

Circular 4 of 2009

Insurance Council of Zimbabwe (ICZ)

Zimbabwe Association of Reinsurance Organizations (ZARO)

Zimbabwe insurance Brokers Association (ZIBA)

Zimbabwe Association of Funeral Assurers (ZAFA)

Life Offices Association (LOA)

Standard Accounting Reporting Procedures

For quite sometime now the Short Term Liaison Committee meetings with the Commission have been discussing the best way to ensure that the reporting methods in our market are clear comparable and easy to follow and understand.

It has now become imperative to adopt reporting standards that will help stakeholders easily understand the industry's financial reports and be able to compare performance without too much of a hustle.

Attached therefore is a format that should be followed by short term companies. The reports will be submitted yearly or as and when the Commission requires. The first report relating to 2008 financials is required by the 31st July 2009.


M.S. Mpofu

COMMISSIONER OF INSURANCE PENSIONS AND PROVIDENT FUND

FOR THE PERIOD ENDING

FIGURES IN US\$

	BUSINESS WRITTEN IN ZIMBABWE		BUSINESS WRITTEN OUTSIDE ZIMBABWE		TOTAL BUSINESS	
	2008	2009	2008	2009	2008	2009
INCOME						
Gross Premiums						
Reinsurance						
Premiums written/less Reinsurance						
Transfer to/from Unearned Premiums						
Earned Premiums						
EXPENDITURE						
Claims Incurred						
Claims Paid and Outstanding Movement Incurred But Not Reported Movement						
Unearned Commission						
Commissions						
Expenses						
Operating Results						
INVESTMENT & OTHER INCOME						
Sundry Income/Expenses						
Investment Income						
Unrealised Movement arising from market valuation of equity						
Unrealised Movement arising from market valuation of investment						
Foreign exchange Gain/Loss on financial assets						
Monetary Adjustment (after IAS)						
Profit Before Taxation						
Taxation						
Profit After Tax						
Dividends						
Retained Profit for the year						
Retained Income B/F						

CAPITAL LEVELS TO BE RAISED BY EXISTING INSURANCE COMPANIES

BY 31 DECEMBER 2009

Table A

		<u>US\$</u>	
1	Life Assurers	500,000	
2	Short term Insures	300,000	
3	Reinsures - Life	400,000	
4	Reinsures - Short	400,000	
5	Funeral Assurers	350,000	
6	Fund Administrators	300,000	
7	Brokers	100,000	(Professional Indemnity)
		100,000	(Approved Securities)
8	Multiple Agents	75,000	Professional Indemnity
		25,000	(Approved Securities)

Note

To sustain current business whilst in the process of raising capital to above levels companies should raise 25 percent of the required capital by 31 JULY 2009 as in Table B below

Table B

		<u>US\$</u>	
1	Life Assurers	125,000	
2	Short term Insures	75,000	
3	Reinsures - Life	100,000	
4	Reinsures - Short	100,000	
5	Funeral Assurers	87,500	
6	Fund Administrators	75,000	
7	Brokers	100,000	(Professional Indemnity)
		25,000	(Approved Securities)
8	Multiple Agents	75,000	Professional Indemnity
		6,250	(Approved Securities)