

**ZIMBABWE ELECTRICITY SUPPLY  
AUTHORITY STAFF PENSION FUND**

**FINANCIAL STATEMENTS  
31 December 2025**



**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**  
**31 December 2025**

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<b>INDEX</b>	<b>page</b>
Background	1
Statement of the Board's Responsibility	2
Report of the Independent Auditors to the Members	3-5
Statements of Changes in net assets available for Benefits	6-8
Statement of Net Assets Available for Benefits	9-10
Statement of Cashflows	11-12
Membership Statistics	13
Statements of Accounting Policies	14-17
Related Financial Statements Notes	18-23

These financial statements are presented in Zimbabwean Gold (ZWG), which is the Fund's functional and presentation currency and are rounded to the nearest ZWG.

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## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

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<b>Country of incorporation and domicile</b>	Zimbabwe																		
<b>Nature of business and principal activities</b>	The Fund was registered in terms of the Pensions and Provident Funds Act (Chapter 24:32), as a self-administered defined contribution fund, set up for the purpose of providing pension benefits to the employees of ZESA Holdings and its subsidiaries.																		
<b>Board Members</b>	<table><tr><td>Dr. H. Murerwa</td><td>Chairperson – Independent Board Member</td></tr><tr><td>D. Maviva</td><td>Employer Appointed Member</td></tr><tr><td>A. Sibangani</td><td>Employer Appointed Member</td></tr><tr><td>E Madzikanda</td><td>Employer Appointed Member</td></tr><tr><td>T. Chinhengo</td><td>Employer Appointed Member</td></tr><tr><td>L. Nyamande</td><td>Employee Elected Member</td></tr><tr><td>Eng.G.Tsumbalagwa</td><td>Employee Elected Member</td></tr><tr><td>W. Nondo</td><td>Pensioner Elected Member</td></tr><tr><td>H. Makura</td><td>Pensioner Elected Member</td></tr></table>	Dr. H. Murerwa	Chairperson – Independent Board Member	D. Maviva	Employer Appointed Member	A. Sibangani	Employer Appointed Member	E Madzikanda	Employer Appointed Member	T. Chinhengo	Employer Appointed Member	L. Nyamande	Employee Elected Member	Eng.G.Tsumbalagwa	Employee Elected Member	W. Nondo	Pensioner Elected Member	H. Makura	Pensioner Elected Member
Dr. H. Murerwa	Chairperson – Independent Board Member																		
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E Madzikanda	Employer Appointed Member																		
T. Chinhengo	Employer Appointed Member																		
L. Nyamande	Employee Elected Member																		
Eng.G.Tsumbalagwa	Employee Elected Member																		
W. Nondo	Pensioner Elected Member																		
H. Makura	Pensioner Elected Member																		
<b>Principal Officer</b>	B Kondo																		
<b>Registered office</b>	4 <sup>th</sup> Floor Megawatt House 44 Samora Machel Avenue <b>Harare</b>																		
<b>Investment Advisors</b>	IMARA Asset Managers Block 2, First Floor Tendeseke Park Samora Machel Eastlea <b>Harare</b>																		
<b>Bankers</b>	Stanbic Bank Samora Machel Branch <b>Harare</b>																		
<b>Auditor</b>	AMG Global Chartered Accountants (Zimbabwe) 3 Elcombe Avenue Belgravia <b>Harare</b>																		
<b>Actuaries</b>	African Actuarial Consultants Ground Floor, Block 6, East Wing Celestial Office Park Borrowdale <b>Harare</b>																		

## **STATEMENT OF THE BOARD OF FUND'S RESPONSIBILITY**

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The Board of the Zimbabwe Electricity Supply Authority Staff Pension Fund (“the Fund”) is responsible for the preparation and fair presentation of these financial statements, in accordance with the basis of preparation applicable to retirement funds in Zimbabwe and the provisions of the Pension and Provident Funds Act (Chapter 24:32) of Zimbabwe, as amended, as set out in the statement of accounting policies, and for such internal control as the Trustees determine is necessary to enable the preparation and presentation of the financial statements that are free from misstatement, whether due to fraud and/or error.

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

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

The financial statements have been prepared so as to comply with International Financial Reporting Standards, Pension and Provident Funds (Amendment) Regulations, 2020 (No. 25), Statutory Instrument 91 of 2020 and the Insurance and Pensions Commission Circular 24 of 2025, which form the basis of preparation applicable to retirement funds in Zimbabwe and the provisions of the Pension and Provident Funds Act (Chapter 24:32) of Zimbabwe, as amended. The Fund’s independent external auditors, AMG Global Chartered Accountants, are responsible for reporting on the fair presentation of the annual financial statements and their report appears on pages 3 to 5.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Board Members to indicate that the Fund will not remain a going concern for the foreseeable future.

The financial statements were prepared under the supervision of Shylet Mapiye Chartered Accountant (Zimbabwe), Registered Public Accountant, Public Accountants and Auditors Board (“PAAB”) registration number 06319.

The financial statements set out on pages 6 to 24, were approved by the Board Members on 27 March 2026 and were signed on their behalf by:

### **Approval of financial statements:**



\_\_\_\_\_  
**Chairman of the Board**



\_\_\_\_\_  
**Principal Officer**



\_\_\_\_\_  
**Board Member**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

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**Opinion**

We have audited the financial statements of the Zimbabwe Electricity Supply Authority Staff Pension Fund, “ZESA Staff Pension Fund”/ “the Fund”, set out on pages 6 to 24, and comprising:

- Statement of changes in net assets available for benefits for the year ended 31 December 2025;
- Statement of net assets available for benefits as at 31 December 2025;
- Statement of cashflows for the year ended 31 December 2025;
- Membership Statistics as at 31 December 2025;
- Statement of accounting policies applied by the Fund during the year; and
- Related financial statement notes.

In our opinion, the Fund’s financial statements are properly drawn up in accordance with IFRS as issued by the International Accounting Standards Board and circular 24 of 2025 issued by Insurance and Pensions Commission (IPEC) and in all material respects, give a true and fair view of the net assets available for benefits for the Fund as at 31 December 2025 and the changes in net assets available for benefits, and its cash flows, for the year then ended.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Those standards require that, in conducting the audit, we comply with ethical requirements. The standards also require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement. We are independent of the Fund in terms of the Institute of Chartered Accountants of Zimbabwe (“ICAZ”) Code of Professional Conduct, which is consistent with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

**Emphasis of matter**

*Prescribed asset ratio*

Without qualifying our opinion, we draw attention to note 6.2 which states that the Fund has not complied with the prescribed asset ratio of a minimum of 20% in terms of Section 18(2)(a) of the Pension and Provident Funds Act (Chapter 24:32), as amended by Finance Act of (2009).

**Key audit matters**

Key audit matters are those in our judgement, that were of most significance in our audit of the financial statements. Key audit matters are selected from matters communicated with those charged with governance but are not intended to represent all matters that were discussed with them. There were no key audit matters identified for the audit of the Fund.

## **Board Members' responsibility for the financial statements**

The Fund Board is responsible for the preparation and fair presentation of these financial statements, in accordance with the basis of preparation applicable to retirement funds in Zimbabwe and the provisions of the Pension and Provident Funds Act (Chapter 24:32) of Zimbabwe. This responsibility includes, but is not limited to the following:

- designing, implementing and maintaining internal controls that ensure the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- formulating and applying appropriate accounting policies; and
- making accounting estimates that are reasonable in the Fund's circumstances.

In preparing the financial statements, the Board is 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 Board either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

## **Auditor's 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 issue an auditor 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 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 controls;
- 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 controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of the Administrators' 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 audit 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

The Engagement Partner on the audit resulting in this independent auditors' report is Tariro Mhuka (PAAB number 0423).

*AMG Global*

**AMG Global  
Harare**

**27 March 2026**

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**Year ended 31 December 2025**

	Note	Inflation Adjusted		Historical	
		2025 ZWG	2024 ZWG	2025 ZWG	2025 ZWG
<b>MEMBERSHIP ACTIVITIES</b>					
<b>Total contributions (A)</b>		-	-	-	-
<b>Total other membership income (B)</b>		-	-	-	-
<b>Benefits and payments</b>					
Pensions					
(a) To members		81 873 620	95 387 729	80 938 043	31 415 023
(b) To surviving spouse		64 014 926	41 018 393	63 283 421	24 562 617
(c) To children and other dependants		2 977 315	1 907 753	2 943 293	1 142 400
Lumpsum awards on death		1 406 446	-	1 397 406	-
Lumpsum awards on retirement/retrenchment		18 289 545	2 852 502	18 105 954	1 478 664
<b>Total benefits and payments</b>		<b>168 561 852</b>	<b>141 166 377</b>	<b>166 668 117</b>	<b>58 598 704</b>
<b>Net membership activities (A+B-C)</b>		<b>(168 561 852)</b>	<b>(141 166 377)</b>	<b>(166 668 117)</b>	<b>(58 598 704)</b>
<b>NON-MEMBERSHIP ACTIVITIES</b>					
<b>Investment Income</b>					
<b>Financial assets</b>					
Interest income	<b>11</b>	2 124 344	16 958 230	2 085 729	8 863 890
Dividends		5 637 240	3 282 721	5 567 810	2 040 050
Unrealised fair value gains / (losses) on financial assets	<b>12</b>	23 667 345	(849 012)	35 917 592	31 971 836
Realised fair value gains / (losses) on financial assets		(180 017)	9 710	(170 462)	3 523
Exchange gains		(375 223 650)	3 000 268 125	21 329 098	2 675 229 278
<b>Non-financial assets</b>					
Rental income		63 998 314	55 484 110	63 053 085	34 079 428
Revaluation gains / (losses) on investment property		(88 616 091)	(185 019 018)	53 821 296	283 380 755
<b>Total investment income / (loss) E</b>		<b>(368 592 515)</b>	<b>2 890 134 866</b>	<b>181 604 148</b>	<b>3 035 568 760</b>

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS – (CONT'D)**

**Year ended 31 December 2025**

	Inflation adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2025 ZWG
<b>Investment expenses</b>				
<b>Financial assets</b>				
Asset management fees	582 483	649 706	574 351	390 278
Custodial fees	64 719	72 189	63 817	43 364
<b>Non-financial assets</b>				
Property management fees	5 014 827	3 083 642	4 952 325	1 797 378
Property maintenance costs	2 214 886	3 063 243	2 177 768	1 944 583
Provision for bad debts	1 111 455	471 067	1 197 918	475 486
<b>Total investment expenses (F)</b>	<b>8 988 370</b>	<b>7 339 847</b>	<b>8 966 179</b>	<b>4 651 089</b>
<b>Net investment income / (loss) (E-F) =G</b>	<b>(377 580 885)</b>	<b>2 882 795 019</b>	<b>172 637 969</b>	<b>3 030 917 671</b>
<b>Other activities</b>				
<b>Other income</b>				
Other income	-	1 647 469	-	922 980
Revaluation gain or loss on operating asset	(23 243)	(39 519)	-	71 996
Monetary loss	(2 357 366)	(6 650 247)	-	(70 260 069)
Exchange gains	8 275 318	3 998 907	8 326 465	2 691 295
<b>Total other income (H)</b>	<b>5 984 709</b>	<b>(1 043 390)</b>	<b>8 326 465</b>	<b>(66 573 798)</b>
<b>Other expenses</b>				
Staff costs	7 482 691	10 871 381	7 308 078	6 769 842
Administration fees	3 609 574	4 584 372	3 544 039	2 742 026
Actuarial fees	724 530	938 015	705 399	558 300
Audit fees	361 998	308 382	354 165	180 510
Board expenses	1 486 265	1 444 993	1 464 002	864 744
IPEC levies	2 514 574	1 182 815	2 493 922	726 563
Bank charges	3 202 150	2 218 900	3 161 323	1 326 959
<b>Total other expenses (I)</b>	<b>19 381 858</b>	<b>21 548 782</b>	<b>19 030 928</b>	<b>13 168 944</b>
<b>Net other income / (loss) (H-I)=(J)</b>	<b>(13 487 073)</b>	<b>(22 592 248)</b>	<b>(10 704 463)</b>	<b>(79 742 742)</b>
<b>Change in net assets excluding membership activities (G+J)=K</b>	<b>391 067 958</b>	<b>2 860 202 771</b>	<b>161 933 506</b>	<b>2 951 174 929</b>

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS – (CONT'D)**

Year ended 31 December 2025

	Inflation adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Net increase / (decrease) in net assets during the year (D+K)=(L)	(559 629 810)	2 719 036 394	(4 734 611)	2 892 576 225
Net assets available for benefits at the beginning of the year (M)	4 245 223 024	1 526 186 630	3 690 327 825	797 751 600
Net assets available for benefits at the end of the year (M+L)	<u>3 685 593 214</u>	<u>4 245 223 024</u>	<u>3 685 593 214</u>	<u>3 690 327 825</u>

Head Finance



Principal Officer



27 March 2026

Board Chairman



**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**

**As at 31 December 2025**

	Note	Inflation Adjusted		Historical	
		2025	2024	2025	2025
		ZWG	ZWG	ZWG	ZWG
<b>Assets</b>					
<b>A</b>	<b>Operating assets</b>				
	Furniture and equipment	1	154 580	177 823	154 580
	<b>Total operating assets (N)</b>		<b>154 580</b>	<b>177 823</b>	<b>154 580</b>
<b>B</b>	<b>Non-current investments</b>				
	Investment properties	2	1 012 983 339	1 097 015 637	1 012 983 339
	Quoted shares	3	117 811 760	91 732 620	117 811 760
	Unquoted shares	4	2 381 314	1 943 319	2 381 314
	Actuarial deficit	5	2 537 197 303	2 841 657 763	2 537 197 303
	<b>Total noncurrent Investments (O)</b>		<b>3 670 373 716</b>	<b>4 032 349 339</b>	<b>3 670 373 716</b>
<b>C</b>	<b>Current investments</b>				
	Actuarial deficit	5	16 705 590	202 975 554	16 705 590
	Money market investments		1 761 246	2 729 695	1 761 246
	Cash on hand and at bank		2 083 693	12 763 391	2 083 693
	<b>Total current investments (P)</b>		<b>20 550 529</b>	<b>218 468 640</b>	<b>20 550 529</b>
<b>D</b>	<b>Sundry debtors</b>				
	Rental arrears	7	2 634 028	2 778 678	2 634 028
	Interest receivable		23 507	60 335	23 507
	Other debtors		5 168 965	2 228 787	5 168 965
	<b>Total sundry debtors (Q)</b>		<b>9 599 432</b>	<b>5 067 800</b>	<b>7 826 500</b>
	<b>Total assets (N+O+P+Q)=R</b>		<b>3 698 905 325</b>	<b>4 256 063 602</b>	<b>3 698 905 325</b>

ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS– (CONT'D)

As at 31 December 2025

	Note	Inflation Adjusted		Historical	
		2025 ZWG	2024 ZWG	2025 ZWG	2025 ZWG
<b>E Non actuarial liabilities</b>					
Arrear pension benefits		4 802 904	-	4 802 904	-
Other payables		8 509 207	10 840 578	8 509 207	9 423 601
<b>Total non-actuarial liabilities (S)</b>		<b>12 312 111</b>	<b>10 840 578</b>	<b>13 312 111</b>	<b>9 423 601</b>
<b>Net assets available for benefits at the end of the year (R-S)=T</b>		<b>3 685 593 214</b>	<b>4 245 223 024</b>	<b>3 685 593 214</b>	<b>3 690 327 825</b>
<b>F Actuarial liabilities</b>					
<b>Members' liabilities</b>					
Active members		1 516 070 189	1 708 948 311	1 516 070 189	1 485 570 833
Pensioners		1 952 510 439	2 318 652 241	1 952 510 439	2 015 580 061
Deferred pensioners		42 640 811	57 197 553	42 640 811	49 721 233
Pending exits		10 793 431	11 821 892	10 793 431	10 276 647
Unclaimed benefits	8	15 139 618	16 582 210	15 139 618	14 414 741
<b>Reserves</b>					
Reserves – data and exit revaluation		148 438 726	40 341 109	148 438 726	35 068 103
<b>Total actuarial liabilities (U)</b>		<b>3 685 593 214</b>	<b>4 153 543 316</b>	<b>3 685 593 214</b>	<b>3 610 631 618</b>
<b>Surplus /(deficit) (T-U)</b>		<b>-</b>	<b>91 679 708</b>	<b>-</b>	<b>79 696 207</b>

Head Finance

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Principal Officer

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27 March 2026

Board Chairman

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**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF CASHFLOWS**  
**year ended 31 December 2025**

	Inflation adjusted	
	2025 ZWG	2024 ZWG
<b>Net cash flows from membership activities</b>		
Cash received from contributions	-	-
Benefits paid	(163 758 947)	(141 166 377)
Cash transferred from other funds	-	-
Cash transferred to other funds	-	-
<b>Net cash flows from membership activities</b>	<b>(163 758 947)</b>	<b>(141 166 377)</b>
<b>Cash flows collected from other operating activities (V)</b>		
Other operating income	-	1 647 469
Cash paid to suppliers		
Actuarial fees	(724 530)	(938 015)
Administration fees	(2 109 574)	(4 584 372)
Audit fees	(361 998)	(308 382)
Levies and subscriptions paid	(2 514 574)	(1 182 815)
Cash paid to employees		
Staff expenses	(7 482 691)	(10 871 381)
Board expenses	(1 486 265)	(1 444 993)
Monetary loss	(1 190 580)	(11 673 770)
Other operating expenses		
Bank charges	(3 202 150)	(2 218 900)
<b>Net cashflows from other operating activities (W)</b>	<b>(19 072 362)</b>	<b>(31 575 159)</b>
<b>Cashflow from investing activities</b>		
Purchase of investment property	(9 415 326)	(5 486 884)
Purchase of financial assets	(5 296 353)	(494 784)
Proceeds from sale of financial assets	2 268 602	225 622
Proceeds from sale of investment property	2 858 064	-
Proceeds from loan repayments	115 506 774	115 473 914
Property expenses paid	(4 884 490)	(6 146 885)
Rent received	63 031 509	42 043 955
Interest received	2 124 344	16 958 230
Dividends received	5 637 240	3 282 721
Investment management fees paid	(647 202)	(721 895)
<b>Net cash inflows/(outflows) from investing activities (X)</b>	<b>171 183 162</b>	<b>165 133 994</b>
<b>Net cash inflow/(outflow) for the year (V+W+X) =Y</b>	<b>(11 648 147)</b>	<b>(7 607 542)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>15 493 086</b>	<b>19 101 721</b>
Exchange gains /(losses) on cash and cash equivalents	-	3 998 907
<b>Cash and cash equivalents at the end of the year</b>	<b>3 844 939</b>	<b>15 493 086</b>

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**STATEMENT OF CASHFLOWS**  
**year ended 31 December 2025**

	<b>2025</b>	<b>Historical</b>
	<b>ZWG</b>	<b>2024</b>
		<b>ZWG</b>
<b>Net cash flows from membership activities</b>		
Cash received from contributions	-	-
Benefits paid	(161 685 212)	(58 598 705)
Cash transferred from other funds	-	-
Cash transferred to other funds	-	-
<b>Net cash flows from membership activities</b>	<b>(161 685 212)</b>	<b>(58 598 705)</b>
<b>Cash flows collected from other operating activities (V)</b>		
Other operating income	-	922 981
Cash paid to suppliers		
Actuarial fees	(705 399)	(558 300)
Administration fees	(2 044 039)	(2 742 026)
Audit fees	(354 165)	(180 510)
Levies and subscriptions paid	(2 493 922)	(726 563)
Cash paid to employees		
Staff expenses	(6 117 948)	(6 769 842)
Board expenses	(1 464 002)	(864 744)
Monetary loss	-	(70 260 069)
Other operating expenses		
Bank charges	(3 161 323)	(1 326 959)
<b>Net cashflows from other operating activities (W)</b>	<b>(16 340 798)</b>	<b>(82 506 032)</b>
<b>Cashflow from investing activities</b>		
Purchase of investment property	(9 737 862)	(2 980 322)
Purchase of financial assets	(5 254 970)	(356 963)
Proceeds from sale of financial assets	2 240 536	134 182
Proceeds from disposal of investment property	2 765 831	-
Proceeds from loan repayments	114 093 997	112 110 838
Property expenses paid	(5 130 093)	(3 741 961)
Rent received	62 590 162	34 582 901
Interest received	2 085 729	541 963
Dividends received	5 567 810	2 040 050
Investment management fees paid	(638 168)	(433 642)
<b>Net cash inflows/(outflows) from investing activities (X)</b>	<b>168 582 972</b>	<b>141 896 776</b>
<b>Net cash inflow/(outflow) for the year (V+W+X) =Y</b>	<b>(9 623 038)</b>	<b>792 039</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>13 467 977</b>	<b>9 984 643</b>
Exchange gains /(losses) on cash and cash equivalents	-	2 691 295
<b>Cash and cash equivalents at the end of the year</b>	<b>3 844 939</b>	<b>13 467 977</b>

ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

MEMBERSHIP STATISTICS  
year ended 31 December 2025

	In Zimbabwe		Outside Zimbabwe	
	2025	2025	2024	2023
<b>1 Number of principal members at the beginning of the year</b>	<b>4 654</b>	<b>4 656</b>	-	-
Number of beneficiaries at the beginning of the year	2 438	2 454	-	-
<b>TOTAL</b>	<b>7 092</b>	<b>7 080</b>	-	-
<b>2 Principal membership as at the end of the year</b>				
(a) new entrants for the year	-	-	-	-
(b) active members	-	-	-	-
(c) deferred pensioners	2 444	2 522	-	-
(d) pensioners	1 752	1 769	-	-
(e) suspended pensioners	147	206	-	-
(f) members with unclaimed benefits	157	157	-	-
(g) transfer in	-	-	-	-
<b>Total membership as at the end of the year</b>	<b>4 500</b>	<b>4 654</b>	-	-
<b>3 Beneficiaries as at the end of the year</b>				
(a) Pensioners:				
Surviving spouse	1 712	1 667	-	-
Children	206	210	-	-
Other dependents	-	-	-	-
(b) Suspended pensioners:				
Surviving spouse	326	387	-	-
Children	73	174	-	-
Other dependents	-	-	-	-
<b>Total beneficiaries as at the end of the year</b>	<b>2 317</b>	<b>2 438</b>	-	-
<b>4 Exits as at the end of the year</b>				
(a) Transfers out	-	-	-	-
(b) Full commutations	79	1	-	-
(c) Death	75	31	-	-
(d) Other	-	-	-	-
	<b>154</b>	<b>32</b>	-	-

Head Finance .....  .....

Principal Officer.....  .....

27 March 2026

Board Chairman .....  .....

# ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

## STATEMENT OF ACCOUNTING POLICIES

31 December 2025

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### A REGISTRATION AND ACTIVITIES

The Zimbabwe Electricity Supply Authority Staff Pension (“the Fund”), is registered in terms of the Pensions and Provident Funds Act (Chapter 24:32), as a self-administered defined contribution Fund, set up for the purpose of providing pension benefits to its members on retirement or the members’ beneficiaries in the event of death. The Fund is closed to new members and contributions.

During the year there were no changes to the Fund Rules.

### STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with:

- a. The preparation applicable to retirement funds in Zimbabwe and the provisions of the Pensions and Provident Funds Act (Chapter 24:32) of Zimbabwe.
- b. Circular 24 of 2025 (Guideline on Revised Reporting Requirements for Pension Funds), issued by the Insurance and Pensions Commission on 10 September 2025.
- c. International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards).

### CPI Inflation

The restatement has been calculated by means of conversion factors derived from month-on-month consumer price index (CPI) prepared by the Reserve Bank of Zimbabwe. The conversion factors used to restate the financial statements as at 31 December 2025 are as follows;

Month	2025		2024	
	CPI Index	Factor	CPI Index	Factor
January	183.76	1.04	120.67	1.59
February	184.60	1.04	127.19	1.50
March	184.50	1.04	133.42	1.43
April	185.68	1.03	100.00	1.91
May	187.42	1.02	97.58	1.96
June	187.94	1.02	97.62	1.96
July	190.89	1.00	97.50	1.96
August	191.65	1.00	98.90	1.93
September	191.18	1.00	104.62	1.83
October	190.50	1.00	143.59	1.33
November	190.88	1.00	160.41	1.19
December	191.31	1.00	166.30	1.15

The main procedures applied in the above-mentioned restatement of transactions and balances are as follows:

# ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

## STATEMENT OF ACCOUNTING POLICIES

31 December 2025

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All corresponding figures as of, and for the period ended 31 December 2025 are restated by applying the change in the index for 31 December 2024 and 31 December 2025. All assets and liabilities for the current year are not restated as they are already stated at fair value at the balance sheet date. Income statement transactions are restated by applying the monthly index during the year. Gains and losses arising from the net monetary asset and liability positions are included in the income statement.

### **New or revised standards or interpretations**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Fund.

The Board Members anticipate that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Fund's financial statements

### **ACCOUNTING POLICIES**

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

#### **B Functional currency**

The financial statements are presented in Zimbabwean Gold, which is the Fund's function currency. The Fund adopted the Zimbabwean Gold (ZWG) as its functional currency with effect from 5 April 2024.

#### **C Valuation of Fund assets**

Investment assets are valued at fair value except debt instruments held to maturity which are to be held at amortised cost.

Marketable securities / financial instruments, bid price at the end of the reporting period shall be the value recognised.

Property is valued using the functional currency applicable to the Fund.

#### **D Valuation of actuarial liabilities**

Actuarial liabilities are valued using the current period's actuarial valuation report or financial review report.

#### **E Income and expenses**

The accrual method is used when accounting for income and expenses.

#### **F 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' tax on interest from financial institutions until such date as the Minister may specify by notice in the Gazette. As no such notice has been gazetted in respect of the year covered by these financial statements, no provision for taxation has been made.

## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### STATEMENT OF ACCOUNTING POLICIES

31 December 2025

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#### **G Impairment of assets**

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

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

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

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

That reduction is an impairment loss.

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

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

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

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

#### **H Revenue**

Revenue is measured based on the contributions specified in employment contract with an employee and excludes amounts collected on behalf of third parties. The Pension Fund recognises revenue when employment services are provided to employees.

Other sources of income that the Pension Fund has are:

- dividend income
- interest income
- profit on disposal of financial assets

#### **I Actuarial valuation**

There is no requirement to carry out an actuarial valuation of the Fund, as it provides benefits on a defined contribution basis, though an annual financial review is carried out by the actuaries.

#### **J. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and money market deposits with financial institutions which are subject to an insignificant risk of change in value.

## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### STATEMENT OF ACCOUNTING POLICIES

31 December 2025

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#### **K. Foreign currency**

Transactions entered into by Fund in a currency other than the currency of the primary economic environment in which it operate (“functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

#### **L. Financial instruments**

##### **Recognition and initial measurement**

Financial assets and liabilities are initially recognised when the Fund becomes a party to a contractual provision of the instrument.

A financial asset (unless if it’s a trade receivable) or financial liability is initially measured at fair value plus or minus transaction costs directly attributable to its acquisition or issue. Trade receivables are initially measured at the transaction price.

##### **Classification and subsequent measurement**

On initial recognition, a financial asset is classified as subsequently measured at amortised cost or fair value through profit or loss.

##### **Financial liabilities – classification, subsequent measurement and gains and losses**

Financial liabilities are measured at amortised cost or fair value through profit or loss (FVTPL). A financial liability is measured at FVTPL if it is classified as held for trading.

ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

RELATED FINANCIAL STATEMENT NOTES  
31 December 2025

1 OPERATING ASSETS

1.1 Inflation adjusted

	Furniture and Fittings ZWG	Computers ZWG	Total ZWG
Net carrying amount as at 1 January 2024	217 342	9 832	227 174
Revaluation	217 342	9 832	227 174
Disposal	-	(9 832)	(9 832)
Revaluation	(39 519)	-	(39 519)
<b>Revalued amount 31 December 2024</b>	<b>177 823</b>	<b>-</b>	<b>177 823</b>
Revaluation	177 823	-	177 823
Revaluation	(23 243)	-	(23 243)
<b>Revalued amount 31 December 2025</b>	<b>154 580</b>	<b>-</b>	<b>154 580</b>
Revaluation	154 580	-	154 580

1.2 Historical

	Furniture and Fittings ZWG	Computers ZWG	Total ZWG
Net carrying amount as at 1 January 2024	82 585	9 832	71 995
Revaluation	82 585	9 832	71 995
Disposal	-	(9 832)	(9 832)
Revaluation	71 995	-	71 995
<b>Revalued amount 31 December 2024</b>	<b>154 580</b>	<b>-</b>	<b>154 580</b>
Revaluation	154 580	-	154 580
Revaluation	-	-	-
<b>Revalued amount 31 December 2025</b>	<b>154 580</b>	<b>-</b>	<b>154 580</b>
Revaluation	154 580	-	154 580

2 INVESTMENT PROPERTY

	Inflation adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
<b>2.1 Reconciliation</b>				
Opening balance	1 097 015 637	1 276 547 771	953 624 181	667 263 104
Additions	9 415 326	5 486 884	9 737 862	2 980 322
Disposal	(4 831 533)	-	(4 200 000)	-
Fair value adjustment	(88 616 091)	(185 019 018)	53 821 296	283 380 755
<b>Closing balances</b>	<b>1 012 983 339</b>	<b>1 097 015 637</b>	<b>1 012 983 339</b>	<b>953 624 181</b>
<b>2.2 Analysis</b>				
Completed properties	1 001 846 000	1 095 230 638	1 001 846 000	952 072 500
Work in progress	11 137 339	1 784 999	11 137 339	1 551 681
<b>Closing balances</b>	<b>1 012 983 339</b>	<b>1 097 015 637</b>	<b>1 012 983 339</b>	<b>953 624 181</b>

## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### RELATED FINANCIAL STATEMENT NOTES

31 December 2025

#### 2 INVESTMENT PROPERTY (continued)

2.3 There are no current obligations to purchase, construct or develop the investment properties.

The fair value of the Fund's investment property as of 31 December 2025 has been arrived at on the basis of a valuation carried out at that date by ZIMRE Property Investments, independent valuers not concerned with the Fund. The valuation conforms to International Valuation Standards. The fair value was determined based on the market approach that reflects recent transaction prices for similar properties.

2.4 List of properties	Inflation adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
Beitbridge Shopping Mall	132 818 000	143 795 593	132 818 000	129 792 500
Bindura Megawatt	8 957 000	9 720 582	8 957 000	8 450 000
Belmont Industrial Complex	40 598 000	44 058 970	40 598 000	38 300 000
Chinhoyi Megawatt	48 336 000	52 456 632	48 336 000	45 600 000
Gweru Electricity House	20 659 400	22 420 609	20 659 400	19 490 000
Epworth Shopping Centre	14 129 800	15 299 851	14 129 800	13 300 000
Lochinvar warehouse (WIP)	11 137 339	7 298 122	11 137 339	1 551 681
Avonlea Shopping Centre	107 908 000	117 107 131	107 908 000	101 800 000
Harare Megawatt	343 864 000	373 178 323	343 864 000	324 400 000
Hughes Building	26 860 000	29 150 243	26 860 000	25 340 000
Crowhill stands	1 261 400	6 039 415	1 261 400	5 250 000
Marondera Shopping Mall	38 160 000	41 413 131	38 160 000	36 000 000
Marondera Medical Centre	15 357 000	14 839 705	15 357 000	12 900 000
Masvingo Electricity Centre	33 549 000	36 409 044	33 549 000	31 650 000
Mutare Megawatt	33 496 000	36 351 526	33 496 000	31 600 000
TM Zengeza	135 892 000	147 476 760	135 892 000	128 200 000
	<b>1 012 983 339</b>	<b>1 097 015 637</b>	<b>1 012 983 339</b>	<b>953 294 181</b>

#### 3 QUOTED SHARES

##### 3.1 Reconciliation

Opening balance	91 732 620	92 213 997	79 742 204	48 201 093
Additions	5 296 353	494 784	5 254 970	356 963
Disposal	(2 446 564)	(197 148)	(2 410 999)	(150 760)
Fair value gains	23 229 351	(779 013)	35 225 585	31 334 908
<b>Closing Balance</b>	<b>117 811 760</b>	<b>91 732 620</b>	<b>117 811 760</b>	<b>79 742 204</b>

##### 3.2 Analysis

###### Asset under Management of Imara Asset Managers

Quoted Shares	117 811 760	91 732 620	117 811 760	79 742 204
Dividends	5 637 240	3 282 721	5 567 810	2 040 050
Management fees	582 483	649 706	574 351	390 278

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**RELATED FINANCIAL STATEMENT NOTES**

**31 December 2025**

	Inflation Adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
<b>4 UNQUOTED SHARES</b>				
<b>Reconciliation</b>				
Opening balance	1 943 319	2 013 319	1 689 307	1 052 380
Fair value adjustments	437 994	(70 000)	692 007	636 927
<b>Closing balance</b>	<b>2 381 313</b>	<b>1 943 319</b>	<b>2 381 313</b>	<b>1 689 307</b>
<b>5 ACTUARIAL DEFICIT</b>				
<b>5.1 Reconciliation</b>				
Opening balances	3 044 633 317	143 917 829	2 646 667 791	75 227 155
Interest accrued	-	15 921 277	-	8 322 196
Exchange gains / (loss)	(375 223 650)	3 000 268 125	21 329 098	2 675 229 278
Repayments	(115 506 774)	(115 473 914)	(114 093 997)	(112 110 838)
<b>Closing balances</b>	<b>2 553 902 893</b>	<b>3 044 633 317</b>	<b>2 553 902 893</b>	<b>2 646 667 791</b>
<b>5.2 Analysis</b>				
Due with 12 months	16 705 590	202 975 554	16 705 590	176 444 519
Due after 12 months	2 537 197 303	2 841 657 763	2 537 197 303	2 470 223 272
	<b>2 553 902 893</b>	<b>3 044 633 317</b>	<b>2 553 902 893</b>	<b>2 646 667 791</b>

**6 PRESCRIBED ASSETS**

**6.1 Analysis**

	Maturity date	Purchase price	Fair value	Income
Marondera Health Care	31 March 2038	4 452 500	15 357 000	

**6.2 Compliance ratio**

The provisions of Section 18(2a) of the Pension and Provident Fund Act (Chapter 24:32) state that any registered Pension Fund shall hold not less than 35% of the aggregate cost value of all their investments in Zimbabwe in local registered securities. However, in the National Budget presented on 22 November 2018 and circular 3 of 2019 of the Insurance and Pensions Commission, the Government reviewed the prescribed asset ratio to 20% of the market values of assets, and thus was effective beginning 1 January 2019. At 31 December 2024 the market values of assets were as follows:

Prescribed assets	15 357 000
Total assets	3 700 678 257
<b>RATIO</b>	<b>0.42%</b>

ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

RELATED FINANCIAL STATEMENT NOTES

31 December 2025

	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
<b>7 RENT DEBTORS AGING ANALYSIS</b>				
<b>7.1 Analysis</b>				
Rentals receivables (note 7.2)	4 406 960	3 440 155	4 406 960	2 990 491
Provision for bad debts	(1 772 932)	(661 477)	(1 772 932)	(575 015)
Net rent receivable	<u>2 634 028</u>	<u>2 778 678</u>	<u>2 634 028</u>	<u>2 415 476</u>
<b>7.2 Ageing</b>				
	<b>Inflation Adjusted</b>		<b>Historical</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>
Below 30 days	962 910	713 863	962 910	620 554
Between 30 days and 90 days	1 781 084	1 304 539	1 781 084	1 134 022
Between 91 days and 180 days	97 346	29 031	97 346	25 236
181 days and above	1 565 620	1 392 722	1 565 620	1 210 679
<b>Closing balance</b>	<u><b>4 406 960</b></u>	<u><b>3 440 155</b></u>	<u><b>4 406 960</b></u>	<u><b>2 990 491</b></u>
<b>8 UNCLAIMED BENEFITS</b>				
		<b>Number of</b>		<b>Amount</b>
		<b>Members</b>		<b>ZWG</b>
Less than 1 year		-		-
From 1 year to 2 years		-		-
From 2 years to 5 years		-		-
From 5 years to 10 years		-		-
More than 10 years		157		15 139 618
		<u><b>157</b></u>		<u><b>15 139 618</b></u>
		<b>2025</b>		<b>2024</b>
		<b>US\$</b>		<b>US\$</b>
<b>9 US\$ DENOMINATED TRANSACTIONS AND BALANCES</b>				
<b>9.1 Revenue</b>				
Rent		978 561		691 957
Dividends		208 364		127 232
Unrealised gains		961 935		21 496
Interest		5 374		1 914
		<u><b>2 154 234</b></u>		<u><b>842 599</b></u>
<b>9.2 Expenditure</b>				
Benefits payments		1 063 595		854 190
Administration expenses		6 006		34 787
Bank charges		11 745		1 376
Investment expenses		7 340		7 684
Board expenses		15 002		13 323
Property expenses		6 160		17 307
		<u><b>1 109 848</b></u>		<u><b>928 667</b></u>

**ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND**

**RELATED FINANCIAL STATEMENT NOTES**

**31 December 2025**

The above amounts are included in the revenue reported for the year 2025 and 2024 in the statement of changes in net assets available for benefits.

	<b>2025</b>	<b>2024</b>
	<b>US\$</b>	<b>US\$</b>
<b>9.3 Assets</b>		
Quoted shares	2 364 447	1 387 476
Unquoted shares	91 657	55 867
Rent	104 890	49 928
Cash at bank	66 480	67 712
Money markets	68 695	91 978
Interest accrued	905	2 032
	<u><b>2 697 074</b></u>	<u><b>1 654 993</b></u>

The above assets are reported as part of the assets in the Statement of Financial position.

<b>10 OFFSHORE ASSETS</b>		
Quoted shares	231 469	197 167
	<u><b>231 469</b></u>	<u><b>197 167</b></u>

**11 INTEREST INCOME**

	<b>Inflation Adjusted</b>		<b>Historical</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>
Actuarial deficit	-	16 694 800	-	8 726 198
Fixed term investments	2 124 344	263 430	2 085 729	137 692
	<u><b>2 124 344</b></u>	<u><b>16 958 230</b></u>	<u><b>2 085 729</b></u>	<u><b>8 863 890</b></u>

**12 UNREALISED FAIR VALUE GAINS/(LOSSES)**

Quoted shares	23 229 351	(779 012)	35 225 585	31 334 908
Unquoted shares	437 994	(70 000)	692 007	636 927
	<u><b>23 667 345</b></u>	<u><b>(849 012)</b></u>	<u><b>35 917 592</b></u>	<u><b>31 971 835</b></u>

## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### RELATED FINANCIAL STATEMENTS NOTES

31 December 2025

#### 13 Related party transactions

During the year, the Fund entered into the following transactions with sponsoring employers who are related parties to the Fund.

	Inflation Adjusted		Historical	
	2025 ZWG	2024 ZWG	2025 ZWG	2024 ZWG
<b>Rent debtors</b>				
Zimbabwe Electricity Transmission Distribution Company	128 707	76 075	128 707	66 131
Zimbabwe Power Company	55 833	-	55 833	-
Rural Electrification Fund	190 766	711 554	190 766	618 546
	<u>375 306</u>	<u>787 629</u>	<u>375 306</u>	<u>684 677</u>

#### 14 FINANCIAL VALUATION

The Board finds it prudent to carry out a financial review of the Fund to:

- Assess the Fund's financial position.
- Recommend a pension increase to be made to pensions in payment from the Fund.
- Recommend an interest rate to be credited to each member's account as at financial year end.
- Recommend the interim interest rate to be applied for claim payments in the following year.

The financial review carried out in line with IPEC guidelines as at 31 December 2025 revealed that the Fund was in a financially sound position with a funding level of 100%.

The Fund earned a return of 5.03% for the year ended 31 December 2025. The Actuary recommended for a 0% pension increase after taking into account the pension increases and bonuses awarded during the year.

The final bonus awarded were as follows:

	Final Bonus Awarded
Paid up actives	5.03%
Reserves	5.03%

#### 15 INVESTMENT POLICY STATEMENT

The Insurance and Pensions Commission (IPEC) issued Circular 1 of 2016 which allowed organisation to register their Investments Policy Statements (IPS) with investment guidelines. The Fund registered its IPS with IPEC and investment guidelines are as follows:

Asset class	Strategic allocation	Tolerance Range
Listed shares	30%	25% - 35%
Fixed property	40%	35% - 45%
Bonds	15%	15% - 25%
Alternative investments	5%	7.5% - 10%
Money market	10%	10% - 15%

As of 31 December 2025, the Pension Fund was not in full compliance with this Circular.

## ZIMBABWE ELECTRICITY SUPPLY AUTHORITY STAFF PENSION FUND

### RELATED FINANCIAL STATEMENTS NOTES

31 December 2025

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#### 16 COMPLIANCE WITH IPEC REGULATIONS

The Fund in ensuring compliance with the currency guidelines measured assets at fair value at the measuring date of 31 December 2019. The Fund did not have any transactions for Sub Fund B as the Fund did not have contributing members and thus USD contributions.

During the year there were no fines and penalties levied against the Fund for non-compliance.

#### 17 COMPENSATION EXERCISE

As at 31 December 2023, Statutory Instrument 162 of 2023 relating to Pensions and Provident Funds compensation for loss of pre-2009 value of pension benefits was effective. The statutory instrument provides a mandatory procedure for compensating loss of value of life insurance policies and pensions suffered by policyholders and pension scheme members during the period 1 January 2000 to 28 February 2009. The statutory instrument further provides what must be contained in the proposed compensation schemes and the procedure of determining the amounts to be compensated.

The Fund has made submissions to the regulator and its proposed compensation scheme is yet to be approved.

#### 18 SUBSEQUENT EVENTS

There were no subsequent events that required disclosure in the financial statements.

#### 19 GOING CONCERN

The Board has, at the time of approving the financial statements, a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future. It is on this basis that the financial statements are prepared on a going concern basis.