

Member of the Deposit Protection Corporation A Registered Commercial Bank

## **UNAUDITED ABRIDGED FINANCIAL STATEMENTS** for the six months ended 31 August 2020



www.stewardbank.co.zw

## **CHAIRMAN'S STATEMENT**

## INTRODUCTION

Steward Bank is a digital bank that uses technology to deliver mass-market solutions to its customers. Using technology, we are challenging traditional banking models and introducing a higher level of convenience for our customers. In the past two years, the Bank has embarked on a major technological upgrade of its systems and processes to ensure that it remains at the cutting edge of digital technology. The capacity enhancement will see the Bank launch new products and services that will change the banking landscape in Zimbabwe.

## **BUSINESS AND REGULATORY ENVIRONMENT**

The Reserve Bank of Zimbabwe ("RBZ") introduced a national Foreign Exchange Auction System on the 23<sup>rd</sup> of June 2020. The Bank like other players in the banking sector and the wider economy welcomes the price discovery and price stability brought about by the foreign currency trading system.

The mid-term monetary policy statement that was released on the 21st of August 2020 saw an adjustment of export retentions to 70% across all sectors, a move that we and our customers applaud. The Bank's plans to increase its capital are in line with the amended deadline set by RBZ whereby banks must have a minimum of US\$30m in core capital by 31 December 2021.

## COVID-19

The Bank focused on improving its digital strategies as a response to the disruptions to business caused by Covid-19. Measures have been implemented to ensure that both our staff and our customers are protected from the pandemic. 70% of our employees are now working remotely. The Bank has revised its Human Capital Policies to adapt to the new norms of remote working.

## **OPERATIONAL REVIEW**

## **Embracing digital**

Digital transformation is a key strategic imperative that is driving our approach to business. In collaboration with our key partners and other stakeholders, we are creating a rich ecosystem of digitally enabled services.

The Bank has now enabled customers to terminate funds received from remittances to a Visa Card, which allows them to do both local transactions and foreign transactions, which reduces the need for customers to demand cash payments. Further customers can now also terminate their funds to their Foreign Currency Accounts.

## Purple Ark – enhancing our technology platforms

The Core Banking System Upgrade ("Purple Ark"), due to be completed in December 2020, will be instrumental in driving the digital agenda of the Bank. The upgrade will also enhance regulatory compliance initiatives whilst achieving the ability for the Bank to offer a wider scope of services on its digital platforms.

## **Financial Review**

The Directors' commentary is based on the primary financial statements, being the inflation adjusted financial statements, having adopted IAS 29 ("Accounting in Hyperinflationary Economies"), in line with the recommendations of the Public Accountants and Auditors Board.

The first half of the year was used to consolidate the Bank's position by focusing on technology development and strengthening of its platforms. This resulted in a profit of \$123.5 million and an increase in expenses of 20%. However, as we complete the banking upgrade, we expect the Bank to now strengthen its market position and to increase its profitability. The Implementation of the Core Banking System Upgrade will result in reduced operating costs as a result of increased operational and system efficiencies. The Bank has started exploiting opportunities in the export and agriculture sectors, which will improve its income streams.

### **SUSTAINABILITY**

The business continues to actively participate in initiatives to minimize the impact of COVID -19 within the nation. The Bank, in partnership with Cassava Smartech Zimbabwe Limited, Econet Wireless Zimbabwe Limited and Higher Life Foundation is involved in the process of capacitating various national institutions to respond to the pandemic. The Bank also provided a platform for donations to be made towards the COVID-19 mitigation efforts.

## OUTLOOK

The platform on which the Bank will develop its offerings is on a low cost digital model. This evolution is almost complete and required us to upgrade our digital infrastructure, a process which had fallen behind due to the prevailing foreign currency challenges. As we reach the conclusion of our Purple Ark upgrade, we believe we are poised for even greater growth. Our focus in the coming year is on developing a leaner, more digitally focused Bank and on exploiting our unique market opportunities, whilst playing to strengths of our partnerships and ecosystem models.

### GRATITUDE

I would like to thank and express my sincere gratitude to our staff for their commitment to serving our customers and our customers for your loyalty even in the uncertain times brought about by the COVID19 pandemic. We are grateful to the Reserve Bank of Zimbabwe and the Financial Intelligence Unit as they continue to provide support not only to Steward Bank but to the whole financial system in Zimbabwe through timely interventions that are starting to bear fruit. As partners with government in Zimbabwe's development agenda, we are constantly innovating to find solutions that drive financial inclusion in the country.



## **HIGHLIGHTS** (Historical Cost)

+590% NET OPERATING INCOME

## 62% LIQUIDITY RATIO

More than double the minimum regulatory ratio of 30% 87% COST TO INCOME RATIO



+<u>623%</u>

On behalf of the Board

Bernard T.R. Chidzero Board Chairman

29 October 2020

## **CORPORATE GOVERNANCE STATEMENT**

## The Board of Directors

The role of the Board includes, inter alia, the approval and adoption of the strategic and annual business plans, setting of objectives, review of key risk and performance areas, review of management's performance against set criteria and objectives and determining the overall policies and processes to ensure the integrity of the institution's risk and internal control management.

The Board of Directors is committed to upholding the highest standards of corporate governance by ensuring that business is conducted in a transparent, responsible and accountable manner as enshrined in the international and local corporate governance frameworks. Steward Bank has adopted the National Corporate Governance Code for Zimbabwe. The Board Charter is also available to directors for reference regarding their duties and obligations. Directors are free to take independent professional advice at the Bank's expense in furtherance of their duties.

As at 31 August 2020, the Bank's Board comprised seven (7) directors. The Board of Directors is led by an independent non-Executive Chairman and comprises a majority of Independent Non-Executive Directors. The Board has an appropriate balance of independence, skills, expertise, and depth of working knowledge of the Bank's business necessary to effectively discharge its responsibilities.

As at 31 August 2020, the Main Board held eight (8) meetings to assess risk, review performance and provide guidance to management.

## **Board Committees**

The Board has established and delegated specific roles and responsibilities to standing Committees, to assist it in discharging its mandate. Members of the Executive Committee and other management attend meetings of the various committees by invitation. Each Committee acts within written terms of reference approved by the Board and reviewed at least annually. All Board Committees are chaired by Independent non-Executive Chairpersons.

To assist the Board in the discharge of its responsibilities, the following standing Committees have been established namely:

- i. Board Audit Committee;
- ii. Board Risk, Compliance and Capital Management Committee;
- iii. Board Asset and Liability Committee;
- iv. Board Credit Committee;
- v. Board Information Technology Committee; and
- vi. Board Remuneration and Nominations Committee.

## **Board Audit Committee**

All three members of the Audit Committee are independent non-Executive Directors with significant relevant financial and or accounting experience and significant understanding of the Bank's business.

The role of the Audit Committee is to provide an independent evaluation of the adequacy and efficiency of the institution's internal control systems, accounting practices, information systems and auditing processes. It also considers measures to enhance the credibility and objectivity of financial statements and reports prepared with reference to the affairs of the Bank.

The Audit Committee meets at least 4 times a year or as necessary.

## Board Risk, Compliance and Capital Management Committee

The Committee sets policy guidelines for monitoring risks that are inherent within the Bank and reviews all risk reports generated by the Risk Department. The Committee also sets policy guidelines for ensuring and monitoring compliance with all regulatory laws and directives and internal policies and procedures.





## **PROFIT BEFORE TAX**

NET INTEREST INCOME

NON-FUNDED INCOME

## Strategic Sustainable Business Pillars

					6
Purple Ark	KaShagi	Rural Finance	Corporate and Investment Banking	Kwenga	SME Banking

## **CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

## Board Risk, Compliance and Capital Management Committee (continued)

The Committee monitors adherence to the Bank's policy on Capital Management and allocation. It assists the Board of Directors in the discharge of its duties relating to corporate accountability and associated risks in terms of management, assurance and reporting.

The Committee meets at least 4 times a year or as necessary.

## **Board Asset and Liability Committee**

The role of the Board Asset and Liability Committee is to oversee balance sheet management, to maximize profit whilst monitoring liquidity, interest rate, foreign currency and other market risks.

The Committee meets at least 4 times a year or as necessary.

## Board Credit Committee

The Board Credit Committee is tasked with the overall review of the Bank's lending policies. The Committee considers credit applications beyond the mandate of the Management Credit Committee.

The Committee meets at least 4 times a year or as necessary.

## **Board Information Technology Committee**

The Committee makes recommendations to the Board with respect to the overall scope of the digital strategy. It provides the necessary governance over the direction and ongoing progress of the digital strategy to ensure continued growth, consistent with the Bank's vision and values.

The Committee meets at least 4 times a year or as necessary.

## **Board Remuneration and Nominations Committee**

The Board Remuneration and Nominations Committee is responsible for establishing appropriate human resources strategies and policies for the Bank including remuneration policies. It also has oversight of policies and practices that promote and support equal opportunity and diversity. The Committee has the responsibility of setting the remuneration terms for Directors and Senior Executives. The Committee reviews the structure, size and composition of the Board and makes recommendations to the Board with regard to any changes.

The Committee meets at least 4 times a year or as necessary.

# UNAUDITED ABRIDGED FINANCIAL STATEMENTS

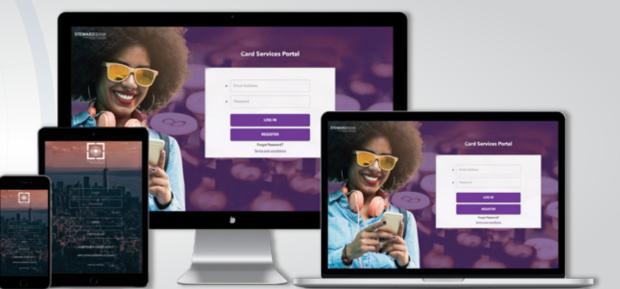
for the six months ended 31 August 2020

Member of the Deposit Protection Corporation A Registered Commercial Bank

## Cassava Smartech

#DoingMyPart





VISA

BANK

f G www.stewardbank.co.zw

Everyday Banking For Everyday Peop

**STEWARD** 

## A Registered Commercial Bank Member of the Deposit Prot www.stewardbank.co.zw ()

## **CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

## **Board Attendance**

As at 31 August 2020, the Bank's Board of directors held 8 meetings and the record of each Director is depicted below:

Name of Director	Designation	Meetings Held	Meeting Attended
Bernard T.R. Chidzero*	Board Chairman Independent Non-Executive Director	8	6
Nyatwa N. Chadehumbe	Deputy Chairperson Independent Non-Executive Director	8	8
Peter M Mbizvo	Independent Non-Executive Director	8	8
Kwaku Akosah-Bempah	Independent Non-Executive Director	8	8
John H Gould	Independent Non-Executive Director	8	8
Krison V Chirairo	Non- Executive Director	8	8
Roy Chimanikire	Non- Executive Director	8	8
*Chairman			

## **BOARD COMMITTEES**

The Bank's Board Committees were properly constituted as at 31 August 2020. The record of attendance is as follows:

## Audit Committee

Name of Director	Designation	Meetings Held	Meeting Attended
K Akosah-Bempah*	Non-Executive Chairman	3	3
N N Chadehumbe	Non-Executive Director	3	3
J H Gould	Non-Executive Director	3	3
*Chairman			

## Risk, Compliance and Capital Management Committee

Name of Director	lame of Director Designation		Meeting Attended
N N Chadehumbe*	Non-Executive Chairperson	2	2
P M Mbizvo	Non-Executive Director	2	2
R Chimanikire	Non-Executive Director	2	2
*Chairperson			

## Assets and Liabilities Committee

Cradit C

Name of Director	Designation	Meetings Held	Meeting Attended				
K Akosah-Bempah*	Non-Executive Chairman	2	2				
P M Mbizvo	Non-Executive Director	2	2				
R Chimanikire	Non-Executive Director	2	2				
*Chairman							

Credit Committee			
Name of Director	Designation	Meetings Held	Meeting Attended
B T R Chidzero*	Non-Executive Chairman	4	3
N N Chadehumbe	Non-Executive Director	4	4
J H Gould	Non-Executive Director	4	4
*Chairman			

## STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2020

	INFLATION	ADIUSTED	HISTORICAL COST*	
				29 February 2020
Notes	ZWL	ZWL	ZWL	ZWL
9	2,296,272,823	3,488,148,423	2,296,272,823	1,051,305,600
10	682,232,064	729,453,695	682,232,064	219,852,673
11	782,243,414	3,683,790,961	782,243,414	1,110,271,008
12	326,495,686	1,228,276,509	326,495,685	370,194,675
13	323,266,382	125,990,667	60,735,290	5,931,764
14	436,106,144	320,427,768	436,106,144	96,574,878
15	1,343,419,246	1,549,802,180	418,976,113	284,555,725
				151,882,159
17	114,948,632	116,333,805	9,534,809	7,329,503
	7,020,449,966	11,957,287,899	5,219,001,827	3,297,897,985
18	4,077	4,077	4,077	4,077
18	106,317,629	106,317,629	106,317,629	106,317,629
	2,151,951,326	2,151,951,326	-	-
19	-	190,028,828	327,601,584	186,855,047
	9,057,292	(304,503,478)	122,914,879	53,853,866
	2,267,330,324	2,143,798,384	556,838,169	347,030,619
20	3.352.605.494	8.126.127.891	3.352.605.494	2,449,162,915
22				19,916,557
23				429,495,462
17	11,273,226	29,643,728	11,273,225	8,934,430
24	155,563,532	166,604,537	64,607,549	43,358,002
	4,753,119,642	9,813,489,515	4,662,163,658	2,950,867,366
	7,020,449,966	11,957,287,899	5,219,001,827	3,297,897,985
	9 10 11 12 13 14 15 16 17 17 18 18 18 18 19 20 22 23 17	31 August 2020 ZWL           9         2,296,272,823 682,232,064           11         782,243,414           12         326,495,686           13         323,266,382           14         436,106,144           15         1,343,419,246           16         715,465,575           17         114,948,632           7,020,449,966         9           18         4,077           18         106,317,629           2,151,951,326         9           19         -           9,057,292         2,267,330,324           20         3,352,605,494           23         1,180,624,984           17         11,273,226           24         155,563,532           4,753,119,642         155,563,532	9         2,296,272,823         3,488,148,423           10         682,232,064         729,453,695           11         782,243,414         3,683,790,961           12         326,495,686         1,228,276,509           13         323,266,382         125,990,667           14         436,106,144         320,427,768           15         1,343,419,246         1,549,802,180           16         715,465,575         715,063,891           17         114,948,632         116,333,805           7,020,449,966         11,957,287,899           2,151,951,326         2,151,951,326           19         -         190,028,828           9,057,292         (304,503,478)           20         3,352,605,494         8,126,127,891           21         53,052,406         66,081,554           1,180,624,984         1,425,031,805           17         11,273,226         29,643,728           24         155,563,532         166,604,537           4,753,119,642         9,813,489,515	Notes         31 August 2020 ZWL         29 February 2020 ZWL         31 August 2020 ZWL           9         2,296,272,823 00         3,488,148,423 729,453,695         2,296,272,823 682,232,064           11         782,243,414         3,683,790,961         782,243,414           12         326,495,686         1,228,276,509         326,495,685           13         323,266,382         125,990,667         60,735,290           14         436,106,144         320,427,768         436,106,144           15         1,343,419,246         1,549,802,180         418,976,113           16         715,465,575         715,063,891         206,405,485           17         114,948,632         116,333,805         9,534,809           18         4,077         4,077         4,077           18         106,317,629         106,317,629         106,317,629           2,151,951,326         2,151,951,326         -           19         -         190,028,828         327,601,584           9,057,292         (304,503,478)         122,914,879           2,267,330,324         2,143,798,384         556,838,169           20         3,352,605,494         6,20,81,554         53,052,406           21,180,624,984         1

## Information Technology Committee

•••			
Name of Director	Designation	Meetings Held	Meeting Attended
J H Gould*	Non-Executive Chairman	2	2
N N Chadehumbe	Non-Executive Director	2	2
K V Chirairo	Non-Executive Director	2	2
*Chairman			

### **Remuneration and Nominations Committee**

Name of Director	Designation	Meetings Held	Meeting Attended
P M Mbizvo*	Non-Executive Chairman	2	2
J H Gould	Non-Executive Director	2	2
B T R Chidzero	Non-Executive Director	2	2
*Chairman			

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 AUGUST 2020

		INFLATION A	DJUSTED	HISTORICA	L COST*
		31 August 2020	31 August 2019	31 August 2020	31 August 2019
	Notes	ZWL	ZWL	ZWL	ZWL
Interest and related income	3	155,467,564	257,092,442	95,923,337	20,669,718
Interest and related expense	4	(18,663,939)	(95,711,403)	(5,864,151)	(1,185,792)
Net interest income		136,803,625	161,381,039	90,059,186	19,483,926
Non-interest income	5	774,776,587	1,061,253,999	758,380,307	104,934,236
Impairment on financial assets charge					
-Expected credit loss allowances	6	(54,073,599)	(75,251,861)	(32,657,096)	(6,214,374)
Net operating income		857,506,613	1,147,383,177	815,782,397	118,203,788
Operating expenditure Net monetary adjustment	7	(1,206,941,711) 545,000,506	(1,009,762,917) 35,038,630	(740,561,950)	(85,056,237)
Profit before tax		195,565,408	172,658,890	75,220,447	33,147,551
Income tax (expense)/credit	8	(72,033,468)	(296,432,072)	(6,159,433)	10,245,428
Profit/(loss) for the period		123,531,940	(123,773,182)	69,061,012	43,392,979
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Gain arising on revaluation of property and equipment		-		186,964,050	184,980,430
Deferred tax on gain arising on revaluation of property and equipment		-		(46,217,513)	(47,632,461)
Total comprehensive income/(loss) for the period		123,531,940	(123,773,182)	209,807,549	180,740,948

## STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 AUGUST 2020

			INFLATION	ADJUSTED		
	Share capital ZWL	Share premium ZWL	Adjustment to share capital and share premium ZWL	Other reserves ZWL	Retained earnings ZWL	Total ZWL
Balance as at 1 March 2019	4,077	106,317,629	2,151,951,326		563,261,331	2,821,534,363
Total comprehensive loss	-	-	-	-	(123,773,182)	(123,773,182)
Loss for the period Other comprehensive income	-	-	-	-	(123,773,182)	(123,773,182)
Dividends paid	-	-		-	(156,495,498)	(156,495,498)
Balance at 31 August 2019	4,077	106,317,629	2,151,951,326		282,992,651	2,541,265,683
Balance at 1 March 2020	4,077	106,317,629	2,151,951,326	190,028,828	(304,503,476)	2,143,798,384
Total comprehensive income	-	-	-	(190,028,828)	313,560,768	123,531,940
Profit for the period	-	-	-	-	123,531,940	123,531,940
Other comprehensive income				(190,028,828)	190,028,828	
Balance at 31 August 2020	4,077	106,317,629	2,151,951,326	-	9,057,292	2,267,330,324
			HISTORIC	AL COST*		
Balance at 1 March 2019	4,077	106,317,629	-	22,958,617	6,248,007	135,528,330
Total comprehensive income		-	-	137,347,969	43,392,979	180,740,948
Profit for the period	-	-	-	-	43,392,979	43,392,979
Other comprehensive income	-	-	-	137,347,969	-	137,347,969
Dividends paid	-	-	-	-	(9,132,696)	(9,132,696)
Balance at 31 August 2019	4,077	106,317,629	-	160,306,586	40,508,290	307,136,582
Balance at 1 March 2020	4,077	106,317,629	-	186,855,047	53,853,866	347,030,619
Total comprehensive income	-	-	-	140,746,537	69,061,012	209,807,549
Profit for the period	-	-	-	-	69,061,012	69,061,012
Other comprehensive income	-	-	-	140,746,537	-	140,746,537
Balance at 31 August 2020	4,077	106,317,629	-	327,601,584	122,914,879	556,838,169

\* The Historical Cost amounts are shown as supplementary information only, since the amounts have not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies.

Directors: B.T.R. Chidzero (Chairman), K. Akosah-Bempah, N.N. Chadehumbe (Dr.), R. Chimanikire, K. Chirairo, J. Gould, P.M. Mbizvo (Dr.), C. Mashavave\*. \*Chief Executive Officer. Registered Office: 101 Union Avenue Building, Kwame Nkrumah Avenue, Harare.

# UNAUDITED ABRIDGED FINANCIAL STATEMENTS

## for the six months ended 31 August 2020

# **STEWARD** BANK

Everyday Banking For Everyday People

Member of the Deposit Protection Corporation A Registered Commercial Bank



## STATEMENT OF CASH FLOWS

	INFLATION A	ADJUSTED	HISTORICAL	COST*
	31 August 2020	31 August 2019	31 August 2020	31 August 2019
	ZWL	ZWL	ZWL	ZWL
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	195,565,408	172,658,890	75,220,446	33,147,551
Adjustments for:				
Change in operating assets Change in operating liabilities Other non-cash items	3,599,200,688 (5,077,987,406) 357,588,207	5,332,499,369 (5,668,868,001) (778,076,130)	(178,113,428) 1,670,385,806 (247,543,228)	(242,716,199) 517,899,990 (18,705,049)
Net cash (utilised in)/generated from operations	(925,633,103)	(941,785,872)	1,319,949,596	289,626,293
Taxation paid	(83,074,473)	(115,623,482)	(31,127,400)	(10,730,437)
Net cash (outflow)/inflow from operating activities	(1,008,707,576)	(1,057,409,354)	1,288,822,196	278,895,856
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property and equipment Purchase of intangible assets	(118,886,884) (64,281,140)	(211,664,976) (182,171,430)	(18,484,975) (25,369,998)	(24,582,272) (21,156,961)
Net cash outflow from investing activities	(183,168,024)	(393,836,406)	(43,854,973)	(45,739,233)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid Net decrease in loans and borrowings <b>Net cash outflow from financing activities</b>		(78,636,828) (47,790,704) <b>(126,427,532)</b>	-	(9,132,696) (2,250,000) <b>(11,382,696)</b>
Net (decrease)/increase in cash and cash equivalents	(1,191,875,600)	(1,577,673,292)	1,244,967,223	221,773,927
Cash and cash equivalents at the beginning of the period	3,488,148,423	5,864,706,980	1,051,305,600	276,112,073
Cash and cash equivalents at the end of the period	2,296,272,823	4,287,033,688	2,296,272,823	497,886,000

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2020

### 1 GENERAL INFORMATION

Steward Bank Limited ("the Bank") was incorporated according to the laws of Zimbabwe on 9 October 1970 and was registered as a commercial bank in March 2008. Its registered office and principal place of business is 79 Livingstone Avenue, Harare. The Bank's ultimate holding company is Cassava Smartech Zimbabwe Limited.

The principal business of the Bank is to provide retail and corporate banking services in the key economic centres of Zimbabwe.

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

2 BASIS OF PREPARATION (CONTINUED)

## 2.2.2 IAS 29 Financial Reporting in Hyperinflationary Economies (continued)

Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date and components of shareholders equity are restated by applying the relevant monthly conversion factor. Non-monetary assets and liabilities that are carried at amounts current at the balance sheet date, that is at fair value, are not restated.

Inventories: these are carried at the lower of indexed cost and net realisable value.

Deferred tax: this is provided in respect of temporary differences arising from the restatement of assets and liabilities.

		INFLATION ADJUSTED		HISTORICAL COST*		
		31 August 2020 ZWL	31 August 2019 ZWL	31 August 2020 ZWL	31 August 2019 ZWL	
3	INTEREST AND RELATED INCOME					
	Loans and advances to customers Loans and advances relating to furniture customers	52,920,303 629,889	43,452,000	34,630,073 450,625	3,493,454	
	Debt instruments measured at amortised cost Other	77,267,764 24,649,608	213,640,442	43,748,546 17,094,093	17,176,264	
		155,467,564	257,092,442	95,923,337	20,669,718	
4						
_	Trading activities	18,663,939	95,711,403	5,864,151	1,185,792	
5	NON-INTEREST INCOME					
5.1	Fees and commission income	26 404 020	10 007 000	10,000,074	074 200	
	Net dealing gains Net commissions	26,484,929 828,621,302 <b>855,106,231</b>	10,837,089 1,281,032,511 <b>1,291,869,600</b>	16,868,674 529,581,276 <b>546,449,950</b>	871,280 95,067,173 <b>95,938,453</b>	
5.2	Other					
	Fair value adjustment on financial instruments Fair value adjustment on investment properties Loss on revaluation of property and equipment, and intan-	(146,107,076) 115,678,376	(456,433) -	(129,641,864) 339,531,267	(986,214) 33,378,056	
	gible assets	(53,139,981)	-		-	
	Sundry income Bad debts recovered	- 3,239,037	(243,474,213) 13,315,045	- 2,040,954	(24,466,562) <u>1,070,503</u>	
		(80,329,644)	(230,615,601)	211,930,357	8,995,783	
		774,776,587	1,061,253,999	758,380,307	104,934,236	
6	IMPAIRMENT ON FINANCIAL ASSETS CHARGE Expected credit loss	54,073,599	75,251,861	32,657,096	6,214,374	
6.1	Breakdown of ECL charges on financial instruments for the	54,073,333	/3,231,801	32,037,090	0,214,374	
	period recognised in Profit or Loss:					
	Loans and advances to customers Debt instruments measured at amortised cost	32,282,848 21,659,009	75,251,861	19,496,836 13,080,697	6,214,374 -	
	Other receivables Commitments to lend and guarantees	131,742	:	79,564	-	
		54,073,599	75,251,861	32,657,096	6,214,374	
7	OPERATING EXPENDITURE					
	Administration expenses	680,165,680	604,573,104	447,811,864	53,078,936	
	Amortisation of intangible assets Audit fees	15,888,565 8,319,778	29,867,215 1,693,120	6,062,206 5,525,685	2,626,231 126,045	
	Audit fees: Current year Audit fees : prior year overruns	8,319,778	1,693,120	5,525,685	126,045	
	Depreciation of property and equipment and right of use	- 141,574,147	68,840,366	51,283,123	5,866,314	
	Directors' remuneration - short-term benefits	6,327,454 6,327,454	8,070,432 8,070,432	4,444,166	815,836 815,836	
	- other emoluments	-		-	-	
	Occupancy expenses Professional expenses	30,645,001 29,863,677	37,972,735 48,540,444	22,437,182 18,229,614	2,133,694 3,810,650	
	Staff costs	294,157,409	210,205,501	184,768,111	16,598,531	
	- Short term benefits - post - employment benefits	291,820,514 2,336,895	207,220,586 2,984,915	183,244,510 1,523,600	16,363,494 235,037	
		1,206,941,711	1,009,762,917	740,561,950	85,056,237	
8	INCOME TAX			,		
	The components of income tax expense are as follows:					
	Current tax expense	83,074,473	85,489,446	31,127,400	3,647,781	
	Deferred tax (credit)/expense	(11,041,005) <b>72,033,468</b>	210,942,626 <b>296,432,072</b>	(24,967,967) <b>6,159,433</b>	(13,893,209) (10,245,428)	
8.1	Income tax reconciliation	72,000,400	230,402,072	0,200,400	(10)240)4201	
	Accounting profit before income tax	195,565,408	(476,357,884)	75,220,446	33,147,551	
	Taxation at normal rate of 24.72%	48,343,769	(122,662,155)	18,594,494	8,535,494	
	Origination and reversal of temporary differences:	(107,978,798)	(563,709,611)	(107,978,798)	(19,731,608)	
	Effect of non-deductible expenses: - Donations expenses	8,431,006	1,986,079	4,705,653	69,519	
	<ul> <li>Effect of tax rate change</li> <li>Other non-deductible expenses</li> </ul>	123,237,491	980,817,759	90,838,084	881,167	

### **Functional and Presentation Currency**

Items included in the abridged financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The abridged financial statements are presented in Zimbabwe dollar (ZWL).

### 2 BASIS OF PREPARATION

## 2.1 Statement of compliance

The Bank's abridged financial statements for the six months ended 31 August 2020 have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) and interpretations as issued by the International Accounting Standards Board, the Banking Act of Zimbabwe (Chapter 24:20), the Companies Act of Zimbabwe (Chapter 24:03), the relevant Statutory Instruments ("SI"); SI 62 of 1996, SI 33 of 1999, SI 33 of 2019, and the presentation requirements of IAS 34, Interim Financial Reporting.

The financial statements have been prepared on the going concern basis, which the Directors believe to be appropriate.

### 2.2 Accounting policies

The significant accounting policies applied in the preparation of the abridged financial statements are consistent with the accounting policies applied in the preparation of the previous annual financial statements with the exception of changes referred to under paragraph 2.2.1 below.

## 2.2.1 New standards, amendments and interpretations, effective for accounting periods beginning on 1 January 2020 adopted by the Bank

IFRS 7 Financial Instruments: Disclosures (IFRS 7), IFRS 9 Financial Instruments (amendments) (IFRS 9) and IAS 39 Financial Instruments: Recognition and Measurement (IAS 39). Interest Rate Benchmark Reform resulted in amendments to IFRS 9, IAS 39 and IFRS 7 requirements for hedge accounting to support the provision of useful financial information during the period of uncertainty caused by the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs) on hedge accounting. The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In "addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendment will be applied retrospectively."

IAS 16 Property, Plant and Equipment (amendments) (IAS 16). Narrow-scope amendments to IAS 16 for the accounting of amounts received when selling items produced while an entity is preparing an asset for its intended use. The amendments clarify the accounting requirements in prohibiting the entity from deducting such amount from the cost of property, plant and equipment and instead recognising such sales proceeds and related cost in profit or loss. The amendments will be applied retrospectively.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets (amendments) (IAS 37). Narrow-scope amendments to IAS 37 in determining which costs to include in estimating the cost of fulfilling a contract for the purposes of assessing whether that contract is onerous. The amendments clarify that the cost of fulfilling the contract includes both the incremental costs of fulfilling the contract and an allocation of costs that relate directly to fulfilling contracts. The amendments will be applied retrospectively. Adjusting prior periods is not required, but rather adjusting the opening Retained Earnings with the cumulative effect of the amendments on transition date. The adoption of new and amended standards on 1 January 2020 did not affect the Bank's previously reported financial results, disclosures or accounting policies and did not impact the Bank's results upon transition.

## 2.2.2 IAS 29 Financial Reporting in Hyperinflationary Economies

The unaudited interim financial statements including comparatives, have been prepared under the inflation adjusted accounting basis to account for changes in the general purchasing power of the Zimbabwe dollar. The Public Accountants and Auditors Board (PAAB) issued a pronouncement on 11 October 2019 indicating that the economy had become hyper-inflationary. Following this, the Bank made a significant judgement that the factors and characteristics applying to IAS 29 Financial Reporting in Hyperinflationary Economies had been met in Zimbabwe.

IAS 29 requires that 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 corresponding figures for previous periods be stated in the same terms to the latest balance sheet date. The restatement has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the Zimbabwe Statistical Office (Zimstats).

The conversion factors used to restate the financial statements as at 31 August 2020, using February 2019 as the base year are as follows:

Dates	Indices	Conversion Factor
31 August 2020	2,124.00	1.000
29 February 2020	640.16	3.318
31 August 2019	246.68	8.610

The indices and conversion factors have been applied to the historical cost transactions and balances as follows:

Monetary assets and liabilities are not restated as they are already stated in terms of the measuring unit current at the balance sheet date.

	INFLATION	ADJUSTED	HISTORIC	ORICAL COST*		
	31 August 2020 ZWL	29 February 2020 ZWL	31 August 2020 ZWL	29 February 2020 ZWL		
CASH AND CASH EQUIVALENTS						
Balances with the Reserve Bank of Zimbabwe	1,071,595,358	2,966,128,489	1,071,595,358	893,972,134		
Balances with other banks	937,366,700	382,669,878	937,366,700	115,334,251		
Cash balances	287,310,765	139,350,056	287,310,765	41,999,215		
	2,296,272,823	3,488,148,423	2,296,272,823	1,051,305,600		

9

# UNAUDITED ABRIDGED FINANCIAL STATEMENTS

for the six months ended 31 August 2020

Member of the Deposit Protection Corporation A Registered Commercial Bank

## Cassava Smartech

#DoingMyPart



Everyday Banking For Everyday Peopl

www.stewardbank.co.zw 🕧 🕑

**STEWARD** BANK

# FIGHT AGAINST CORONAVIRUS



Wash your hands with soap



Cover your mouth when coughing or sneezing



Avoid touching your eyes and mouth



Seek medical care early if you have a fever, cough and difficulty breathing

## Cassava

Registered Commercial Bank Member of the Deposit Protection Corporation

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

		INFLATION	ADJUSTED	HISTORIC	AL COST*
		31 August 2020	29 February 2020	31 August 2020	29 February 2020
		ZWL	ZWL	ZWL	ZWL
10	LOANS AND ADVANCES TO CUSTOMERS				
10.1	Total loans and advances				
	Corporate loans	262,432,055	417,874,006	262,432,055	125,944,550
	Small-to-medium Enterprise loans	109,122,007	128,058,986	109,122,007	38,596,158
	Consumer loans	379,755,982	351,133,979	379,755,982	105,829,533
		751,310,043	897,066,971	751,310,043	270,370,241
	Less: Allowance for Expected Credit Losses	(69,077,979)	(167,613,276)	(69,077,979)	(50,517,568)
		682,232,064	729,453,695	682,232,064	219,852,673
LO.2	Maturity analysis				
	Less than one month	627,084	748,742	627,084	225,666
	1 to 3 months	9,390,295	11,212,046	9,390,295	3,379,239
	3 to 6 months	2,725,338	3,254,063	2,725,338	980,754
	6 months to 1 year	90,203,932	107,703,828	90,203,932	32,461,244
	1 to 5 years	378,947,968	452,465,277	378,947,968	136,370,137
	Over 5 years	269,415,426	321,683,015	269,415,426	96,953,201
	Gross loans and advances	751,310,043	897,066,971	751,310,043	270,370,241

## 10.3 Sectorial analysis of utilisations

		NFLATION /	ADJUSTED		HISTORICAL COST*				
	31 August 2020 ZWL	%	29 February 2020 ZWL	%	31 August 2020 ZWL	%	29 February 2020 ZWL	%	
Mining	5,962,291	0.8%	7,118,997	0.8%	5,962,291	0.8%	2,145,620	0.8%	
Manufacturing	104,570,516	13.9%	151,769,592	16.9%	104,570,516	13.9%	45,742,383	16.9%	
Agriculture	152,303,037	20.3%	181,850,390	20.3%	152,303,037	20.3%	54,808,543	20.3%	
Distribution	79,436,045	10.6%	103,817,602	11.6%	79,436,045	10.6%	31,289,960	11.6%	
Services and communication	78,813,183	10.5%	76,161,893	8.5%	78,813,183	10.5%	22,954,707	8.5%	
Individuals	330,224,971	44.0%	376,348,497	42.0%	330,224,971	44.0%	113,429,026	42.0%	
	751,310,043	100.0%	897,066,971	100.0%	751,310,043	100.0%	270,370,241	100.0%	

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

11. DEBT INSTRUMENTS MEASURED AT AMORTISED COST (CONTINUED)

11.1 ECL Allowance for debt instruments measured at amortised cost

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Debt Instruments measured at Amortised Cost is, as follows:

		INFL	ATION ADJU	STED AND HI	STORICAL	
		ge 1 ZWL	Stag Z	e 2 St WL	age 3 ZWL	Tota ZW
pross carrying amounts						
Gross carrying amount as at 1 March 2020	1,055,702	2,067	90,171,8	70	- 1,145,873	3,93
lew assets purchased	2,540,272	2,735	352,308,0	59	- 2,892,580	0,79
ssets derecognised or matured (excluding write offs)	(2,855,219	,632)	(352,308,05	9)	- (3,207,527	,690
ransfers to Stage 1		-		-	-	
ransfers to Stage 2		-		-	-	
ransfers to Stage 3		-		-	-	
mounts written off		-		-	-	
fross carrying amount as at 31 August 2020	740,755	5,170	90,171,8	70	- 830,927	7,03
CL allowance						
Gross carrying amount as at 1 March 2020	30,752	2,351	5,104,22	27	- 35,856	6,57
lew assets purchased	109,473	·	23,676,50		- 133,150	
ssets derecognised or matured (excluding write offs)	(97,958)	,039)	(21,765,14	0)	- (119,723	3,180
ransfers to Stage 1		-	• • •	-	-	
ransfers to Stage 2		-		-	-	
ransfers to Stage 3		-		-	-	
mounts written off		-		-		
Bross carrying amount as at 31 August 2020	42,268	8,087	7,015,5	90	- 49,283	3,67
_						
	INFLATION A	DJUST	TED	HISTO	DRICAL COST*	
	31 August 2020 ZWL	29 Feb	oruary 2020 ZWL		020 29 February	202 ZW

	326,495,686	1,228,276,509	326,495,685	370,194,675
Less: Allowance for ECL	(296,119)	(718,514)	(296,119)	(216,556)
Sundry receivables Amounts due from related parties	318,873,037 7,918,768	1,003,398,125 225,596,898	/ /	302,417,770 67,993,461

## 10.4 ECL Allowance for impairment of loans and advances

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Loans and Advances is, as follows:

		Stage 1 ZWL	St	age 2 ZWL	Stage ZW		Tota ZWI
Gross carrying amounts							
ECL allowance as at 1 March 2020	236	5,331,787	27,419	,704	6,618,7	51	270,370,241
New loans and advances originated	641	,984,845	67,100	,334	16,649,7	50	725,734,929
Loans and advances derecognised or repaid (excluding write offs)	(211	,157,064)	(24,788,	439)	(8,849,62	25)	(244,795,128
Transfers to Stage 1		-		-		-	
Transfers to Stage 2		-		-		-	
Transfers to Stage 3		-		-		-	
Amounts written off		-		-		-	
Gross carrying amount as at 31 August 2020	667	,159,568	69,731	,599	14,418,8	76	751,310,043
ECL allowance							
ECL allowance as at 1 March 2020	33	8,048,370	12,427	,594	5,041,6	05	50,517,56
New loans and advances originated	54	1,349,587	18,607	,082	3,360,2	33	76,316,90
Loans and advances derecognised or repaid (excluding write offs)	(40	,148,969)	(14,014,	545)	(4,193,03	30)	(58,356,544
Transfers to Stage 1		2,624		-	(2,62	24)	
Transfers to Stage 2		(111,287)	44	,515		-	(66,772
Transfers to Stage 3	(2	.610,232)		-	2,610,2	32	
Amounts written off		-		-		-	
Gross carrying amount as at 31 August 2020	44	,530,092	17,064	,646	6,816,4	16	68,411,15
INI		ADJUSTED			HISTORIC		лят
	audited	ABJOSTED	Audited		maronic		551
31 Augu		29 Febru	ary 2020	31 A	ugust 2020	29	February 2020
	ZWL		ZWL		ZWL		ZWI

## 11 DEBT INSTRUMENTS MEASURED AT AMORTISED COST

Closing balance	782,243,414	3,683,790,961	782,243,414	1,110,271,008
Less: Allowance for ECL	(48,683,625)	(118,127,687)	(48,683,625)	(35,602,928)
	830,927,039	3,801,918,648	830,927,039	1,145,873,937
Net monetary adjustment	(2,428,342,051)	(11,945,723,895)	-	-
Accrued interest	29,866,332	157,352,322	17,334,039	16,297,603
Repayments received on maturity	(2,271,907,406)	(11,182,930,914)	(1,318,586,145)	(1,320,445,240)
Additions	1,699,391,515	16,633,008,139	986,305,208	1,972,610,416
Opening Balance	3,801,918,648	10,140,212,996	1,145,873,937	477,411,158

### 13 INVENTORIES

12

14

Opening balance Additions	125,990,667 197,275,715	125,990,667 -	5,931,764 54,803,526	5,931,764 -
Closing balance	323,266,382	125,990,667	60,735,290	5,931,764
Inventories consists of housing units developed by the Bank for re-sale.				
INVESTMENT PROPERTY				
Opening balance Fair value adjustments	320,427,768 115,678,376	288,725,940 31,701,828	96,574,878 339,531,267	13,593,500 82,981,378
Closing balance	436,106,144	320,427,768	436,106,144	96,574,878

Investment property comprises of buildings and undeveloped residential land.

## 15 PROPERTY AND EQUIPMENT

				INFLATION	ADJUSTED			
	Land and buildings ZWL	Leasehold improve- ments ZWL	Furniture and fittings ZWL	Office equipment ZWL	Computer equipment ZWL	Motor Vehicles ZWL	Work in Progress ZWL	Total ZWL
At Cost or Valuation:								
28 February 2019 Additions	62,971,945	28,185,894	74,873,496	26,197,513	335,610,858	12,194,098	262,950,399 658,947,212	802,984,203 658,947,212
Exchange gain arising from change in functional and	-	-	-	-	-		030,547,212	038,547,212
presentation currency Transfer from Work-in-	-	-	-	-	-	-	-	-
Progress	-	-	306,447	-	3,339,497	-	(3,645,944)	
Revaluation adjustment	9,129,368	91,420,751	(14,099,263)	, ,	(21,779,441)	4,546,527	-	87,870,764
29 February 2020	72,101,313	119,606,645	61,080,680	44,850,335	317,170,914	16,740,625	918,251,668	1,549,802,180
Additions	-	-		-	-	-	118,886,884	118,886,884
Revaluation adjustment	(21,805,093)	(74,722,400)	(23,136,352)		(168,918,973)		-	(325,269,817)
31 August 2020	50,296,220	44,884,245	37,944,328	17,578,556	148,251,941	7,325,403	1,037,138,552	1,343,419,246
Accumulated depreciation and impairment:								
<b>28 February 2019</b> Depreciation charge for	457,952	1,782,206	3,786,434	1,894,990	32,155,172	693,890		40,770,644
the year	2,348,104	20,107,323	10,215,003	11,618,264	165,681,547	3,340,832	-	213,311,073
Eliminated on revaluation	(2,806,056)	(21,889,529)	(14,001,437)	(13,513,255)	(197,836,719)	(4,034,721)	-	(254,081,717)
<b>29 February 2020</b> Depreciation charge for	-	-	-	-	-	-	-	-
the period	523,495	14,487,915	5,676,569	12,781,463	87,166,083	5,004,938	-	125,640,463
Eliminated on revaluation	(523,495)	(14,487,915)	(5,676,569)	(12,781,463)	(87,166,083)	(5,004,938)	-	(125,640,463)
31 August 2020		-	-	-	-	-	-	
Net carrying amount:								
At 31 August 2020	50,296,220	44,884,245	37,944,328	17,578,556	148,251,941	7,325,403	1,037,138,552	1,343,419,246
At 29 February 2020		119,606,645	61,080,680					1,549,802,180
		-,,		.,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,		,,,,

## UNAUDITED ABRIDGED FINANCIAL STATEMENTS

## for the six months ended 31 August 2020

# **STEWARD** BANK

Everyday Banking For Everyday People

Member of the Deposit Protection Corporation A Registered Commercial Bank





STEWARD BANK

PurpleKor

S zoom 🕓 🕬 Sasa

# **Banking** With A View

www.stewardbank.co.zw | stewardbank f 🎔

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

## 15 PROPERTY AND EQUIPMENT (CONTINUED)

				HISTORIC	CAL COST*			
	Land and buildings ZWL	Leasehold improve- ments ZWL	Furniture and fittings ZWL	Office equipment ZWL	Computer equipment ZWL	Motor Vehicles ZWL	Work in Progress ZWL	Tota ZW
At Cost or Valuation:								
28 February 2019	2,964,781	1,327,019	3,525,118	1,233,405	15,800,888	574,110	12,379,962	37,805,28
Additions	-	-	-	-	-	(0)	82,009,969	82,009,96
Transfer from Work-in-								
Progress	-	-	12,322	-	167,165	-	(179,486)	
Revaluation adjustment		34,721,657		12,284,199	79,625,230	4,471,407	-	164,740,47
29 February 2020	21,730,874	36,048,677	18,409,326	13,517,604	95,593,283	5,045,517	94,210,445	284,555,72
Additions	-	-	-	-	-	-	18,484,975	18,484,97
Transfers from Work-in- Progress								
Revaluation adjustment	28,565,346	8,835,568	19,535,002	4,060,952	52,658,659	2,279,887		115,935,4
31 August 2020	50,296,220	44,884,245		17,578,555	148,251,941	, , , , , , , , , , , , , , , , , , , ,	112,695,420	
0	30,230,220	44,004,243	37,344,320	17,578,555	140,231,341	7,525,405	112,055,420	410,570,11
Accumulated depreciation and impairment:								
28 February 2019	21,561	83,908	178,269	89,218	1,513,897	32,669	-	1,919,52
Depreciation charge for the			000 740	1 01 0 100	45 040 000			
year	213,580	1,828,916	928,712	1,016,199	15,018,088	303,877	-	19,309,3
Eliminated on revaluation	(235,141)	(1,912,824)	(1,106,981)	(1,105,417)	(16,531,985)	(336,546)	-	(21,228,89
29 February 2020	-	-		-		-		
Depreciation charge for the								
period	199,737	5,527,794	2,165,868		33,257,800	1,909,610	-	47,937,5
Eliminated on revaluation	(199,737)	(5,527,794)	(2,165,868)	(4,876,706)	(33,257,800)	(1,909,610)	-	(47,937,51
31 August 2020		-	-	-	-	-	-	
Net carrying amount:								
At 31 August 2020	50,296,220	44,884,245	37,944,328	17,578,555	148,251,941	7,325,403	112,695,420	418,976,1
At 29 February 2020	21,730,874	36,048,677	18,409,326	13,517,604	95,593,283	5,045,517	94,210,445	284,555,72

At 29 February 2020

INFLATION ADJUSTED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

## 17 RIGHT OF USE ASSETS

	INI	LATION ADJUSTED	
	Bank Branches	Office Buildings	Total ZWL
• · ·	ZWL	ZWL	ZVVL
Cost: 1 March 2019	162,648,997	11,787,423	174,436,421
Additions	-	10,271,891	10,271,891
29 February 2020	162,648,997	22,059,314	184,708,311
Additions	14,548,511	-	14,548,511
31 August 2020	177,197,508	22,059,314	199,256,823
Accumulated amortisation and impairment:			
1 March 2019	-	-	C0 274 F00
Amortisation charge for the year 29 February 2020	59,643,445 <b>59,643,445</b>	8,731,062 8,731,062	<u>68,374,506</u> 68,374,506
Amortisation charge for the year 31 August 2020	14,466,302 <b>74,109,746</b>	<u> </u>	<u> </u>
°	, ,,200,,,40	20,200,444	0,000,202
Net carrying amount: 31 August 2020	103,087,762	11,860,870	114,948,632
28 February 2020	103,005,553	13,328,252	116,333,805
	Bank	ISTORICAL COST* Office	
	Branches	Buildings	Total
	ZWL	ZŴL	ZWL
Cost:			
1 March 2019	7,993,129	579,274	8,572,404
Additions 29 February 2020	7,993,129	<u>2,667,596</u> 3,246,871	2,667,596
		-,,	
Additions 31 August 2020	<b>5,550,915</b> 13,544,044	3,246,871	<u>5,550,915</u> 16,790,915
SI August 2020	13,344,044	5,240,671	10,750,515
Accumulated amortisation and impairment:			
1 March 2019 Amortisation charge for the year	- 1,730,665	۔ 2,179,832	- 3,910,497
29 February 2020	1,730,665	2,179,832	3,910,497
American in the second for the second	2 402 050	054 650	2 245 600
Amortisation charge for the year <b>31 August 2020</b>	2,493,958 <b>4,224,623</b>	851,650 <b>3,031,483</b>	<u>3,345,609</u> 7,256,106
Net carrying amount:			
31 August 2020	9,319,421	215,388	9,534,809
28 February 2020	6,262,464	1,067,039	7,329,503
Reconciliation of lease liability:			
	Bank	FLATION ADJUSTED Office	
	Branches ZWL	Buildings ZWL	Tota ZW
Reconciliation of lease liability:		2002	
Reconcination of lease hability.			
1 March 2019 Additions	162,648,997	11,787,423 10,186,942	174,436,42
Interest expense	- 12,888,058	1,221,968	10,186,94 14,110,02
Repayments	(13,839,533)	(9,177,364)	(23,016,897
Monetary gain 29 February 2020	<u>(138,920,844)</u> 22,776,678	(7,151,920) 6,867,050	<u>(146,072,764)</u> 29,643,72
29 TEDIUALY 2020	22,770,078	0,807,030	23,043,720
Additions	14,548,511	-	14,548,51
Interest expense Repayments	5,553,617 (8,679,214)	238,237 (2,669,007)	5,791,85 (11,348,221
Monetary gain	(23,563,365)	(3,799,281)	(27,362,646
31 August 2020	10,636,226	636,999	11,273,22
	H	HISTORICAL COST*	
	Bank	Office	_
	Branches ZWL	Buildings ZWL	Tota ZW
1 March 2019	7,993,129	579,274	8,572,40
Additions		2,645,535	2,645,53
Interest expense	1,196,800	178,154	1,374,95
Repayments 29 February 2020	(2,325,184) <b>6,864,745</b>	(1,333,279) <b>2,069,685</b>	(3,658,463 <b>8,934,43</b>
23 1 CM uai y 2020	0,004,743	2,003,003	0,334,43
Additions	5,550,914	-	5,550,91
Interest expense Repayments	3,218,288 (4,997,721)	127,321 (1,560,006)	3,345,60 (6,557,727
31 August 2020	10,636,226	<b>636,999</b>	11,273,22
SHARE CAPITAL AND SHARE PREMIUM			

	Computer	Current work in	
	software ZWL	progress ZWL	Tota ZW
ost:			
3 February 2019	276,879,107	164,024,247	440,903,353
dditions		417,870,547	417,870,54
ansfer from Work in Progress	-	-	417,070,04
evaluation adjustment	(143,710,010)	_	(143.710.010
9 February 2020	133,169,096	581,894,794	715.063.89
dditions		64,281,140	64,281,14
evaluation adjustment	(63,879,456)	04,201,140	(63,879,456
L August 2020	<u>69,289,641</u>	646,175,935	715,465,57
ccumulated amortisation and impairment:			
3 February 2019	6,188,858	_	6,188,85
mortisation charge for the year	47,998,039	_	47,998,03
iminated on revaluation	(54,186,897)	-	(54,186,897
9 February 2020			(31)100,007
mortisation charge for the period	15,888,565	_	15,888,56
npairment	4,451,436	_	4,451,43
liminated on revaluation	(20,340,001)	_	(20,340,001
L August 2020			(20,340,001
et carrying amount:			
t 31 August 2020	69,289,641	646,175,935	715,465,57
t 29 February 2020	133,169,096	581,894,794	715,063,89
	133,103,030	301,034,734	/15,005,05
	L L L L L L L L L L L L L L L L L L L	ISTODICAL COST*	
		ISTORICAL COST*	
	Computer software	Current work in progress	Tota
ost:	Computer	Current work in	Tota ZW
	Computer software ZWL	Current work in progress ZWL	zw
8 February 2019	Computer software	Current work in progress ZWL 7,722,422	ZW 20,758,16
3 February 2019 dditions	Computer software ZWL	Current work in progress ZWL	ZW 20,758,16
<b>8 February 2019</b> dditions ransfer from Work in Progress	Computer software ZWL 13,035,739	Current work in progress ZWL 7,722,422	ZW 20,758,16 104,023,42
<b>8 February 2019</b> dditions ransfer from Work in Progress evaluation adjustment	Computer software ZWL 13,035,739 - - 27,100,573	Current work in progress ZWL 7,722,422 104,023,425	20,758,16 104,023,42 27,100,57
<b>8 February 2019</b> dditions ransfer from Work in Progress evaluation adjustment <b>9 February 2020</b>	Computer software ZWL 13,035,739	Current work in progress ZWL 7,722,422 104,023,425 - - - 111,745,847	20,758,16 104,023,42 27,100,57 151,882,16
8 February 2019 dditions ransfer from Work in Progress evaluation adjustment 9 February 2020 dditions	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313	Current work in progress ZWL 7,722,422 104,023,425	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99
<b>3 February 2019</b> dditions ansfer from Work in Progress evaluation adjustment <b>9 February 2020</b> dditions evaluation adjustment	Computer software ZWL 13,035,739 - - - - - - - - - - - - - - - - - - -	Current work in progress ZWL 7,722,422 104,023,425 - - 1011,745,847 25,369,998	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32
8 February 2019 dditions ransfer from Work in Progress evaluation adjustment 9 February 2020 dditions evaluation adjustment	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313	Current work in progress ZWL 7,722,422 104,023,425 - - - 111,745,847	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32
B February 2019 dditions ansfer from Work in Progress evaluation adjustment B February 2020 dditions evaluation adjustment L August 2020	Computer software ZWL 13,035,739 - - - - - - - - - - - - - - - - - - -	Current work in progress ZWL 7,722,422 104,023,425 - - 1011,745,847 25,369,998	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32
B February 2019 dditions ansfer from Work in Progress evaluation adjustment D February 2020 dditions evaluation adjustment L August 2020 ccumulated amortisation and impairment:	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - 29,153,328 69,289,641	Current work in progress ZWL 7,722,422 104,023,425 - - 1011,745,847 25,369,998	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48
<b>February 2019</b> Iditions ansfer from Work in Progress evaluation adjustment February 2020 Iditions evaluation adjustment August 2020 Iditions Evaluated amortisation and impairment: February 2019 Iditions Iditi	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - 29,153,328 69,289,641 4,317,624	Current work in progress ZWL 7,722,422 104,023,425 - - - - - - - - - - - - - - - - - - -	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63
<b>February 2019</b> Iditions ansfer from Work in Progress evaluation adjustment February 2020  Iditions evaluation adjustment August 2020  Ccumulated amortisation and impairment: February 2019 mortisation charge for the year	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - 29,153,328 69,289,641	Current work in progress ZWL 7,722,422 104,023,425 - - - - - - - - - - - - - - - - - - -	ZW 20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90
<b>B February 2019</b> Iditions ansfer from Work in Progress evaluation adjustment <b>D February 2020</b> Iditions evaluation adjustment <b>L August 2020 Example teal Commutated amortisation and impairment: B February 2019</b> mortisation charge for the year iminated on revaluation	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - 29,153,328 69,289,641 4,317,624 767,903	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	ZW 20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90
<b>3 February 2019</b> dditions ansfer from Work in Progress evaluation adjustment <b>5 February 2020</b> dditions evaluation adjustment <b>1 August 2020</b> ccumulated amortisation and impairment: <b>3 February 2019</b> mortisation charge for the year iminated on revaluation <b>9 February 2020</b>	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - - 29,153,328 69,289,641 - - - - - - - - - - - - - - - - - - -	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90 (5,101,537
<b>3 February 2019</b> dditions ansfer from Work in Progress evaluation adjustment <b>3 February 2020</b> dditions evaluation adjustment <b>4 August 2020</b> ccumulated amortisation and impairment: <b>3 February 2019</b> mortisation charge for the year iminated on revaluation <b>9 February 2020</b> mortisation charge for the period	Computer software ZWL 13,035,739 - 27,100,573 40,136,313 - 29,153,328 69,289,641 4,317,624 767,903 (5,085,527) - (6,062,206)	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90 (5,101,537 (6,062,206
8 February 2019 dditions ransfer from Work in Progress evaluation adjustment 9 February 2020 dditions evaluation adjustment 1 August 2020 ccumulated amortisation and impairment: 8 February 2019 mortisation charge for the year iminated on revaluation 9 February 2020 mortisation charge for the period iminated on revaluation	Computer software ZWL 13,035,739 - - 27,100,573 40,136,313 - - 29,153,328 69,289,641 - - - - - - - - - - - - - - - - - - -	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	ZW 20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90 (5,101,537 (6,062,206
8 February 2019 dditions ransfer from Work in Progress evaluation adjustment 9 February 2020 dditions evaluation adjustment 1 August 2020 ccumulated amortisation and impairment: 8 February 2019 mortisation charge for the year iminated on revaluation 9 February 2020 mortisation charge for the period iminated on revaluation 1 August 2020	Computer software ZWL 13,035,739 - 27,100,573 40,136,313 - 29,153,328 69,289,641 4,317,624 767,903 (5,085,527) - (6,062,206)	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	ZW 20,758,16 104,023,42 27,100,57 151,882,16 25,369,99 29,153,32 206,405,48 4,333,63 767,90 (5,101,537 (6,062,206
ost: 8 February 2019 dditions ransfer from Work in Progress evaluation adjustment 9 February 2020 dditions evaluation adjustment 1 August 2020 accumulated amortisation and impairment: 8 February 2019 mortisation charge for the year liminated on revaluation 9 February 2020 mortisation charge for the period liminated on revaluation 1 August 2020 let carrying amount: t 31 August 2020	Computer software ZWL 13,035,739 - 27,100,573 40,136,313 - 29,153,328 69,289,641 4,317,624 767,903 (5,085,527) - (6,062,206)	Current work in progress ZWL 7,722,422 104,023,425 - - 104,023,425 - - - - - - - - - - - - - - - - - - -	

Intangible assets pertain to computer software. The Bank uses the expected usage of the asset to determine the useful life of intangible assets.

## 18 SHARE CAPITAL AND SHARE PREMIUM

		HISTORICAL C	OST*	
	31 August 2020 No. of Shares	29 February 2020 No. of Shares	2020	
Share capital:				
Authorised Ordinary shares of \$0.0000001 each 10% Irredeemable non-cumulative preference shares of US\$1 each Issued	70,000,000,000 10,000	70,000,000,000 10,000	,	10,000
Ordinary shares of \$0.0000001 each 10% Irredeemable non-cumulative preference shares of US\$1 each	471,707,887 4,030	471,707,887 4,030_	47 <u>4,030</u> <b>4,077</b>	47 <u>4,030</u> <b>4,077</b>
Share premium			106,317,629	

## **UNAUDITED ABRIDGED FINANCIAL STATEMENTS**

for the six months ended 31 August 2020

Member of the Deposit Protection Corporation A Registered Commercial Bank

## Cassava Smortech

Simplified Banking

# We've Gone **Paperless**

Stay on top of your Banking matters Digitally.

- Square Banking App
  - USSD Kambudzi Banking \*210#
- **Online Banking**
- Email Banking
- Telephone Banking
- WhatsApp Banking

#convenience #doingmypart



## **STEWARD** BANK

VISA

bank.co.zw 🚹 У

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

### FAIR VALUES MEASUREMENT 21

The following table provides the fair value measurement hierarchy of the Bank's assets and liabilities.

## Quantitative disclosures: fair value measurement hierarchy for assets and liabilities as at 31 August 2020:

		Fair valu	e measurement	t using	
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	
Assets measured at fair value:	Date of Valuation	(Level 1) ZWL	(Level 2) ZWL	(Level 3) ZWL	Total ZWL
Assets measured at fair value:					
Investment property:					
Residential stands	31 August 2020	-	376,092,281	-	376,092,281
Office buildings	31 August 2020	-	60,013,863	-	60,013,863
Total Investment property		-	436,106,144	-	436,106,144

There have been no transfers between Level 1 and Level 2 during the period.

## Quantitative disclosures: fair value measurement hierarchy for assets and liabilities as at 29 February 2020:

		Fair valu	ie measurement	using	
			Significant ob- servable inputs	Significant unobservable inputs	
	Date of	(Level 1)	(Level 2)	(Level 3)	Total
Assets measured at fair value:	Valuation	ZWL	ZWL	ZWL	ZWL
Investment property:					
Residential stands	29 February 2020	-	83,284,922	-	83,284,922
Office buildings	29 February 2020	-	13,289,956	-	13,289,956
Total Investment property		-	96,574,878	-	96,574,878

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

#### SHARE CAPITAL AND SHARE PREMIUM (CONTINUED) 18

		INFLATION A	ADJUSTED	
	31 August 2020 No. of Shares	29 February 2020 No. of Shares	31 August 2020 ZWL	29 February 2020 ZWL
Share capital:				
Authorised				
Ordinary shares	70,000,000,000	70,000,000,000	148,680	148,680
10% Irredeemable non-cumulative preference shares	10,000	10,000	212,400	212,400
			361,080	361,080
Issued				
Ordinary shares	471,707,887	471,707,887	998	998
10% Irredeemable non-cumulative preference shares	4,030	4,030	85,597	85,597
			86,595	86,595
Share premium		_	2,258,186,435	2,258,186,435

Subject to the provisions of section 183 of the Companies Act (Chapter 24:03), the unissued shares are under the control of the Directors.

#### **OTHER RESERVES** 19

	INFL	ATION ADJUS	TED	HIS	TORICAL COST	*
	Revaluation surplus ZWL	Regulatory reserve ZWL	Total ZWL	Revaluation surplus ZWL	Regulatory reserve ZWL	Total ZWL
<b>28 February 2019</b> Reclassification adjustment in relation to adopting IFRS 9	-	-	-	<b>22,958,617</b> -	-	22,958,617 -
Gain on revaluation, net of tax	190,028,828	-	190,028,828	163,896,430	-	163,896,430
29 February 2020	190,028,828	-	190,028,828	186,855,047	-	186,855,047
Gain on revaluation, net of tax	(190,028,828)	-	(190,028,828)	140,746,537	-	140,746,537
31 August 2020		-	-	327,601,584	-	327,601,584

**Revaluation surplus** 

## Fair value hierarchy

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques

This reserve represents the surplus arising from the revaluation of owner occupied property.

### **Regulatory reserve**

This reserve caters for excess credit loss provisions that result from calculation of impairments on loans and receivables according to the expected loss model as required per Reserve Bank of Zimbabwe regulations.

#### **DEPOSITS DUE TO BANKS AND CUSTOMERS** 20

	INFLATION	ADJUSTED	HISTORIC	AL COST*	
	31 August 2020 ZWL	29 February 2020 ZWL	31 August 2020 ZWL	29 February 2020 ZWL	
Due to customers					
Current accounts	3,344,572,883	8,111,740,960	3,344,572,883	2,444,826,786	
Term deposits	8,032,611	14,386,931	8,032,611	4,336,129	
	3,352,605,494	8,126,127,891	3,352,605,494	2,449,162,915	

At 31 August 2020, approximately ZWL2.5 billion or 74% of the Bank's deposits due to customers (At 29 February 2020: ZWL1.8 billion or 74%) represents balances owed to related party entities in the telecommunications sector.

A concentration of risk therefore exists in the event that the business of the counterparties is adversely affected by changes in economic or other conditions. However, at 31 August 2020 the Bank's management was not aware of any economic or other conditions.

#### MATURITY ANALYSIS OF DEPOSITS 20.1

	INFLATION	ADJUSTED	HISTORICAL COST*		
	31 August 2020 ZWL	29 February 2020 ZWL	31 August 2020 ZWL	29 February 2020 ZWL	
Less than one month	3,344,910,408	8,112,860,841	3,344,910,408	2,445,164,311	
1 to 3 months	7,695,086	13,267,050	7,695,086	3,998,604	
	3,352,605,494	8,126,127,891	3,352,605,494	2,449,162,915	

## 20.2 SECTORAL ANALYSIS OF DEPOSITS

	I	NFLATION	ADJUSTED			HISTORIC	AL COST*	
	31 August 2	020	29 February	2020	31 August 2	2020	29 February	2020
	ZWL	%	ZWL	%	ZWL	%	ZWL	%
Financial	1,302,053,909	38.8%	2,830,905,265	34.8%	1,302,053,909	38.8%	853,216,720	34.8%
Transport and								
telecommunications	1,402,729,251	41.8%	3,469,356,897	42.7%	1,402,729,251	41.8%	1,045,641,955	42.7%
Mining	7,874,069	0.2%	10,602,980	0.1%	7,874,069	0.2%	3,195,670	0.1%
Manufacturing	28,495,075	0.8%	57,555,889	0.7%	28,495,075	0.8%	17,346,976	0.7%
Agriculture	4,286,215	0.1%	10,389,034	0.1%	4,286,215	0.1%	3,131,188	0.1%
Distribution	15,728,989	0.5%	42,360,347	0.5%	15,728,989	0.5%	12,767,137	0.5%
Services	46,089,856	1.4%	101,557,937	1.2%	46,089,856	1.4%	30,608,912	1.2%
Government and								
parastatals	24,103	0.0%	58,422	0.0%	24,103	0.0%	17,608	0.0%
Individuals	7,428,920	0.2%	15,568,561	0.2%	7,428,920	0.2%	4,692,264	0.2%
Other	537,895,105	16.0%	1,587,772,560	19.5%	537,895,105	16.0%	478,544,483	19.5%
	3,352,605,494	100.0%	8,126,127,892	100.0%	3,352,605,494	100.0%	2,449,162,915	100.0%

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

## FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, loans and advances, deposits and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Loans and advances excluding mortgages to staff approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of mortgage facilities to employees is estimated considering (i) current or quoted prices for identical instruments in the financial services sector and (ii) a net present value calculated from the average market yield rates with similar maturies and credit risk factors.
- Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Bank based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at 31 August 2020, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.
- The fair value of unquoted instruments, loans from banks and other financial liabilities and obligations under finance leases are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- Fair value of financial assets at fair value through profit or loss are derived from quoted market prices in active markets.

	31 Augus	st 2020	28 Februa	ry 2020
	Carrying amount ZWL	Fair value ZWL	Carrying amount ZWL	Fair value ZWL
Financial assets				
Cash and cash equivalents	2,296,272,823	2,296,272,823	1,051,305,600	1,051,305,600
Loans and advances to customers	682,232,064	682,232,064	219,852,485	219,852,485
Debt instruments measured at amortised cost	782,243,414	782,243,414	1,110,271,008	1,110,271,008
Other receivables	326,495,685	326,495,685	370,194,862	370,194,862
	4,087,243,986	4,087,243,986	2,751,623,956	2,751,623,956
Financial liabilities				
Deposits due to banks and customers	3,352,605,494	3,352,605,494	2,449,162,915	2,449,162,915
	3,352,605,494	3,352,605,494	2,449,162,915	2,449,162,915

# **UNAUDITED ABRIDGED FINANCIAL STATEMENTS**

for the six months ended 31 August 2020

# **STEWARD** BANK

Everyday Banking For Everyday People

Member of the Deposit Protection Corporation A Registered Commercial Bank

## VISA **0 G** www.stewardbank.co.zw

# Cassava

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

#### PROVISIONS 22

23

24

	INFLATION	ADJUSTED	HISTORIC	
	31 August 2020 ZWL	29 February 2020 ZWL	31 August 2 020 ZWL	29 February 2020 ZWI
Provisions	53,052,406	66,081,554	53,052,406	19,916,557
		INFLATION A	ADIUSTED	
	Leave pay		Other	
		Bonus provision	provisions	Tota
28 February 2019 Current provision	<b>16,008,227</b> 15,377,642	<b>7,275,057</b> 63,382,160	<b>1,387,911</b> 29,280,132	<b>24,671,19</b> 108,039,934
Amount utilised	(4,011,232)	(1,819,022)	(7,280,961)	(13,111,215
Monetary loss	(18,390,769)	(31,915,873)	(3,211,718)	(53,518,360
29 February 2020	8,983,868	36,922,322	20,175,364	66,081,554
Current provision	16 172 122	29 175 770	9 210 779	52 967 690
Current provision Amount utilised	16,172,133 (884,037)	28,475,779	8,319,778 (1,406,600)	52,967,690 (2,290,636
Monetary loss	(12,418,468)	(34,871,390)	(16,416,342)	(63,706,200
31 August 2020	11,853,495	30,526,711	10,672,200	53,052,40
		HISTORICA	L COST*	
	Leave pay		Other	
	provision	Bonus provision	provisions	Tota
28 February 2019	753,683	342,517	65,344	1,161,544
Current provision	2,643,567	11,104,321	8,006,263	21,754,15
Amount utilised	(689,570)	(318,686)	(1,990,882)	(2,999,138
29 February 2020	2,707,680	11,128,151	6,080,725	19,916,55
Current provision	9,674,674	19,398,559	5,525,685	34,598,918
Amount utilised	(528,859)	19,590,559		
			(02/ 210)	
31 August 2020	11,853,495	30,526,711	(934,210) <b>10,672,199</b>	
		30,526,711	, , , ,	
31 August 2020	11,853,495		10,672,199	53,052,400
31 August 2020	11,853,495 INFLATION	ADJUSTED	10,672,199 HISTORIC	53,052,400
31 August 2020	11,853,495 INFLATION		10,672,199 HISTORIC	53,052,400 AL COST* 29 February 202
31 August 2020 DTHER LIABILITIES	11,853,495 INFLATION 31 August 2020 ZWL	ADJUSTED 29 February 2020 ZWL	10,672,199 HISTORIC 31 August 2020 ZWL	53,052,400 AL COST* 29 February 202 ZW
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals	11,853,495 INFLATION 31 August 2020	ADJUSTED 29 February 2020	10,672,199 HISTORIC, 31 August 2020	53,052,406 AL COST* 29 February 2020 ZW
31 August 2020	11,853,495 INFLATION 31 August 2020 ZWL	ADJUSTED 29 February 2020 ZWL 1,425,031,805	10,672,199 HISTORIC 31 August 2020 ZWL 1,180,624,984	53,052,400 AL COST* 29 February 202 ZW
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals	11,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985	ADJUSTED 29 February 2020 ZWL 1,425,031,805	10,672,199 HISTORIC 31 August 2020 ZWL 1,180,624,984	53,052,400 AL COST* 29 February 202 ZW
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals	I1,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985 Accelerated wear and tear	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other	53,052,400 AL COST* 29 February 202 ZW 429,495,46
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals	11,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value	10,672,199 HISTORIC 31 August 2020 ZWL 1,180,624,984 ADJUSTED	53,052,400 AL COST* 29 February 202 ZW 429,495,46
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY	I1,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985 Accelerated wear and tear	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019	II,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985 Accelerated wear and tear ZWL	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period	11,853,495         INFLATION         31 August 2020         ZWL         1,180,624,985         Accelerated         wear and tear         ZWL         173,658,042	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota 236,933,044 (132,729,051 62,400,540
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)           62,400,540           169,719,385	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) -	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681)	29 February 202 ZW 429,495,463 Tota ZW 236,933,048 (132,729,051 62,400,540 166,604,537
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)           62,400,540	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173)	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681)	53,052,406 AL COST* 29 February 2026 200 429,495,465 429,495,465 Tota 236,933,048 (132,729,051 62,400,540
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to profit for the period Credit to other comprehensive income	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)           62,400,540           169,719,385	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) -	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota 236,933,044 (132,729,051 62,400,540 166,604,537
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)           62,400,540           169,719,385           (89,762,466)	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) - (65,540,893) 54,444,512 - (11,096,381)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,540 166,604,53 (11,041,005
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to profit for the period Credit to other comprehensive income	11,853,495	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) - (65,540,893) 54,444,512 - (11,096,381)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,544 166,604,53 (11,041,005
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to profit for the period Credit to other comprehensive income At 31 August 2020	11,853,495           INFLATION           31 August 2020           ZWL           1,180,624,985           Accelerated           wear and tear           ZWL           173,658,042           (66,339,196)           62,400,540           169,719,385           (89,762,466)	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) - (65,540,893) 54,444,512 - (11,096,381)	53,052,400 AL COST* 29 February 2022 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,540 166,604,537 (11,041,005 155,563,537
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to profit for the period Credit to other comprehensive income	11,853,495	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993 HISTORICA	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) 	53,052,400 AL COST* 29 February 2022 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,540 166,604,533 (11,041,005 155,563,533 3,631,635
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to other comprehensive income At 31 August 2020 At 28 February 2019 Charge to profit for the period	11,853,495 INFLATION 31 August 2020 ZWL 1,180,624,985 Accelerated wear and tear ZWL 173,658,042 (66,339,196) 62,400,540 169,719,385 (89,762,466) - 79,956,919	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993 HISTORICA	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) 	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota 236,933,044 (132,729,051 62,400,544 166,604,533 (11,041,005 155,563,533 (11,041,005 155,563,533 (14,092,975
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to other comprehensive income At 31 August 2020 At 28 February 2019 Charge to profit for the period Credit to other comprehensive income At 31 August 2020	11,853,495         INFLATION         31 August 2020         ZWL         1,180,624,985         Accelerated         wear and tear         ZWL         173,658,042         (66,339,196)         62,400,540         169,719,385         (89,762,466)         -         79,956,919         6,409,778         (9,076,780)	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993 HISTORICA	10,672,199 HISTORIC, 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) 	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,544 166,604,533 (11,041,005 155,563,533 (11,041,005 155,563,533 (14,092,975 53,819,334
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to other comprehensive income At 31 August 2020 At 28 February 2019 Charge to profit for the period Credit to other comprehensive income At 31 August 2020	11,853,495         INFLATION         31 August 2020         2WL         1,180,624,985         Accelerated         wear and tear         2WL         173,658,042         (66,339,196)         62,400,540         169,719,385         (89,762,466)         -         79,956,919         6,409,778         (9,076,780)         53,819,338         51,152,336	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 - 24,276,949 - 86,702,993 HISTORICA 2,295,222 16,519,588 -	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED Other ZWL (19,873,211) (45,667,681) - (65,540,893) 54,444,512 - (11,096,381) (21,535,783) - (26,609,144)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,544 166,604,533 (11,041,005 155,563,533 (11,041,005 155,563,533 (14,092,975 53,819,333 43,358,000
31 August 2020 DTHER LIABILITIES Sundry creditors and accruals DEFERRED TAX LIABILITY At 28 February 2019 Charge to profit for the period Charge to other comprehensive income At 29 February 2020 Credit to profit for the period Credit to other comprehensive income At 31 August 2020 At 28 February 2019 Charge to profit for the period Credit to other comprehensive income At 31 August 2020	11,853,495         INFLATION         31 August 2020         2WL         1,180,624,985         Accelerated         wear and tear         ZWL         173,658,042         (66,339,196)         62,400,540         169,719,385         (89,762,466)         -         79,956,919         6,409,778         (9,076,780)         53,819,338	ADJUSTED 29 February 2020 ZWL 1,425,031,805 INFLATION / Fair value adjustments ZWL 83,148,218 (20,722,173) - 62,426,045 24,276,949 - 86,702,993 HISTORICA 2,295,222 16,519,588	10,672,199 HISTORIC/ 31 August 2020 ZWL 1,180,624,984 ADJUSTED (19,873,211) (45,667,681) (45,667,681) (45,667,681) (45,667,681) (11,096,381) (11,096,381) (21,535,783)	53,052,400 AL COST* 29 February 202 ZW 429,495,46 Tota ZW 236,933,044 (132,729,051 62,400,540 166,604,53 (11,041,005

### **RELATED PARTY DISCLOSURES** 25

The Bank is a subsidiary of the Cassava Smartech Group. The Bank has related party relationships with its Directors and key management employees and their companies.

Cassava Smartech shareholders are also shareholders for Econet Zimbabwe. Steward Bank Limited does banking business with the various entities in the Groups on an arms length basis.

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

### **RISK MANAGEMENT (CONTINUED)** 26

## 26.2 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated periods. The Bank's policy is to monitor positions on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits.

The table below summaries the Bank's interest rate risk exposure:

Optimu         month         a months         a year         Deer Syears         Deer Syears         Deer Syears           At 31 August 2020           Assets           Cash and cash equivalents         -         -         -         2,296,272,2823 2,296,272           Delt instruments measured at anothelic set outside the set					ION ADJUSTEI	)	New	
POSITION         ZWL         ZWL <thzwl< th="">         ZWL         <thzwl< th=""> <thzwl< <="" th=""><th>TOTAL</th><th>Up to 1 month</th><th>1 month to 3 months</th><th>3 months to 1 year</th><th>1 to 5 years</th><th>Over 5 years</th><th></th><th></th></thzwl<></thzwl<></thzwl<>	TOTAL	Up to 1 month	1 month to 3 months	3 months to 1 year	1 to 5 years	Over 5 years		
Asset         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.296,272,823         2.292,2656         3.662,292,233,266         3.22,696,823         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.293,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833         2.292,266,833 <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>ZV</th>								ZV
ash and cash equivalents       -       -       -       -       2,296,272,283 2,266,272         bans and advances to customers       569,428       8,526,919       84,385,039       344,106,214       244,644,464       662,223         ther necevibiles       18,644,376       126,529,824       487,776,358       149,292,856       -       -       782,243         wentories       -       -       -       -       -       232,6456,83       33,643,006,144       446,604,644       455,557,468,777,208,444         wentories       -       -       -       -       -       1,343,492,613,431,444,644       455,557,474,877,208,444         they reserve       13,5056,743       572,161,397       493,399,070       244,644,64       555,574,4877,708,498         they reserve       3,344,910,408       7,695,086       -       -       1,332,498,118,423         ustomers       3,344,910,408       7,695,086       -       -       1,332,498,118,423         ustomers       3,344,910,408       7,695,086       -       -       1,332,498,112,335,790       -       1,232,872,993       155,653,523       155,663         sease liability       -       -       -       -       1,332,494,112,202,493       3,483,148,423       3,483,	t 31 August 2020							
Second advances to customers         569,428         8,526,919         84,385,039         344,106,214         244,644,464         662,232           bbi instruents measured at mortised cust         13,644,376         126,529,824         487,776,358         149,292,856         -         -         722,443           bbi mercevables         -         -         -         -         -         323,266,882         323,266           vestimet property         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -	ssets							
Search advances to customers         S69,428         8,526,919         84,385,039         344,106,214         244,644,464         682,232           mortised cost         18,644,376         126,529,824         487,776,358         149,292,856         -         782,248           hvert notives         -         -         326,4956,832         323,266         -         782,248           hvert notives         -         -         -         -         143,419,246,144         466,104           hvert notives         -         -         -         -         143,419,246,144         466,104           hvert notives         -         -         -         -         143,419,246,144         466,104           hypert ad equiptment         -         -         -         -         -         326,466,312         326,465           hight first and equipt         -         -         -         -         -         326,465         355,57,715,465         -         -         -         326,465         355,52,105,56,565         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -	Cash and cash equivalents	-	-	-	-	-	2,296,272,823	2,296,272,8
belt instruments measured at mortised cost         18,644,376         126,529,824         487,776,358         149,292,856         -         782,243           Ther receivables         -         -         -         -         323,663,858         326,995,882         323,266         323,266,328,323,326           Troperty and equipment         -         -         -         -         -         -         343,112,444,464         5555,774,447         7,702,493           tabilities and equity reporty and equipment         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -		569.428	8.526.919	84.385.039	344.106.214	244.644.464	-	682,232,0
ther recyables         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -		,	-,,	- ,,		,,		,,-
westment property         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -	mortised cost	18,644,376	126,529,824	487,776,358	149,292,856	-	-	782,243,4
vestment property         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -		-	-	-	-	-	326,495,685	
roperty and equipment itangible assets if of use assets i		-	-	-	-	-		
11angbib essets       -       -       -       -       -       114,948,6575       715,465,575       715,465,275       715,465,275       715,465,275       715,465,275       714,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,221       149,948,211       149,948,211       149,948,211       149,948,211       149,948,211       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,214       149,948,2144,213,244,214,243,244,214,244,24,24,24,24,24,24,24,		-	-	-	-	-		
ight of use assets     -     -     -     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     114,948,632     115,556,533,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,532,553,527,553,527,553,532,553,527,553,527,553,532,553,527,553,527,553,532,553,532,553,527,553,532,553,532,553,527,553,527,553,532,553,527,553,527,553,532,553,527,553,527,553,532,553,527,553,527,553,532,553,527,553,527,553,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,532,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,527,553,5		-	-	-	-	-	,, -, -	, , ,
19.213.804         135,056,743         572,161,397         493,399,070         244,644,464         5,555,974,487 7,020,449           abilities and equity ustomers         3,344,910,408         7,695,086         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         - <td>0</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td></td>	0	-	-	-	-	-		
abilities and equity         3,344,910,408         7,695,086         -         -         53,052,406         53,052           covisions         -         -         -         53,052,406         53,052         53,052,406         53,052         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406         53,052,406,422         53,488,148,423         3,488,148,423         3,488,148,423         3,488,148,423         3,488,148,423         3,488,148,423         3,488,148,423         3,488,148,143         52,052,066         54,125,806,2380         2,213,728,536         <	ignt of use assets		125 056 742	-	- 402 200 070	-		
eposits due to banks and ustomers 3,344,910,408 7,695,086 53,052,406 53,052 ther liability	abilities and equity	19,213,804	135,056,743	572,161,397	493,399,070	244,644,464	5,555,974,487	7,020,449,5
skiomers       3,344,910,408       7,695,086       -       -       -       3,352,005       53,052         ther liabilities       -       -       -       1,180,624,985       1,180,624         eferred tax liability       -       -       -       1,180,624,985       1,180,624         saze liability       -       -       -       1,127,322       1,127,322       1,127,322       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,225       1,273,255       1,273,255       1,213,274,480       1,888,130,016       -       -       -       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,48								
rovisions       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -		3.344.910.408	7.695.086	-	-	-	-	3.352.605.4
eferred tax liability       -       -       -       1155;563;321       1155;563         asse liability       -       -       -       11,273;225       11,273         juity       -       -       -       2,335;579:051       -       -       2,335;579:051         astidity       -       -       -       2,325;579:051       -       -       3,667,844,471 7,020,449         umulative gap       (3,325,696,604)       127,361,658       572,161,397       493,399,070       244,644,464       1,888,130,016         umulative gap       (3,325,696,604)       (3,198,334,946)       (2,626,173,550)       (2,132,774,480)       (1,888,130,016)         sexts       ash and cash equivalents       -       -       -       3,683,790         ass and advances to customers       608,841       9,117,114       90,225,788       367,923,685       261,578,267       -       728,453         sets       -       -       -       1,228,276,509       1,228,276       -       728,453         wentories       -       -       -       1,228,276,509       1,228,276       -       728,453         gipt of use assets       -       -       -       1,258,90,2180       1,299,30,2180       1,549,	rovisions	-	-	-	-	-		
aase liability uity 3,344,910,408 7,695,086 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 1 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 1 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 1 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 1 127,361,658 572,161,397 493,399,070 244,644,464 1,888,130,016 - 128,148,148,142 3,488,148 13,267,050 - - - - - - - - - - - - -	ther liabilities	-	-	-	-	-	1,180,624,985	1,180,624,9
quity	eferred tax liability	-	-	-	-	-	155,563,532	155,563,
3,344,910,408       7,695,086       -       -       3,667,844,471       7,020,449         tterest rate repricing gap       (3,325,696,604)       127,361,658       572,161,397       493,399,070       244,644,464       1,888,130,016         umulative gap       (3,325,696,604)       (3,198,334,946)       (2,626,173,550)       (2,132,774,480)       (1,888,130,016)         t 29 February 2020       ssets       -       -       -       3,488,148,423       3,488,148,423         sab and cash equivalents       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         wentories       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         wentories       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         wentories       -       -       -       1,228,370,501       -       -       2,283,705       1,228,370,501       1,288,370,501       1,288,370,501       1,283,802,101,548,803,802       1,228,906,776       230,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768	ease liability	-	-	-	-	-	11,273,225	11,273,2
terest rate repricing gap       [3,325,696,604]       127,361,658       572,161,397       493,399,070       244,644,464       1,888,130,016         umulative gap       (3,325,696,604)       (3,198,334,946)       (2,626,173,550)       (2,132,774,480)       (1,888,130,016)       -         t 29 February 2020       ssets       -       -       -       -       -       -       -       -       -       729,453         ash and cash equivalents       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         wentories       608,841       9,117,114       90,225,788       367,923,685       261,578,267       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -<	quity	-	-	-	-	-	2,335,579,051	2,335,579,
umulative gap       [3,325,696,604] [3,198,334,946] [2,626,173,550] [2,132,774,480] (1,888,130,016]       -         t 29 February 2020       ssets       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       -       - <t< td=""><td></td><td>3,344,910,408</td><td>7,695,086</td><td>-</td><td></td><td>-</td><td>3,667,844,471</td><td>7,020,449,</td></t<>		3,344,910,408	7,695,086	-		-	3,667,844,471	7,020,449,
229 February 2020         ssets         asna and advances to customers         608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and advances to customers       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and equivalents       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and equipment       -       -       -       1,228,276,509       1,228,276       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,97,983,950       16,533,980 <td< td=""><td>terest rate repricing gap</td><td>(3,325,696,604)</td><td>127,361,658</td><td>572,161,397</td><td>493,399,070</td><td>244,644,464</td><td>1,888,130,016</td><td></td></td<>	terest rate repricing gap	(3,325,696,604)	127,361,658	572,161,397	493,399,070	244,644,464	1,888,130,016	
229 February 2020         ssets         asna and advances to customers         608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and advances to customers       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and equivalents       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         abilities and equipment       -       -       -       1,228,276,509       1,228,276       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,97,983,962       10,633,805 <td< td=""><td>imulative gap</td><td>(3.325.696.604) (</td><td>3,198,334,946) (</td><td>2.626.173.550) (</td><td>2,132,774,480) (</td><td>1.888.130.016)</td><td></td><td></td></td<>	imulative gap	(3.325.696.604) (	3,198,334,946) (	2.626.173.550) (	2,132,774,480) (	1.888.130.016)		
ash and cash equivalents       -       -       -       -       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423       3,488,148,423	t 29 February 2020							
bans and advances to customers edit instruments measured at mortised cost       608,841       9,117,114       90,225,788       367,923,685       261,578,267       729,453         mortised cost       87,801,293       595,862,380       2,297,067,774       703,059,514       -       -       3,683,790         wentories       -       -       -       -       1,228,276,509       1,228,276       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768	ssets							
ebi instruments measured at mortised cost       87,801,293       595,862,380       2,297,067,774       703,059,514       -       -       3,683,790         ther receivables       -       -       -       1,228,276,509       1,228,276       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,276,509       1,228,277,68       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,728       320,427,768       320,427,768       320,427,728       326,1578,266       7,544,043,242       1,957,287       66,081,554       66,081,554       66,081,554       66,081,554       66,081,554 <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td></td> <td></td>		-	-	-	-			
mortised cost       87,801,293       595,862,380       2,297,067,774       703,059,514       -       -       3,683,790         ther receivables       -       -       -       -       -       1,228,276,509       1,228,276         ventories       -       -       -       -       -       1,228,276,509       1,228,276         ventories       -       -       -       -       -       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,667       125,990,663       125,990,667       125,990,667       125,990,663       125,990,667       125,990,617       156,980,31       1,549,802,180       1,549,802,180       1,549,802,180       1,549,802,180       1,549,802,180       1,633,305       116,333       116,333       116,333       116,533       88,410,134       604,979,494       2,387,293,562 1,070,983,199       261,578,266       7,544,043,242       1,957,287         abilities       -       -       -       -       -       -       8,126,127       66,081,554       66,081       1425,031,806       1425,031,806       1425,031,		608,841	9,117,114	90,225,788	367,923,685	261,578,267		729,453,
ther receivables		87 801 202	505 862 380	2 207 067 774	702 050 514			2 692 700
wettories       -       -       -       125,990,667       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       125,990,67       154,980,2180       15,492,802,2180       15,498,802,2180       15,498,802,2180       15,498,802,2180       116,333,805       116,333,805       116,333,805       116,333,805       116,333,805       116,333,805       16,604,536       166,604,556       166,604,536       166,604,536       166,604,536       166,604,536       166,604				2,297,007,774				
westment property       -       -       -       -       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,768       320,427,450,378       320,427,450,378       320,427,450,378       320,427,450,378       320,427,		-	-	-	-			
roperty and equipment       -       -       -       1,549,802,180       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,549,802       1,533       1,549,802       1,549,802       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,533       1,549,802       1,557,8266       7,544,043,242       1,957,283       1,65,012       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031       1,425,031		-	-	-	-			
ight of use assets       -       -       -       -       116,333,805       116,333         abilities and equity       604,979,494       2,387,293,562 1,070,983,199       261,578,266       7,544,043,242       11,957,287         abilities and equity       eposits due to banks and customers       8,112,860,841       13,267,050       -       -       -       8,126,127         rovisions       -       -       -       -       66,081,554       66,081         eferred tax liability       -       -       -       1,425,031,806       14425,031         ease liability       -       -       -       29,643,728       29,643         quity       -       -       -       2,143,798,884       2,143,798         atterest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562 1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       591,712,444       2,387,293,562 1,070,983,199       261,578,266       3,712,883,234       -		-	-	-	-			
88,410,134       604,979,494       2,387,293,562       1,070,983,199       261,578,266       7,544,043,242       11,957,283         abilities and equity       eposits due to banks and customers       8,112,860,841       13,267,050       -       -       -       8,126,127         rovisions       -       -       -       -       -       -       8,126,031         there liabilities       -       -       -       -       -       -       8,126,031         eeferred tax liability       -       -       -       -       -       1,425,031,806       1,4425,031         ease liability       -       -       -       -       -       2,063,728       29,643         quity       -       -       -       -       2,143,798,384       2,143,798         streest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         Up to 1       1 month to       3 months to       Non-interest	ntangible assets	-	-	-	-		715,063,891	715,063,
abilities and equity         eposits due to banks and customers       8,112,860,841       13,267,050       -       -       -       8,126,127         rovisions       -       -       -       -       -       66,081,554       66,081         ther liabilities       -       -       -       -       -       66,081,554       66,081         referred tax liability       -       -       -       -       1,425,031,806       1,425,036         ease liability       -       -       -       -       2,063,728       29,643         quity       -       -       -       -       2,143,798,384       2,143,798         sterest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         Up to 1       1 month to       3 months to       Non-interest	ght of use assets	-	-	-	-		116,333,805	116,333,
eposits due to banks and customers       8,112,860,841       13,267,050       -       -       -       8,126,127         rovisions       -       -       -       -       66,081,554       66,081         ther liabilities       -       -       -       -       66,081,554       66,081         eferred tax liability       -       -       -       -       1,425,031,806       1,425,031         genered tax liability       -       -       -       -       166,604,536       166,604         quity       -       -       -       -       29,643,728       29,643       13,267,050       -       -       2,143,798,384       2,143,798         state liability       -       -       -       -       -       3,831,160,008       11,957,287         state repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -		88,410,134	604,979,494	2,387,293,562	1,070,983,199	261,578,266	7,544,043,242	11,957,287,
eposits due to banks and customers       8,112,860,841       13,267,050       -       -       -       8,126,127         rovisions       -       -       -       -       66,081,554       66,081         ther liabilities       -       -       -       -       66,081,554       66,081         eferred tax liability       -       -       -       -       1,425,031,806       1,425,031         genered tax liability       -       -       -       -       166,604,536       166,604         quity       -       -       -       -       29,643,728       29,643       13,267,050       -       -       2,143,798,384       2,143,798         state liability       -       -       -       -       -       3,831,160,008       11,957,287         state repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -								
rovisions       -       -       -       66,081,554       66,081         ther liabilities       -       -       -       1,425,031,806       1,425,031         eferred tax liability       -       -       -       1,425,031,806       1,425,031         eferred tax liability       -       -       -       1,425,031,806       1,425,031         uase liability       -       -       -       29,643,728       29,643         uity       -       -       -       2,143,798,384       2,143,798         8,112,860,841       13,267,050       -       -       3,831,160,008       11,957,283         terest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -		0.440.000.000	40.000.000					0.496.49-
ther liabilities		8,112,860,841	13,267,050	-	-			
eferred tax liability       -       -       -       166,604,536       166,604         ease liability       -       -       -       29,643,728       29,643         quity       -       -       -       2,143,798,384       2,143,798         8,112,860,841       13,267,050       -       -       3,831,160,008       11,957,283         terest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -		-	-	-	-			
ease liability       -       -       -       29,643,728       29,643         quity       -       -       -       2,143,798,384       2,143,798         8,112,860,841       13,267,050       -       -       -       3,831,160,008       11,957,283         terest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -         HISTORICAL COST*         Up to 1       1 month to       3 months to       Non-interest		-	-	-	-			
-       -       -       -       -       2,143,798,384 2,143,798         8,112,860,841       13,267,050       -       -       -       3,831,160,008 11,957,283         interest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562 1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -         HISTORICAL COST*         Up to 1       1 month to       3 months to       Non-interest	'		-	-	-			
8,112,860,841       13,267,050       -       -       -       3,831,160,008       11,957,283         iterest rate repricing gap       (8,024,450,706)       591,712,444       2,387,293,562       1,070,983,199       261,578,266       3,712,883,234         umulative gap       (8,024,450,706)       (7,432,738,263)       (5,045,444,700)       (3,974,461,501)       (3,712,883,234)       -         HISTORICAL COST*         Up to 1       1 month to       3 months to       Non-interest								
umulative gap         (8,024,450,706)         (7,432,738,263)         (5,045,444,700)         (3,974,461,501)         (3,712,883,234)         -           HISTORICAL COST*           Up to 1         1 month to         3 months to         Non-interest	quity	8,112,860,841	13,267,050	-	-			
HISTORICAL COST* Up to 1 1 month to 3 months to Non-interest	terest rate repricing gap	(8,024,450,706)	591,712,444	2,387,293,562	1,070,983,199	261,578,266	5 3,712,883,234	
HISTORICAL COST* Up to 1 1 month to 3 months to Non-interest	imulative can	(8 024 450 706)	(7 432 729 262)	(5 045 444 700)	(3 974 461 601)	(3 712 992 224)		
Up to 1 1 month to 3 months to Non-interest	annanderec Bab	(0,024,400,700)	(1,432,130,203)	(3,043,444,700)	(0,01-,-101,001)	0,712,000,204		
					RICAL COST*			
		Up to 1 month	1 month to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Т

TOTAL POSITION At 31 August 2020

	INFLATION	ADJUSTED	HISTORIC	AL COST*
	31 August 2020 ZWL	29 February 2020 ZWL	31 August 2020 ZWL	29 February 2020 ZWL
a) Loans and advances to Directors	7,886,139	49,610,755	7,886,139	10,048,001
Loans to directors and entities related to directors Guarantees	7,886,139	49,610,755	7,886,139	10,048,001 -
b) Compensation of key management personnel of the				
Bank:	10,526,377	23,063,341	6,798,446	1,866,095
Short-term benefits	10,359,039	22,424,645	6,680,481	1,825,205
Post-employment benefits	167,337	638,696	117,964	40,891

The loans above relates to directors, key management employees in the Group and entities in the Group.

#### **RISK MANAGEMENT** 26

Risk is inherent in the Bank's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to credit risk, liquidity risk, strategic risk, reputational risk and market risk. It is also subject to country risk and various operating risks.

## 26.1 Credit Risk

Credit risk is the risk that the Bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The table below shows the credit quality of the Bank's financial instruments and the maximum exposure to credit risk based on the Bank's internal credit rating system and period end stage classification.

				Sub-	Past due but not	Individually	
	High grade	Standard	d grade	standard	impaired	impaired	
	Stage 1 ZWL	Stage 1 ZWL	Stage 2 ZWL	Stage 2 ZWL	Stage 3 ZWL	Stage 3 ZWL	Total ZWL
At 31 August 2020:							
Loans and advances to customers:							
Retail portfolio - Consumer and Mortgage loans	334,145,038	71,395,835	5,741,190	14,546,530	5,697,934	810,999	432,337,526
Corporate and SME portfolio	248,139,892	53,791,475	7,059,735	1,300,572	7,030,649	1,650,195	318,972,518
	582,284,930	125,187,310	12,800,925	15,847,101	12,728,583	2,461,195	751,310,043
Debt instruments measured at amortised cost:							
Exposure to banks	92,073,364	-	66,510,868	-	-	-	158,584,232
Government debt securities	672,342,807	-	-	-	-	-	672,342,807
	764,416,171	-	66,510,868	-	-	-	830,927,039
Other receivables	-	-	326,791,804	-	-	-	326,791,804
Contingent liabilities, commitments							
Financial guarantees	-	-	-	-	-	-	-
Commitments to lend	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,346,701,101	125,187,310	406,103,597	15.847.101	12.728.583	2.461.195	1,909,028,886

	2,445,164,311	3,998,604	-	-	- 848,735,070	3,297,897,9
quity	-	-	-	-	- 347,030,619	347,030,6
Deferred tax liability	-	-	-	-	- 8,934,429	8,934,4
)ther liabilities	_	-	_	_	- 43,358,002	43,358,0
rovisions	-	-			- 429,495,462	429,495,4
iabilities and equity peposits due to banks and ustomers oans and borrowings	2,445,164,311	3,998,604	-	-	- - 19,916,557	2,449,162,9 19,916,5
	20,040,240	102,330,340	713,314,334	522,707,478	70,007,020 1,007,774,491	5,150,152,5
ight of use assets	26,646,248	- 182,336,946	719 514 994	- 322,787,478	- 7,329,503 78,837,826 1,967,774,491	7,329,5 3,297,897,9
ntangible assets	-	-	-	-	- 151,882,160	151,882,1
roperty and equipment	-	-	-	-	- 284,555,725	284,555,7
nvestment property	-	-	-	-	- 96,574,878	96,574,8
nventories	-	-	-	-	- 5,931,764	5,931,7
ther receivables					- 370,194,862	370,194,8
ebt instruments measured at mortised cost	26,462,748	179,589,106		211,897,635		1,110,271,0
oans and advances to ustomers	183,501	2,747,840	27.193.475	110,889,843	78,837,827 -	219,852,4
<b>ssets</b> ash and cash equivalents		-	-	-	- 1,051,305,600	1,051,305,6
OTAL POSITION t 29 February 2020						
cumulative gap	(3,325,696,604)	(3,198,334,946) (	2,626,173,550)	(2,132,774,480) (	1,888,130,016) -	
nterest rate repricing gap	(3,325,696,604)	127,361,658	572,161,397		244,644,464 1,888,130,016	
	3,344,910,408	7,695,086	-	-	- 1,866,396,333	5,219,001,8
quity		-	-	-	- 556,838,169	556,838,1
ease liability	-	-	-	-	- 11,273,226	11,273,2
eferred tax liability	-	-	-	-	- 64,607,548	64,607,5
Other liabilities	_	_	_		- 1,180,624,985	1,180,624,9
eposits due to banks and ustomers rovisions	3,344,910,408	7,695,086	-	-	- 53,052,406	3,352,605,4 53,052,4
abilities and equity	19,213,804	135,056,743	572,161,397	493,399,070	244,644,464 3,754,526,349	5,219,001,8
ight of use assets		-	-	402 200 070	- 9,534,809	9,534,8
tangible assets	-	-	-	-	- 206,405,485	206,405,4
roperty and equipment	-	-	-	-	- 418,976,113	418,976,1
vestment property	-	-	-	-	- 436,106,144	436,106,1
ventories	-	-	-	-	- 60,735,290	60,735,2
mortised cost Ither receivables	18,644,376	126,529,824	487,776,358	149,292,856	326,495,685	782,243,4 326,495,6
oans and advances to customers ebt instruments measured at	569,428	8,526,919	84,385,039	344,106,214	244,644,464 -	682,232,0

ŻWL

ZWL

ZWL

ZWL

ZWL

ZWL

ZWL

Directors: B.T.R. Chidzero (Chairman), K. Akosah-Bempah, N.N. Chadehumbe (Dr.), R. Chimanikire, K. Chirairo, J. Gould, P.M. Mbizvo (Dr.), C. Mashavave\*. \*Chief Executive Officer. Registered Office: 101 Union Avenue Building, Kwame Nkrumah Avenue, Harare.

# **STEWARD** BANK

## **UNAUDITED ABRIDGED FINANCIAL STATEMENTS**

Everyday Banking For Everyday People

Member of the Deposit Protection Corporation A Registered Commercial Bank

## Cassava Smartech



## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

## 26 RISK MANAGEMENT (CONTINUED)

## 26.3 Liquidity risk

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due under both normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Bank has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

## 26.3.1 Liquidity ratios

	At 31 August 2020	At 29 February 2020
Loans to deposits ratio	22%	11%
Net liquid assets to customer liabilities ratio	62%	74%

## 26.3.2 Contractual maturities of undiscounted cash flows of financial assets and liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Bank's financial assets and liabilities. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Bank expects that many customers will not request repayment on the earliest date the Bank could be required to pay and the table does not reflect the expected cash flows indicated by the Bank's deposit retention history.

	On demand ZWL	Less than 3 months ZWL	3 months to 1 year ZWL	1 to 5 years ZWL	Over 5 years ZWL	Total ZWL
At 31 August 2020:						2001
Financial assets:						
Cash and cash equivalents	2,296,272,823	-	-	-	-	2,296,272,823
Loans and advances to customers	627,084	9,390,295	92,929,269	378,947,968	269,415,427	751,310,043
Debt instruments measured at	140 202 856	407 776 250	126 520 824	19 644 276		702 242 414
amortised cost Other receivables	326,495,685	487,776,358	120,529,824	18,644,376	-	782,243,414 326,495,685
Total undiscounted financial assets		497 166 653	210 / 50 003	207 502 3//	269 /15 /27	4,156,321,965
iotal unuiscounteu infancial assets	2,772,088,448	457,100,033	219,439,095	337,332,344	205,415,427	4,130,321,303
Financial liabilities:						
i maneral mabinities.						
Deposits due to banks and customers	3,344,910,408	7,695,086	-	-	-	3,352,605,494
Total undiscounted financial liabilities	3,344,910,408	7,695,086	-	-	-	3,352,605,494
Net undiscounted financial assets/ (liabilities)	(572,221,959)	489.471.567	219,459,093	397.592.344	269.415.427	803,716,471
(	(072)222,0007	100)112,001		007,002,011	200)120)127	
At 29 February 2020:						
Financial assets:						
Cash and cash equivalents	1,051,305,600	-		-	-	1,051,305,600
Financial assets at fair value through	1,001,000,000					2,002,000,000
profit or loss	-	-	-	-	-	-
Loans and advances to customers	225,666	3,379,239		136,370,137	96,953,201	270,370,241
Financial assets held-to-maturity		692,321,519	179,589,106	26,462,747	-	1,110,271,008
Other receivables	370,194,862	-	-	-	-	370,194,862
Total undiscounted financial assets	1,633,623,764	695,700,758	213,031,104	162,832,885	96,953,201	2,802,141,712
man and the following						
Financial liabilities:						
Deposits due to banks and customers	2,445,164,311	3,998,604	-	-	-	2,449,162,915
Loans and borrowings			-	-	-	-
Total undiscounted financial liabilities	2,445,164,311	3,998,604	-	-	-	2,449,162,915

Net undiscounted financial assets/ (liabilities)

## Commitments and guarantee

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the statement of financial position, they do contain credit risk and are therefore part of the overall risk of the Bank. The table below shows the Bank's maximum credit risk exposure for commitments and guarantees.

(811,540,547) 691,702,154 213,031,104 162,832,885 96,953,201 352,978,797

## NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (CONTINUED) FOR THE SIX MONTHS ENDED 31 AUGUST 2020

## 26 RISK MANAGEMENT (CONTINUED)

- 26.5 Reserve Bank Ratings (continued)
- 26.5.2 Summary risk matrix 30 November 2014 onsite examination

for the six months ended 31 August 2020

Type of Inherent Risk	Level of Inherent Risk	Adequacy of Risk Management Systems	Overall Composite Risk	Direction of Overall Composite Risk
Credit	High	Acceptable	High	Stable
Liquidity	Moderate	Acceptable	Moderate	Stable
Interest Rate	Low	Acceptable	Low	Stable
Foreign Exchange	Low	Acceptable	Low	Stable
Strategic Risk	Moderate	Acceptable	Moderate	Stable
Operational Risk	Moderate	Acceptable	Moderate	Stable
<b>Legal and</b> Compliance Risk	Moderate	Acceptable	Moderate	Stable
Reputational Risk	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Accontable	Moderate	Stable

KEY

### Level of Inherent Risk

Low – reflects a lower than average probability of an adverse impact on a banking institution's capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the banking institution's overall financial condition.

Moderate – could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

High – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in significant and harmful loss to the banking institution.

## Adequacy of Risk Management Systems:

Weak – risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution's risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention.

The internal control systems will be lacking in important aspects particularly as indicated by continued control exceptions or by the failure to adhere to written policies or procedures.

Acceptable – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognized and are being addressed. Management information systems are generally adequate.

Strong – management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk. The Board and senior management are active participants in managing risk and ensure appropriate policies and limits are put in place. The policies comprehensively define the bank's risk tolerance, responsibilities and accountabilities are effectively communicated.

KEY

## **Overall Composite Risk**

Low – would be assigned to low inherent risk areas. Moderate risk areas may be assigned a low composite risk where internal controls and risk management systems are strong and effectively mitigate much of the risk.

**Moderate** – risk management systems appropriately mitigates inherent risk. For a given low risk area, significant weaknesses in the risk management systems may result in moderate composite risk assessment. On the other hand, a strong risk management system may reduce the risk so that any potential financial loss from the activity would have only a moderate negative impact on the financial condition of the organization.

High – risk management systems do not significantly mitigate the high inherent risk. Thus, the activity could potentially result in a financial loss that would have a significant impact on the bank's overall condition.

**Direction of Overall Composite Risk** 

Increasing – based on the current information, risk is expected to increase in the next 12 months.

Decreasing - based on the current information, risk is expected to decrease in the next 12 months.

Stable – based on the current information, risk is expected to be stable in the next 12 months.

### 27 CAPITAL MANAGEMENT

The maximum exposure to credit risk relating to a financial guarantee is the maximum amount the Bank could have to pay if the guarantee is called upon. The maximum exposure to credit risk relating to a loan commitment is the full amount of the commitment. In both cases, the maximum risk exposure is significantly greater than the amount recognised as a liability in the statement of financial position.

	31	L August 2020 ZWL	29 February 2020 ZWL
Financial guarantees		-	
Commitments to lend		-	-
		-	

## 26.4 OTHER RISKS

## 26.4.1 Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Bank cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

### 26.4.2 Compliance risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with, law, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. This risk exposes the institution to fines and payment of damages. Compliance risk can lead to diminished reputation, limited business opportunities, reduced expansion potential, and an inability to enforce contracts. The Internal Audit and the Risk Department ensure that the Bank fully complies with all relevant laws and regulations.

## 26.4.3 Reputational risk

Reputational risk is the current and prospective impact on earnings and capital arising from negative public opinion. This affects the institution's ability to establish new relationships or services or continue servicing existing relationships. This risk may expose the institution to litigation, financial loss, or a decline in its customer base. The Bank has a Business Development department whose mandate is to manage this risk.

## 26.5 Reserve Bank Ratings

The Reserve Bank of Zimbabwe conducted an onsite inspection of the Bank in November 2014 and the final ratings that were determined on the Bank are detailed below:

## 26.5.1 CAMELS\* Ratings

CAMELS Component	<b>RBS**</b> Ratings 30/11/2014
Capital Adequacy	1 - Strong
Asset Quality	4 - Weak
Asset Quality	2 - Satisfactory
Earnings	4 - Weak
Liquidity	2 - Satisfactory
Sensitivity to Market Risk	2 - Satisfactory
Composite Rating	3 - Fair

\*CAMELS is an acronym for Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to Market Risk. The CAMELS rating system uses a scale of 1-5, where "1" is "Strong", "2" is "Satisfactory", "3" is "Fair", "4" is "Weak" and "5" is "Critical".

\*\* RBS stands for Risk-Based Supervision

The objective of the Bank's capital management is to ensure that it complies with the Reserve Bank of Zimbabwe (RBZ) requirements. In implementing the current capital requirements, the RBZ requires the Bank to maintain a prescribed ratio of total capital to total risk weighted assets. Risk weighted assets are arrived at by applying the appropriate risk factor as determined by the RBZ to the monetary value of the various assets as they appear on the Bank's statement of financial position.

### Regulatory capital consists of:

- Tier 1 Capital ("the core capital"), which comprises of share capital, share premium, retained earnings (including the current year profit or loss), the statutory reserve and other equity reserves.

The core capital shall comprise not less than 50% of the capital base and portfolio provisions are limited to 1.25% of total risk weighted assets.

- Tier 2 Capital ("supplementary capital"), which includes subordinated term debt, revaluation reserves and portfolio provisions.
- Tier 3 Capital ("tertiary capital") relates to an allocation of capital to meet market and operational risks.

The Bank's regulatory capital position was as follows:

	31 August 2020 ZWL	29 February 2020 ZWL
Share capital	4,077	4,077
Share premium	106,317,629	106,317,629
Accumulated profit	122,914,879	53,853,866
	229,236,585	160,175,572
Less: Capital allocated for market and operational risk	(35,089,485)	(27,901,769)
Advances to insiders	(7,918,768)	(67,993,461)
Guarantees to insiders	-	-
Tier 1 capital	186,228,331	64,280,342
Tier 2 capital		
Other reserves	327,601,584	186,855,047
General provisions	-	
	327,601,584	186,855,047
Total Tier 1 and 2 capital	513,829,916	251,135,389
Tier 3 capital (sum of market and operational risk capital)	35,089,485	27,901,769
Total Capital Base	548,919,401	279,037,158
Total risk weighted assets	1,436,092,452	177,740,059
Tier 1 ratio	13%	36%
Tier 2 ratio	23%	105%
Tier 3 ratio	2%	16%
Total capital adequacy ratio	38%	157%
RBZ minimum requirement	12%	12%

### 28 EXTERNAL CREDIT RATINGS

Rating agent: Global Credit Rating Co (GCR)

Most recent rating: October 2019
BBB

Directors: B.T.R. Chidzero (Chairman), K. Akosah-Bempah, N.N. Chadehumbe (Dr.), R. Chimanikire, K. Chirairo, J. Gould, P.M. Mbizvo (Dr.), C. Mashavave\*. \*Chief Executive Officer. Registered Office: 101 Union Avenue Building, Kwame Nkrumah Avenue, Harare.