 375 993	4 659	236 095 549	-	66 330 300	-	66 330 300
Other membership income								
Transfers from other funds	-	-	-	-	-	-	-	-
Transfer from other sources	-	-	-	-	-	-	-	-
Amounts received on life insurance claims	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Total other membership income (B)	-	-	-	-	-	-	-	-

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022**

HISTORICAL	2022	2022	2022	2022	2022	2021	2021	2021	2021
	Sub Account 1	Sub Account 2	Sub Account 3	Total	Sub Account 1	Sub Account 2	Sub Account 3	Total	
	ZWL	ZWL	USD	ZWL	ZWL	ZWL	USD	ZWL	
Benefits and Payments									
Pensions									
to members	-	-	-	-	-	-	-	-	-
to surviving spouse	-	-	-	-	-	-	-	-	-
to children and other dependants	-	-	-	-	-	-	-	-	-
One third commutation	-	-	-	-	-	-	-	-	-
Lump sum awards on death	(22 650)	(73)	-	(22 723)	-	(20 555)	-	(20 555)	(20 555)
Lump sum awards on withdrawal/ resignation	(49 449 576)	(15 607 199)	-	(65 056 775)	-	(11 581 015)	-	(11 581 015)	(11 581 015)
Lump sum awards on retirement and retrenchment									
Ex gratia payments									
GLA Premiums paid	-	(15 147 374)	-	(15 147 374)	-	(5 189 895)	-	(5 189 895)	(5 189 895)
Actuarial gain/loss (DB funds)	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-	-
Total Benefits and Payments (C)	(49 472 226)	(30 754 646)	-	(80 226 872)	-	(16 791 465)	-	(16 791 465)	(16 791 465)
Net Membership Activities									
Income/ Loss (A+B-C) =D	(49 472 226)	202 621 347	4 659	155 868 677	-	49 538 835	-	49 538 835	49 538 835

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022

HISTORICAL	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
NON-MEMBERSHIP ACTIVITIES								
Investment Income								
Financial Assets								
Interest income	-	10 078 349	-	10 078 349	-	2 386 563	-	2 386 563
Dividends	2 674 919	12 303 376	-	14 978 295	-	1 495 810	-	1 495 810
Unrealised fair value gains/ (losses) on financial assets	-	-	-	-	-	-	-	-
Realised fair value gains/ (losses) on financial assets	-	-	-	-	-	-	-	-
Other (Bonus)	-	245 833 477	-	245 833 477	-	22 175 880	-	22 175 880
Other (specify)	-	85 368 664	-	85 368 664	-	-	-	-
Non Financial Assets								
Rental income	459 428 828	20 166 388	-	479 595 216	-	85 880 412	-	85 880 412
Revaluation gains/ (losses) on property	5 664 058 188	83 545 263	-	5 747 603 451	-	3 332 729 887	-	3 332 729 887
Profit/ (loss) on disposal of non financial assets	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Total Investment income/ (loss) (E)	6 126 161 935	457 295 517	-	6 583 457 452	-	3 444 668 552	-	3 444 668 552
Investment Expenses								
Financial Assets								
Asset management fees	-	(1 740 900)	-	(1 740 900)	-	(382 885)	-	(382 885)
Custodial fees	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Non Financial Assets								
Rates	-	-	-	-	-	-	-	-
Property management fees	-	-	-	-	-	-	-	-
Property maintenance costs	(186 667 328)	(2 041 450)	-	(188 708 778)	-	(40 614 160)	-	(40 614 160)
Other (specify)	-	-	-	-	-	-	-	-
Total Investment Expenses (F)	(186 667 328)	(3 782 350)	-	(190 449 678)	-	(40 997 045)	-	(40 997 045)
Net Investment Income/ (Loss) (E - F) = (G)	5 939 494 607	453 513 167	-	6 393 007 774	-	3 403 671 507	-	3 403 671 507

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

HISTORICAL	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
Other Activities								
Other Income	-	164 581 411	-	164 581 411	-	5 646 003	-	5 646 003
Employer contribution towards expenses	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Total Other Income (H)	-	164 581 411	-	164 581 411	-	5 646 003	-	5 646 003
Other Expenses								
Bank charges	-	(16 760 538)	-	(16 760 538)	-	(3 442 339)	-	(3 442 339)
Staff costs	-	(103 083 420)	-	(103 083 420)	-	(19 815 554)	-	(19 815 554)
Administration fees	-	(89 277 705)	-	(89 277 705)	-	(18 878 516)	-	(18 878 516)
Actuarial fees	-	(1 666 009)	-	(1 666 009)	-	(1 050 964)	-	(1 050 964)
Audit fees	-	(10 949 278)	-	(10 949 278)	-	(1 294 485)	-	(1 294 485)
Board expenses	-	(20 032 460)	-	(20 032 460)	-	(2 316 945)	-	(2 316 945)
IPEC levies	-	(4 689 718)	-	(4 689 718)	-	(1 695 204)	-	(1 695 204)
Legal fees	-	(5 592 692)	-	(5 592 692)	-	-	-	-
Fines and Penalties	-	(464 921)	-	(464 921)	-	-	-	-
Amortisation, depreciation and impairment of operating assets	(836 485)	(1 301 522)	-	(2 138 007)	-	(1 458 863)	-	(1 458 863)
Tax	-	-	-	-	-	-	-	-
Provisions (specify):	-	-	-	-	-	-	-	-
Total other expenses (I)	(836 485)	(253 818 263)	-	(254 654 748)	-	(49 952 870)	-	(49 952 870)
Net Other Income / loss (H - I) = (J)	(836 485)	(89 236 852)	-	(90 073 337)	-	(44 306 867)	-	(44 306 867)
Change in Net Assets excluding Membership Activities (G + J) = (K)	5 938 658 122	364 276 315	-	6 302 934 437	-	3 359 364 640	-	3 359 364 640
Net increase/decrease in net assets during the year (D + K) = L	5 889 185 896	566 897 662	4 659	6 458 803 114	-	(3 408 903 479)	-	(3 408 903 479)
Net assets available for benefits at beginning of year (M)	-	-	-	-	-	-	-	-
Net Assets available for benefits at end of year (L + M)	5 889 185 896	566 897 662	4 659	6 458 803 114	-	(3 408 903 479)	-	(3 408 903 479)

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022**

INFLATION ADJUSTED

	2022 Total ZWL	2021 Total ZWL
Membership Activities		
Contributions		
by members:		
(a)Normal	29 224 594	19 191 519
(b)Voluntary	116 022 867	76 766 084
by employers		
(a)Normal	29 224 594	19 110 136
(b)Special towards member accumulations	116 022 867	76 440 539
(c)Stabilisation reserve	39 641 093	40 166 530
GLA premiums	-	-
Interest on contribution arrears	-	-
Other (specify)	-	-
Other (specify)	-	-
Total Contributions (A)	330 136 015	231 674 808
Other membership income		
Transfers from other funds	-	-
Transfer from other sources	-	-
Amounts received on life insurance claims	-	-
Other (specify)	-	-
Other (specify)	-	-
Total other membership income (B)	-	-
Benefits and Payments		
Pensions		
to members	-	-
to surviving spouse	-	-
to children and other dependants	-	-
One third commutation	-	-
Lump sum awards on death	(41 242)	(95 911)
Lump sum awards on withdrawal/resignation	(87 207 217)	(45 273 606)
Lump sum awards on retirement and retrenchment	-	-
Ex gratia payments	-	-
GLA Premiums paid	(23 001 492)	(22 190 147)
Actuarial gain/loss (DB funds)	-	-
Transfers to other funds	-	-
Other (specify)	-	-
Other (specify)	-	-
Total Benefits and Payments (C)	(110 249 951)	(67 559 664)
Net Membership Activities		
Income/ Loss (A+B-C) =D	219 886 064	164 115 144
NON-MEMBERSHIP ACTIVITIES		
Investment Income		
Financial Assets		
Interest income	38 754 112	10 246 112
Dividends	22 157 840	6 415 087
Unrealised fair value gains/ (losses) on financial assets	-	-
Realised fair value gains/ (losses) on financial assets	198 034 916	250 343 709
Other (Bonus)	85 368 665	-
Other (specify)	-	-
Non Financial Assets		
Rental income	623 902 541	369 640 119
Revaluation gains/ (losses) on property	5 681 145 743	7 488 347 419
Profit/ (loss) on disposal of non financial assets	-	-
Total Investment income/ (loss) (E)	6 649 363 817	8 124 992 446

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022**

INFLATION ADJUSTED

	2022 Total ZWL	2021 Total ZWL
Investment Expenses		
Financial Assets		
Asset management fees	(1 848 500)	(1 317 720)
Custodial fees	-	-
Other (specify)	-	-
Other (specify)	-	-
Non Financial Assets		
Rates		
Property management fees		
Property maintenance costs	(183 024 494)	(162 256 073)
Other (specify)	-	-
Total Investment Expenses (F)	(184 872 994)	(163 573 793)
Net Investment Income/ (Loss) (E - F) = (G)	6 464 490 823	7 961 418 653
Other Activities		
Other Income		
Employer contribution towards expenses		
Other income	140 784 337	9 091 029
Total Other Income (H)	140 784 337	9 091 029
Other Expenses		
Bank charges	(22 224 217)	(14 833 875)
Staff costs	(196 451 142)	(88 540 299)
Administration fees	(84 580 061)	(74 358 823)
Actuarial fees	(2 615 633)	(4 118 808)
Audit fees	(7 101 950)	(5 535 442)
Board expenses	(26 760 753)	(9 690 628)
IPEC levies	(7 325 004)	(7 329 722)
Legal fees	(7 268 931)	-
Fines and Penalties	(464 921)	-
Amortisation, depreciation and impairment of operating assets		
Tax	(28 125 952)	(7 495 664)
Provisions (specify):	-	-
Other: Net monetary loss	-	(214 218 511)
Total other expenses (I)	(382 918 564)	(426 121 772)
Net Other Income / loss (H - I) = (J)	(242 134 228)	(417 030 743)
Change in Net Assets excluding Membership Activities (G + J) = (K)	6 222 356 595	7 544 387 910
Net increase/ decrease in net assets during the year (D + K) = L	6 442 242 659	7 708 503 054
Net assets available for benefits at beginning of year (M)	-	-
Net Assets available for benefits at end of year (L + M)	6 442 242 659	7 708 503 054

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

HISTORICAL	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
ASSETS								
A Operating Assets								
Property								
Motor vehicles	32 536 808	4 759 389	-	37 296 197	444 281	2 904 916	-	3 349 197
Furniture and equipment	22 474 342	399 504	-	22 873 846	1 602 526	341 389	-	1 943 915
Computer systems and hardware	16 832 469	-	-	16 832 469	101 327	1 151 054	-	1 252 381
Other (specify):								
XXX	-	-	-	-	-	-	-	-
XXX	-	-	-	-	-	-	-	-
XXX	-	-	-	-	-	-	-	-
Total Operating assets (N)	71 843 619	5 158 893	-	77 002 512	2 148 134	4 397 359	-	6 545 493
B Non-Current Investments								
Investment property	10 796 403 319	158 566 681	-	10 954 970 000	4 100 385 766	1 139 114 234	-	5 239 500 000
Equities								
quoted:	124 712 587	70 188 622	-	194 901 209	130 405 157	10 000 471	-	140 405 628
unquoted	-	-	-	-	-	-	-	-
Prescribed assets								
government bonds	14 832	44 008 558	-	44 023 390	14 832	1 012 500	-	1 027 332
other prescribed assets								
Bonds	-	-	-	-	-	-	-	-
Loans and mortgages on property	-	-	-	-	-	-	-	-
Staff loans and mortgages	-	-	-	-	-	-	-	-
Long term deposits	-	-	-	-	-	-	-	-
Other (specify):								
Financial assets	395 274 607	22 677 821	-	417 952 428	-	-	-	-
XXX	-	-	-	-	-	-	-	-
XXX	-	-	-	-	-	-	-	-
Total Non-current investment assets (O)	11 316 405 345	295 441 682	-	11 611 847 027	4 230 805 755	1 150 127 205	-	5 380 932 960

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

HISTORICAL

	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
C Current Investment Assets								
Prescribed assets	-	-	-	-	-	-	-	-
government bonds	-	-	-	-	-	-	-	-
treasury bills	-	-	-	-	-	-	-	-
other prescribed assets	-	-	-	-	-	-	-	-
Staff loans and mortgages	-	997 705	-	997 705	-	546 990	-	546 990
Money market investments	-	85 428 956	-	85 428 956	-	21 912 572	-	21 912 572
Cash on hand and at bank	-	167 979 629	3 638	170 323 225	-	15 116 609	-	15 116 609
Total current investment assets (P)	-	254 406 290	3 638	256 749 886	-	37 576 171	-	37 576 171
D Sundry Debtors								
Contribution arrears	-	56 379 542	1 021	57 065 908	-	21 608 759	-	21 608 759
Rental arrears	-	106 379 760	-	106 379 760	-	11 973 229	-	11 973 229
Dividend receivable	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-
Other (specify):	-	-	-	-	-	-	-	-
Other debtors	-	9 536 311	-	9 536 311	-	846 643	-	846 643
Total sundry debtors (Q)	-	172 295 613	1 021	172 981 979	-	34 428 630	-	34 428 630
Total assets (N+O+P+Q) = R	11 388 248 964	727 302 478	4 659	12 118 581 404	4 232 953 889	1 226 529 365	-	5 459 483 254

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

HISTORICAL

	2022 Sub Account 1 ZWL	2022 Sub Account 2 ZWL	2022 Sub Account 3 USD	2022 Total ZWL	2021 Sub Account 1 ZWL	2021 Sub Account 2 ZWL	2021 Sub Account 3 USD	2021 Total ZWL
E Non-Actuarial Liabilities								
Arrear pension benefits	-	-	-	-	-	-	-	-
Tenants deposits	-	-	-	-	-	-	-	-
Tax	-	-	-	-	-	-	-	-
Contribution prepayments	-	-	-	-	-	-	-	-
Other non-actuarial liabilities (specify):	-	-	-	-	-	-	-	-
XXX	-	-	-	-	-	-	-	-
Total non-actuarial liabilities (S)	-	-	-	-	-	-	-	-
Net Assets available for benefits at end of year (R-S) = T	11 388 248 964	727 302 478	4 659	12 118 581 404	4 232 953 889	1 226 529 365	-	5 459 483 254
F Actuarial Liabilities								
Members' Liabilities								
Active members	1 133 394 360	251 401 292	3 107	1 384 795 652	1 192 821 557	96 390 112	-	1 289 211 669
Pensioners	-	-	-	-	-	-	-	-
Deferred pensioners	49 205 546	-	-	49 205 546	43 667 707	-	-	43 667 707
Arrear benefits - Pending exits	216 203 183	1 265 582	-	217 468 765	136 261 378	391 793	-	136 653 171
Pending exits	83 186 554	317 325	-	83 503 879	124 591 992	873 816	-	125 465 808
Unclaimed benefits after 12 months	3 062 750 726	-	-	3 062 750 726	3 085 209 229	-	-	3 085 209 229
Unclaimed benefits in the next 12	350 354 996	-	-	350 354 996	356 953 761	-	-	356 953 761
Other creditors (rental arrears, Other provisions)	268 313 857	-	-	268 313 857	123 193 666	-	-	123 193 666
Reserves								
Reserves:								
GLA Reserve account:	175 508 370	-	-	175 508 370	80 582 942	-	-	80 582 942
Any other reserves - undistributable	237 017 649	68 086 517	-	305 104 166	108 824 323	15 420 597	-	124 244 920
	570 546 940	-	-	570 546 940	94 300 381	-	-	94 300 381
Total Actuarial Liabilities (U)	6 146 482 181	321 070 716	3 107	6 467 552 897	5 346 406 936	113 076 318	-	5 459 483 254
Surplus/Deficit (T-U)	5 241 766 783	406 231 762	1 552	5 651 028 507	(1 113 453 047)	1 113 453 047	-	-
Total Reserves and Liabilities	11 388 248 964	727 302 478	4 659	12 118 581 404	4 232 953 889	1 226 529 365	-	5 459 483 254

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

HISTORICAL

ELIZABETH PHIRI
Preparer's Name (Finance Director, Finance Manager) Bookkeeper

LADGEMORE MALISO
Head of Pension Fund/Principal Officer

FREDDY MPOFU
Chairman of Trustees

[Signature]
Signature

[Signature]
Signature

Signature

Signature

Signature

Signature

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

INFLATION ADJUSTED

	2022 ZWL	2021 ZWL
A Assets		
Operating Assets		
Property	-	-
Motor vehicles	37 296 197	14 020 540
Furniture and equipment	22 873 846	11 298 066
Computer systems and hardware	16 832 469	12 009 059
Total Operating assets (N)	77 002 512	35 327 665
B Non-Current Investments		
Investment property	10 954 970 000	18 023 880 000
Equities		
quoted:	194 901 209	482 995 360
unquoted	-	-
Prescribed assets		
government bonds	44 023 390	10 414 022
other prescribed assets	-	-
Bonds	-	-
Loans and mortgages on property	-	-
Staff loans and mortgages	-	-
Long term deposits	-	-
Other (specify):	-	-
Financial assets	417 952 428	-
Total Non-current investment assets (O)	11 611 847 027	18 517 289 382
C Current Investment Assets		
Prescribed assets		
government bonds	-	-
treasury bills	-	-
other prescribed assets	-	-
Staff loans and mortgages	997 705	1 881 646
Money market investments	85 428 956	68 499 248
Cash on hand and at bank	170 323 225	52 001 135
Total current investment assets (P)	256 749 886	122 382 029
D Sundry Debtors		
Contribution arrears	57 065 908	74 334 131
Rental arrears	106 379 760	41 187 908
Dividend receivable	-	-
Interest receivable	-	-
Other (specify):	-	-
Other debtors	9 536 311	2 912 452
Total sundry debtors (Q)	172 981 979	118 434 491
Total assets (N+O+P+Q) = R	12 118 581 404	18 793 433 567

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2022**

INFLATION ADJUSTED

	2022 ZWL	2021 ZWL
E Non-Actuarial Liabilities		
Arrear pension benefits	-	-
Tenants deposits	-	-
Tax	-	-
Contribution prepayments	-	-
Other non-actuarial liabilities (specify):	-	-
XXX	-	-
XXX	-	-
XXX	-	-
Total non-actuarial liabilities (S)	-	-
Net Assets available for benefits at end of year (R-S) = T	12 118 581 404	18 793 433 567
F Actuarial Liabilities		
Members' Liabilities		
Active members	1 384 795 652	5 721 005 702
Pensioners	-	-
Deferred pensioners	49 205 546	193 779 817
Arrear benefits – Pending exits	217 468 765	606 412 112
Pending exits	83 503 879	556 767 070
Unclaimed benefits after 12 months	3 062 750 726	13 690 924 475
Unclaimed benefits in the next 12 months	350 354 996	1 584 018 010
Other creditors (rental arrears, other)	268 313 857	546 684 212
Other (specify)	-	-
Reserves		
Reserves	175 508 370	357 594 863
GLA Reserve account	305 104 166	551 349 257
Other reserves (Undistributable)	570 546 940	418 467 371
Total Actuarial Liabilities (U)	6 467 552 897	24 227 002 889
Surplus/ Deficit (T-U)	5 651 028 507	(5 433 569 322)
Total reserves and liabilities	12 118 581 404	18 793 433 567

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)

STATEMENT OF CASHFLOWS FOR SELF-ADMINISTERED FUND
For the year ended 31 December 2022

Notes	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
Cash flows from membership activities				
Cash received from contributions	373 008 119	225 987 598	205 514 115	50 925 635
Benefits paid	(145 610 749)	(72 025 221)	(80 226 308)	(16 230 670)
Cash transferred from other funds	-	-	-	-
Cash transferred to other funds	-	-	-	-
Net cash flows from membership activities (V)	227 397 370	153 962 377	125 287 807	34 694 965
Cashflows Collected from Other operating Activities				
Other operating income	14 391 314	25 054 712	7 929 099	5 646 005
Cash paid to suppliers	-	-	-	-
Actuarial fees	(3 023 806)	(2 422 970)	(1 666 009)	(546 009)
Administration expenses	(103 311 849)	(22 758 382)	(56 921 129)	(5 128 534)
Audit fees	(8 633 610)	(5 165 832)	(4 756 810)	(1 164 105)
Legal fees	(9 428 080)	(2 433 296)	(5 194 534)	(548 336)
Levies & subscriptions paid	(2 906 154)	(725 370)	(1 601 187)	(163 460)
Cash paid to employees	-	(85 002 916)	-	(19 155 155)
Staff expenses	(253 224 553)	(10 281 675)	(139 517 660)	(2 316 945)
Board expenses	(36 358 914)	-	(20 032 460)	-
Fines and penalties paid	-	-	-	-
Other operating expenses (specify):				
Bank charges	(29 293 447)	(14 427 343)	(16 139 640)	(3 251 159)
IPEC levies	(6 929 951)	(5 871 810)	(3 818 155)	(1 323 195)
Effects of inflationary adjustments	(208 438 027)	-	-	-
Net cashflows from other operating activities (W)	(647 157 077)	(124 034 882)	(241 718 485)	(27 950 893)
Cashflow from Investing Activities				
Purchase of operating assets	(11 139 234)	(19 844 548)	(6 137 319)	(4 471 910)
Purchase of investment property	(59 760 908)	(58 806 467)	(32 926 120)	(13 251 863)
Purchase of financial assets	(32 025 279)	(221 891 130)	(17 644 782)	(50 002 508)
Proceeds from sale of operating assets	-	-	-	-
Proceeds from sale of investment property	-	-	-	-
Proceeds from sale of financial assets	-	-	-	-
Investment expenses paid	-	-	-	-
Property expenses paid	(238 519 534)	-	(131 415 721)	-
Rent received	817 850 941	357 267 670	450 606 579	80 509 210
Interest received	3 523 392	8 310 857	1 941 263	1 872 827
Dividends received	27 136 094	6 637 806	14 951 016	1 495 810
Investment management fees paid	-	-	-	-
Tax paid	-	-	-	-
Custody fees paid	(102 539 164)	-	(56 495 407)	-
Other investing activities (specify):				
Staff loans	(3 567 183)	-	(1 965 390)	-
Net cash inflows from investing activities (X)	400 959 125	71 674 188	220 914 119	16 151 566
Cashflows from financing activities				
Change in benefits payable after 12 months	-	1 557 185	-	350 907
Net cash inflow / (outflow) for the year (V+W+X) = Y	(18 800 582)	103 158 868	104 483 441	23 246 545
Cash and cash equivalents at the beginning of the year	63 577 964	17 341 515	35 029 181	11 782 636
Exchange gains on cash and cash equivalents	210 974 799	-	116 239 558	-
Cash and cash equivalents at the end of the year	255 752 181	120 500 383	255 752 181	35 029 181

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)

MEMBERSHIP STATISTICS
For the year ended 31 December 2022

Form P.P.F.R.6

	In Zimbabwe	Outside Zimbabwe
1. Number of principal members at beginning of year Number of beneficiaries at the beginning of the year Total		
	Notes	2021
2. Members as at the end of the year	2022	
(a) New entrants for the year	1 558	2 688
(b) Transfers in	-	-
(c) Active members	16 926	14 045
(d) Deferred pensioners	18 622	191
(e) Pensioners	-	-
(f) Suspended pensioners	-	-
(g) Members with unclaimed benefits	78 726	97 629
Total membership as at end of year	115 832	114 553
3. Beneficiaries at the end of the year		
(a) Pensioners surviving children Other dependents		
(b) Suspended pensioners Surviving spouse Children Other dependents	- - - -	- - - -
Total beneficiaries as at end of year	-	-
4. Exits as at the end of year		
(a) Transfers out	-	-
(b) Full communications	-	-
(c) Death	-	-
(d) Other	-	-

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**MEMBERSHIP STATISTICS
For the year ended 31 December 2021**

Form P.P.F.R.10

		In Zimbabwe	Outside Zimbabwe
Notes		2022	2021
5.	Number of principal members at beginning of year		
	Number of beneficiaries at the beginning of the year	-	-
	Total	=====	=====
6.	Membership as at the end of the year		
(a)	New entrants for the year	1 558	2 688
(b)	Active members	16 926	14 045
(c)	Deferred pensioners	18 622	191
(d)	Pensioners	-	-
(e)	Suspended pensioners	-	-
(f)	Members with unclaimed benefits	78 726	97 629
	Total membership as at end of year	115 832	114 553
		=====	=====
7.	Beneficiaries as at end of year		
(a)	Pensioners	-	-
	Surviving Spouse	-	-
	Children	-	-
	Other dependants	-	-
(b)	Suspended pensioners	-	-
	Surviving Spouse	-	-
	Children	-	-
	Other dependants	-	-
	Total beneficiaries as at end of year	-	-
		=====	=====

Principal Officer:



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**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**DETAILED ANALYSIS OF COST OF ASSETS OF SELF-ADMINISTERED FUND
as at 31 December 2022**

Historical	At 31 December 2022 Total Amount ZWL	At 31 December 2022 % of Total Value of Assets %	At 31 December 2021 Total Amount ZWL	At 31 December 2021 % of Total Value of Assets %
SECTION A				
Assets at cost held in terms of Section 18(2) of the Act:				
I. Local registered securities				
(a) Government of Zimbabwe	-	-	-	-
(b) Local authorities	44 023 390	0.36	3 027 332	0.06
(c) Statutory bodies	-	-	-	-
II. Approved loans to:				
(a) Local authorities	-	-	-	-
SECTION B				
Other assets at cost:				
III. Debentures and notes	-	-	-	-
IV. Preference shares	-	-	-	-
V. Ordinary and deferred shares	194 901 209	1.61	58 279 800	1.08
VI. Investments in unit trust schemes	417 952 428	3.45	82 125 828	1.50
VII.				
(a) To members	-	-	-	-
(b) To non-members	-	-	-	-
VIII. Building Society shares	-	-	-	-
IX. Fixed property	10 954 970 000	90.40	5 239 500 000	95.92
X. Shares and advances to subsidiary companies	-	-	-	-
XI. Other				
(a) Cash on hand and at short notice	170 323 225	1.41	15 116 609	0.28
Deposits and savings accounts	85 428 956	0.70	19 912 572	0.38
(c) Equipment and vehicles	77 002 512	0.64	6 545 493	0.13
(d) Debtors	-	-	-	-
(a) Contributions	57 065 908	0.47	21 608 759	0.40
(ii) Rent	106 379 760	0.88	11 973 229	0.22
(iii) Other debtors	10 534 016	0.08	1 393 633	0.03
(iv) Amounts receivable on life assurance	-	-	-	-
(v) Prepayments	-	-	-	-
Total assets	12 118 581 404	100.00	5 459 483 255	100.00

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**DETAILED ANALYSIS OF COST OF ASSETS OF SELF-ADMINISTERED FUND
as at 31 December 2022**

INFLATION ADJUSTED

	At 31 December 2022 Total Amount ZWL	At 31 December 2022 % of Total Value of Assets %	At 31 December 2021 Total Amount ZWL	At 31 December 2021 % of Total Value of Assets %
SECTION A				
Assets at cost held in terms of Section 18(2) of the Act:				
I. Local registered securities				
(a) Government of Zimbabwe	-	-	-	-
(b) Local authorities	44 023 390	0.36	10 414 022	0.06
(c) Statutory bodies	-	-	-	-
II. Approved loans to:				
(b) Local authorities	-	-	-	-
SECTION B				
Other assets at cost:				
III. Debentures and notes	-	-	-	-
IV. Preference shares	-	-	-	-
V. Ordinary and deferred shares	194 901 209	1.61	200 482 512	1.07
VI. Investments in unit trust schemes	417 952 428	3.45	282 512 848	1.50
VII.				
(a) To members	-	-	-	-
(b) To non-members	-	-	-	-
VIII. Building Society shares	-	-	-	-
IX. Fixed property	10 954 970 000	90.40	18 023 880 000	95.91
XI. Shares and advances to subsidiary companies	-	-	-	-
XI. Other				
(b) Cash on hand and at short notice	170 323 225	1.41	52 001 135	0.28
Deposits and savings accounts	85 428 956	0.70	68 499 248	0.36
(c) Equipment and vehicles	77 002 512	0.64	35 327 665	0.19
(d) Debtors	-	-	-	-
(a) Contributions	57 065 908	0.47	41 187 908	0.22
(ii) Rent	106 379 760	0.88	74 334 131	0.40
(iii) Other debtors	10 534 016	0.08	4 794 098	0.03
(iv) Amounts receivable on life assurance	-	-	-	-
(v) Prepayments	-	-	-	-
Total assets	12 118 581 404	100.00	18 793 433 567	100.00

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF ACCOUNTING POLICIES FOR SELF-ADMINISTERED FUND
for the year ended 31 December 2022**

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

The Clothing Industry Pension Fund is a self-administered pension fund established on 1 September 1979 on an equi-share funding arrangement. The Fund converted to a defined contribution plan with effect from 1 July 2005. The Clothing Industry Pension Fund is registered in terms of the Pension and Provident Funds Act (Chapter 24:32), as amended, and Insurance and Pensions Commissions act (Chapter 24:21) under Registration Number 29.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented, unless otherwise stated. The policies are as follows:

2.1 Basis of preparation

The financial statements are prepared for regulatory purposes in accordance with the regulations of the Pension and Provident Funds Act (Chapter 24:32) of Zimbabwe. The regulations require that the basis of accounting applied by the Fund comprises generally accepted accounting practice as applied to retirement funds in Zimbabwe. In accordance with the basis of accounting applied by the pension fund industry, the Fund has adopted fair value basis of accounting for its investment assets at year end.

2.2 Basis of measurement

The financial statements are prepared in accordance with the historical cost basis. For the purpose of fair presentation in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies, this historical cost information has been restated for changes in the general purchasing power of the Zimbabwean Dollar and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Fund.

IAS 29 requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the balance sheet date, and that comparative figures be stated in the same terms. The current and prior year financial statements have been restated for changes in the general purchasing power of the ZWL. The Fund followed the legal instrument and changed the functional currency on 22 February 2019.

The restatement has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the Zimbabwe Central Statistical Office. The conversion factors used to restate the financial statements are as follows:

Month	Index
Prior year	3.44
January	3.26
February	3.05
March	2.87
April	2.48
May	2.05
June	1.57

Month	Index
July	1.25
August	1.11
September	1.08
October	1.04
November	1.02
December	1.00

2.3 New standards and interpretations

2.3.1 Standards and interpretations effective and adopted in the current year

2.3.2 Amendments to References to Conceptual Framework in IFRS Standards

The IASB decided to revise the Conceptual Framework because certain important issues were not covered, and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes

- A new chapter on measurement;
- Guidance on reporting financial performance;
- Improved definitions of an asset and a liability, and guidance supporting these definitions; and
- Clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. These amendments are not expected to have any significant impact on the Fund's financial statements.

The Framework may be used as a reference for selecting accounting policies in the absence of specific IFRS requirements. In which the policies should be reviewed and applied retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF ACCOUNTING POLICIES FOR SELF-ADMINISTERED FUND (continued)
For the year ended 31 December 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3.1 Standards and interpretations effective and adopted in the current year (continued)

2.3.2 Amendments to References to Conceptual Framework in IFRS Standards (continued)

2.3.3 Amendments to IFRS 16

The amendment to IFRS 16 published Covid 19-Related Rent Concession beyond 30 June 2021 that extends, by, one year the May 2020 amendment that provides leases with an exemption from assessing whether a COVID 19 related rent concession is a lease modification.

The amendments are effective from 1 April 2021.

2.3.4 Amendments to IFRS 9, IAS 39 and IFRS 7

Interest Rate Benchmark Reform - Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates (IBOR). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform. These amendments are not expected to have any impact on the Fund's financial statements.

The amendments are effective from 1 January 2021. Early application is permitted.

2.4 New and revised International Financial Reporting Standards issued not yet effective

2.4.1 Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Annual reporting periods beginning on or after 1 January 2023.

2.4.2 Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Annual reporting periods beginning on or after 1 January 2023

2.4.3 Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Annual reporting periods beginning on or after 1 January 2022.

2.5 Income

Income is recognized to the extent that it is probable that the economic benefits will flow to the Pension Fund and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognized:

2.5.1 Contributions

Contributions are recognized based on the latest available information provided to the Fund by the contributing companies and these are accounted for on an accrual basis. The Fund accrues contribution income relating to a member based on the latest received information until such a time when the Fund is notified by the contributing company that the member has been terminated or the member's contribution rate changed. Adjustments are made in the period in which the information is provided to the Fund.

2.5.2 Interest

Interest income is recognized as it accrues using the effective interest method.

2.5.3 Dividends

Dividend income is accounted for on the accrual basis.

2.5.4 Rental income

Rental income is recognized monthly on the accrual basis.

2.6 Taxation

In terms of the Third Schedule to the Income Tax Act (Chapter 23:06), Pension funds are exempt from income tax, capital gains tax and residents on interest from financial institutions until such a date as the Minister may specify by notice in the Government Gazette, as no such notice has been gazetted in respect of the period covered by these financial statements, no provision for taxation has been made.

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**STATEMENT OF ACCOUNTING POLICIES FOR SELF-ADMINISTERED FUND (continued)
For the year ended 31 December 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Operating expenses

Operating expenses are recognized in the statement of income and expenditure upon utilization of the service or as incurred.

2.8 Property and equipment

Property and equipment are initially recognized at acquisition cost including any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Property and equipment are subsequently measured using the cost model (cost less accumulated depreciation and impairment losses).

2.8.1 Depreciation

Property and equipment are depreciated using the straight-line method at rates that will reduce the book values to reflect over the anticipated useful lives.

The depreciation rates per annum are as follows:

	Rate
Furniture, fittings and office equipment	20%
Computer equipment	20%
Motor vehicles	20%

2.9 Impairment losses

Assets that are subject to amortization are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lower levels for which these are separate identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that suffered impairment, are reviewed for possible reversal of the impairment at each reporting date.

2.10 Investment property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are accounted for using the fair value model. Investment properties are valued annually with resulting gains or losses recognized in the statement of income and expenditure, and are included in the statement of financial position at their fair values.

2.11 Investments

Investments are initially measured at cost under the historical cost convention and subsequently adjusted to market values or restated cost per the requirements of "Accounting and Reporting by Retirement Benefit Plans" unless the Trustees believe a permanent diminution in value has taken place as at the balance sheet date and the loss is likely to be realized when they are written down to net realizable value.

2.12 Critical judgments in applying the Fund's accounting policies

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments include:

Accounts receivable

The Fund assesses its accounts receivable for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of income and expenditure, the Fund makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The Fund reviews the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Fair value measurement

Management uses valuation techniques to determine the value of financial instruments (where active market quotes are not available) and non-financial assets. This involved developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available in that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at reporting date.

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022**

	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
3. Rent				
3.1 Rent charged				
C.I.P.F Centre	121 836 326	69 228 266	93 655 844	15 892 455
Khami Industrial Complex	83 410 563	53 715 122	64 117 878	12 461 063
Liverpool	17 079 162	11 052 080	13 128 788	2 580 720
Pockets Building	45 174 231	27 543 285	34 725 528	6 304 178
Ruwa Shopping Mall	149 371 845	91 123 873	114 822 455	21 479 079
	416 872 127	252 662 626	320 450 493	58 717 495
3.2 Operating income				
C.I.P.F Centre	43 180 875	39 756 515	33 193 231	9 235 761
Khami Industrial Complex	41 666 226	20 064 061	32 028 917	4 661 045
Liverpool	21 517 925	20 372 017	16 540 875	4 732 585
Pockets Building	16 023 252	11 895 947	12 317 108	2 763 525
Ruwa Shopping Mall	75 838 437	16 393 478	58 297 168	3 808 338
	198 226 715	108 482 018	152 377 299	25 201 254
3.3 Interest received on overdue rentals				
C.I.P.F Centre	2 369 966	2 667 964	1 821 798	626 526
Khami Industrial Complex	1 891 474	1 574 804	1 453 980	365 252
Liverpool	973 735	988 398	748 512	226 475
Pockets Building	1 882 274	1 712 105	1 446 908	392 665
Ruwa Shopping Mall	1 686 250	1 552 204	1 296 225	350 745
	8 803 699	8 495 475	6 767 423	1 961 663
3.4 Operating costs				
C.I.P.F Centre	(76 653 086)	(35 799 309)	(58 923 391)	(9 123 275)
Khami Industrial Complex	(38 788 154)	(26 606 749)	(29 816 537)	(6 746 032)
Liverpool	(24 925 294)	(27 216 035)	(19 160 127)	(7 153 442)
Pockets Building	(48 629 333)	(31 716 910)	(37 381 472)	(7 992 994)
Ruwa Shopping Mall	(56 494 249)	(40 017 066)	(43 427 250)	(9 598 416)
	(245 490 116)	(161 356 069)	(188 708 777)	(40 614 159)
Net rental income	378 412 425	208 284 050	290 886 438	45 266 253

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENTS FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022**

4. HISTORICAL

	2022 Sub account 1 ZWL	2022 Sub account 2 ZWL	2022 Sub account 3 USD	2022 Total ZWL	2021 Sub account 1 ZWL	2021 Sub account 2 ZWL	2021 Sub account 3 USD	2021 Total ZWL
Non-current assets								
Property, plant and equipment	71 843 619	5 158 893	-	77 002 512	2 148 134	4 397 359	-	6 545 493
Investment property	10 796 403 319	158 566 681	-	10 954 970 000	5 179 277 670	60 222 330	-	5 239 500 000
Financial assets at amortised cost	-	-	-	-	-	-	-	-
Financial assets at fair value through profit and loss	124 712 587	70 188 622	-	194 901 209	130 405 157	10 000 471	-	140 405 628
Financial assets at fair value through other comprehensive income	14 832	44 008 558	-	44 023 390	27 332	3 000 000	-	3 027 332
Other Financial assets	395 274 607	22 677 821	-	417 952 428	-	-	-	-
Current assets								
Contributions receivable	-	56 379 542	1 021	57 065 908	-	11 973 229	-	11 973 229
Rentals receivable	-	106 379 760	-	106 379 760	-	21 608 758	-	21 608 758
Sundry receivables	-	10 534 016	-	10 534 016	-	1 393 634	-	1 393 634
Cash and cash equivalents	-	253 408 585	3 638	255 752 181	-	35 029 181	-	35 029 181
Total assets	11 388 248 964	727 302 478	4 659	12 118 581 404	5 311 858 293	147 624 962	-	5 459 483 255
INFLATION ADJUSTED								
Property, plant and equipment	71 843 619	5 158 893	-	77 002 512	9 535 577	25 792 088	-	35 327 665
Investment property	10 796 403 319	158 566 681	-	10 954 970 000	14 316 552 701	3 707 327 299	-	18 023 880 000
Financial assets at amortised cost	-	-	-	-	-	-	-	-
Financial assets at fair value through profit and loss	124 712 587	70 188 622	-	194 901 209	438 603 206	44 392 154	-	482 995 360
Financial assets at fair value through other comprehensive income	14 832	44 008 558	-	44 023 390	121 329	10 292 693	-	10 414 022
Other Financial assets	395 274 607	22 677 821	-	417 952 428	-	-	-	-
Current assets								
Contributions receivable	-	56 379 542	1 021	57 065 908	-	41 187 908	-	41 187 908
Rentals receivable	-	106 379 760	-	106 379 760	-	74 334 131	-	74 334 131
Sundry receivables	-	10 534 016	-	10 534 016	-	4 794 098	-	4 794 098
Cash and cash equivalents	-	253 408 585	3 638	255 752 181	-	120 500 383	-	120 500 383
Total assets	11 388 248 964	727 302 478	4 659	12 118 581 404	14 764 812 813	4 028 620 754	-	18 793 433 567

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022**

5. Property, plant and equipment				
	Motor Vehicles ZWL	Computer Equipment ZWL	Furniture and Fittings ZWL	Total PPE ZWL
HISTORICAL				
COST VALUATION				
Balance as at 1 January 2021	1 795 766	1 445 733	2 140 282	5 381 781
Additions	3 351 910	649 614	470 386	4 471 910
Revaluation	-	-	-	-
Disposals	-	-	-	-
Write-offs	(220 590)	(10 294)	(1 104)	(231 988)
Balance as at 31 December 2021	4 927 086	2 085 053	2 609 564	9 621 703
Additions	5 703 913	-	433 406	6 137 319
Revaluation	29 593 691	15 969 651	20 894 365	66 457 707
Disposals	-	-	-	-
Write offs	-	-	-	-
Balance at 31 December 2022	40 224 690	18 054 704	23 937 335	82 216 729
ACCUMULATED DEPRECIATION				
Balance as at 1 January 2021	(1 172 944)	(344 806)	(331 585)	(1 849 335)
Charge for the year	(625 535)	(470 712)	(362 616)	(1 458 863)
Write offs – accumulated depreciation	220 590	10 294	1 104	231 988
Balance as at 31 December 2021	(1 577 889)	(805 224)	(693 097)	(3 076 210)
Charge for the year	(1 350 603)	(417 011)	(370 393)	(2 138 007)
Write offs – accumulated depreciation	-	-	-	-
Balance at 31 December 2022	(2 928 492)	(1 222 235)	(1 063 490)	(5 214 217)
Carrying amount				
At 31 December 2021	3 349 197	1 279 829	1 916 467	6 545 493
At 31 December 2022	37 296 198	16 832 469	22 873 845	77 002 512

CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)

NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022

5. Property, plant and equipment (continued)

INFLATION ADJUSTED

	Motor Vehicles ZWL	Computer Equipment ZWL	Furniture and Fittings ZWL	Total PPE ZWL
COST VALUATION				
Balance as at 1 January 2021	18 155 646	13 531 453	20 032 149	51 719 248
Additions	14 604 926	3 019 546	2 220 076	19 844 548
Revaluation	-	-	-	-
Disposals	-	-	-	-
Write-offs	(1 221 716)	(57 011)	(6 109)	(1 284 836)
Balance as at 31 December 2021	31 538 856	16 493 988	22 246 116	70 278 960
Additions	10 352 683	-	786 551	11 139 234
Revaluation	21 307 896	12 379 018	22 974 650	56 661 564
Disposals	-	-	-	-
Write offs	-	-	-	-
Balance at 31 December 2022	63 199 435	28 873 006	46 007 317	138 079 758
	=====	=====	=====	=====
ACCUMULATED DEPRECIATION				
Balance as at 1 January 2021	(14 490 610)	(1 186 131)	(9 778 889)	(25 455 630)
Charge for the year	(3 027 706)	(3 298 798)	(1 169 160)	(7 495 664)
Balance as at 31 December 2021	(17 518 316)	(4 484 929)	(10 948 049)	(32 951 294)
Charge for the year	(8 384 922)	(7 555 607)	(12 185 423)	(28 125 952)
Balance as at 31 December 2022	(25 903 238)	(12 040 536)	(23 133 472)	(61 077 246)
	=====	=====	=====	=====
Carrying amount				
At 31 December 2021	14 020 540	12 009 059	11 298 067	35 327 666
	=====	=====	=====	=====
At 31 December 2022	37 296 197	16 832 470	22 873 845	77 002 512
	=====	=====	=====	=====

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022

Investment Property Historical	Ruwa				Khami				Liverpool				Total			
	ZWL				ZWL				ZWL				ZWL			
Cost balance 1 January 2021	166 848 595				560 626 929				176 026 847				1 893 518 238			
Additions	11 545 196				46 209				874 874				13 251 873			
Revaluations	1 510 286 229				972 917 785				138 283 818				3 332 729 889			
Cost balance 31 December 2021	1 688 680 020				1 533 590 923				315 185 539				5 239 500 000			
Additions	2 716 001				868 147				2 387 997				34 324 257			
Revaluation	2 359 183 999				1 521 331 853				289 382 003				5 681 145 743			
Cost balance 31 December 2022	4 050 580 020				2 068 509 827				606 955 539				10 954 970 000			
Inflation adjusted																
Cost balance 1 January 2021	922 565 778				1 625 309 635				201 402 870				9 698 029 338			
Additions	54 668 810				229 875				-				58 806 467			
Revaluations	4 838 085 411				252 930 366				882 197 130				8 267 044 195			
Cost balance 31 December 2021	5 815 319 999				1 878 240 001				1 083 600 000				18 023 880 000			
Additions	2 828 147				2 420 558				4 705 356				59 760 908			
Revaluation	(1 765 748 147)				187 539 442				(481 535 356)				(7 128 670 908)			
Balance at 31 December 2022	4 052 399 999				2 068 200 001				606 770 000				10 954 970 000			

The market value of investment property is the fair value of the property as determined by a registered independent appraiser having an appropriate recognized professional qualification and experience in the location and category of the property being valued. The fair values are based on the market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
for the financial year ended 31 December 2022**

	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
7. Financial assets at fair value through profit and loss				
7.1 Government Stock				
Housing Bills				
Infrastructure Development Bank of Zimbabwe	15 000 000	43 000	15 000 000	12 500
Reserve Bank of Zimbabwe	-	-	-	-
IP Housing	14 832	51 022	14 832	14 832
First Mutual Wealth prescribed assets	-	3 440 000	-	1 000 000
First Mutual Microfinance	2 000 000	6 880 000	2 000 000	2 000 000
Stanbic Gold Coins	21 606 846	-	21 606 846	-
First Mutual Gold Coins	5 401 711	-	5 401 711	-
	<u>44 023 389</u>	<u>10 414 022</u>	<u>44 023 389</u>	<u>3 027 332</u>
7.2 Ordinary and deferred shares – Quoted				
Listed equity investments				
	2022 Number of shares	2022 Market value ZWL	2021 Number of shares	2021 Market value ZWL
Counter				
African Sun (Zimbabwe)	3 514	86 436	3 514	22 569
Dawn (Zimbabwe)	-	-	5 753	-
Delta (Zimbabwe)	5 163	1 479 355	2 663	432 803
Nedbank	8 336	70 188 623	8 336	10 000 471
Old Mutual (Zimbabwe)	259 551	1 974 048	259 551	426 764
Tetrad (Zimbabwe)	842 380	56 561 319	842 380	5 492 284
TSL (Zimbabwe)	2 950	129 813	2 950	207 006
Quilter (South Africa)	86 517	64 481 615	86 517	18 896 927
	<u>1 208 411</u>	<u>194 901 209</u>	<u>1 211 664</u>	<u>35 478 824</u>
	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
7.3 Investments in unit trust schemes Old Mutual	92 866 445	282 512 848	92 866 445	82 125 828
8. Cash and cash equivalents				
Deposit and savings account	85 428 956	68 499 248	85 428 956	19 912 572
Cash on hand or at short notice	170 323 225	52 001 135	170 323 225	15 116 609
	<u>255 752 181</u>	<u>120 500 383</u>	<u>255 752 181</u>	<u>35 029 181</u>
9. Contributions receivable				
Amount receivable	59 617 856	83 112 832	59 617 856	24 160 707
Allowance for credit losses	(2 551 948)	(8 778 701)	(2 551 948)	(2 551 948)
	<u>57 065 908</u>	<u>74 334 131</u>	<u>57 065 908</u>	<u>21 608 759</u>

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022**

	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
10 Rent receivable				
C.I.P.F Centre	42 735 363	36 835 609	42 735 363	10 708 026
Khami Industrial Complex,	29 049 144	15 751 822	29 049 144	4 579 018
Pockets Building	20 184 724	29 585 999	20 184 724	8 600 581
Ruwa Shopping Mall	17 628 596	15 369 951	17 628 596	4 468 009
Liverpool	16 577 968	4 095 323	16 577 968	1 190 501
Overstatement/Understatement:				
C.I.P.F Centre	11 924 986	(12 773 594)	11 924 986	(3 713 254)
Khami Industrial Complex	(3 080 243)	(8 389 558)	(3 080 243)	(2 438 825)
Pockets Building	7 788 246	(4 244 361)	7 788 246	(1 233 826)
Ruwa Shopping Mall	-	(14 461 048)	-	(4 203 793)
Liverpool	-	(1 737 499)	-	(505 087)
	142 808 784	60 032 644	142 808 784	17 451 350
Allowance for credit losses	(29 608 830)	(18 844 736)	(29 608 830)	(5 478 121)
Bad debts written off	(601 602)	-	(601 602)	-
Prepayments	(6 218 592)	-	(6 218 592)	-
	106 379 760	41 187 908	106 379 760	11 973 229

11 Treasury and financial risk management

The main risks arising from the Fund's financial instruments are interest rate risk, credit risk and liquidity and cash flow risks. The Fund does not use derivative financial instruments for speculative purposes.

11.1 Interest rate risks

The Fund's exposure to changes in interest rates relates primarily to investments in local financial institutions. The Fund's investment in local financial institutions all pay fixed interest rates.

11.2 Credit risk

Credit risk is the financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Fund's receivables and investment securities.

The Fund has a customer credit policy that involves the credit worthiness checks and periodic review of credit limits based on historical payment ability. Adequate provision is made against receivables considered doubtful.

The credit risk for cash resources and money markets funds is considered negligible, since the counterparties are reputable banks with high quality external credit rankings.

Investments are allowed only in liquid securities and only with counterparties that have a credit rating considered equal to or better than that of the Fund. Adequate provision has been made against investments considered doubtful.

11.3 Liquidity and Cash flow risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due.

The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

**CLOTHING INDUSTRY PENSION FUND (IPEC REGISTRATION NUMBER 29)
PENSION AND PROVIDENT FUNDS ACT (Chapter 24:32)**

**NOTES TO THE FINANCIAL STATEMENT FOR SELF-ADMINISTERED FUND (continued)
For the financial year ended 31 December 2022**

12. Non-compliance with Pension and Provident Fund Regulations

In terms of Section 18(2) of the Pension and Provident Fund Act (Chapter 24:32) as read with Circular, registered pension funds shall at all times hold not less than 20% of the aggregate cost value of all their assets in Zimbabwe in local registered securities which are issued or guaranteed by the state or which are issued by a local authority or statutory body. At the date of authorization of these financial statements, the Fund held 0.36% (2021: 0.05%) investment in the prescribed securities as a result of the scarcity of these securities. Management intends to fully comply with the Regulations once the instruments are sufficiently available in the market.

The prescribed assets were as follows:

	2022 Inflation Adjusted ZWL	2021 Inflation Adjusted ZWL	2022 Historical ZWL	2021 Historical ZWL
Infrastructure Development				
Bank of Zimbabwe	15 000 000	43 000	15 000 000	12 500
Reserve Bank of Zimbabwe	-	-	-	-
IP Housing	14 832	51 022	14 832	14 832
First Mutual Wealth prescribed assets	-	3 440 000	-	1 000 000
First Mutual Microfinance	2 000 000	6 880 000	2 000 000	2 000 000
Stanbic Gold Coins	21 606 846	-	21 606 846	-
First Mutual Gold Coins	5 401 711	-	5 401 711	-
	44 023 389	10 414 022	44 023 389	3 027 332
	=====	=====	=====	=====

13. Events after reporting period

There are no events after reporting date which have an impact on the financial statements.