FINCENT SECURITIES (PVT) LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENEDED

31 DECEMBER 2024

NATURE OF BUSINESS

The main business of the company is buying and selling of shares on the Zimbabwe Stock Exchange on behalf of clients.

REGISTERED OFFICE	5A Avonrise Avondale Harare

DIRECTORS

Mr R.Makwata	Executive Director
Mr R.G Zengeni	Executive Director
Mr H. Shumba	Non-executive Director
Mr D. Sigauke	Non-executive Director
Mr I. Nehanda	Accountant

AUDITORS	Kreston Zimbabwe Chartered Accountants Block A,Ground Floor Smatsatsa Office Park Borrowdale **Harare**
PRINCIPAL BANKERS	CABS Borrowdale Branch **Harare** ZB Bank Natal Branch **Harare**

FINCENT SECURITIES (PVT) LTD
<u>DIRECTOR'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024</u>

Its the directors' responsibility to ensure that the financial statements fairly present the state of affairs of the company. The external auditors are responsible for independently reviewing and reporting on the financial statements.

Directors have assessed the ability of Fincent Securities (Pvt) Ltd to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, directors believe that under the current economic environment a continuous assessment of the ability of company to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.
The financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRS). The statements are based on the appropriate accounting policies which were supported by reasonable and prudent judgements and estimates.

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

In light of the current financial position, directors are satisfied that Fincent Securities (Pvt) Ltd is a going concern and has continued to adopt the going concern basis in preparing the financial statements.

The external auditors are responsible for independently reviewing and reporting on company's financial statements. The financial statements have been audited by company's external auditors and their report is presented on pages 4 to 7.

Company`s financial statements which are set out below on pages 8 to 27 were in accordance with their responsibilities, approved by the company executives on ……31/3/……………………….2025 and are signed on their behalf by:

……………………………… ……………………………
DIRECTOR **DIRECTOR**

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FINCENT SECURITIES (PVT) LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS
Qualified Opinion
We have audited the financial statements of Fincent Securities (Pvt) Ltd set out on pages 8 to 33 which comprise the statements of financial position as at 31 December 2024, and the separate statements of comprehensive income, separate statements of changes in equity and separate statement of cash flow for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects matters described in the Basis for Qualified Opinion paragraph below, the accompanying financial statements present fairly the financial position of Fincent Securities (Pvt) Ltd as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis for Qualified Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of the financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion except for the matter below.

1. **Trade receivables**

   The financial statements include receivables reclassified from the creditors' control account amounting to ZWG1,204,256.37. We could not obtain sufficient evidence over the valuation, existence and accuracy of the accounts receivable. Alternative procedures could not yield satisfactory results.

2. **Trade payables**
   The financial statements include prepayments reclassified from the debtors' control account amounting to ZWG 2,149,369.55. We could not obtain sufficient evidence over the valuation, existence and accuracy of the accounts receivable. Alternative procedures could not yield satisfactory results.

Material Uncertainty Related to Going Concern

As noted within the Management's Responsibility statement on page 3, the management has concluded that it is appropriate to prepare financial statements using the going concern basis of accounting. The going concern basis presumes that the company has adequate resources to remain in operation, and that management intend it to do so, for at least one year from the date of financial statements were signed. As part of our audit, we have assessed that management use of going concern basis is appropriate.

Emphasis of Matter
The Zimbabwe Gold (ZWG) was introduced on 5 April 2024, pursuant to Statutory Instrument 60

of 2024 (SI 60/2024), marking the discontinuation of the Zimbabwe Dollar (ZWL). As a result, the functional currency of the fund changed from the Zimbabwe Dollar (ZWL) to the Zimbabwe Gold (ZWG). The entity also elected to change its presentation currency to the Zimbabwe Gold (ZWG). In accordance with International Financial Reporting Standards (IFRS), the change in functional currency is applied prospectively, whereas the change in presentation currency is applied retrospectively.

In accordance with International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates, transactions should be translated using exchange rates applicable at the transaction date. The Zimbabwe Gold (ZWG) did not exist prior to 5 April 2024.

The 2023 comparatives and transactions from 1 January 2024 to 5 April 2024 presented in the Zimbabwe Gold (ZWG) are based on hypothetical conversions, rather than actual historical exchange rates and should be relied upon with this in mind. We draw your attention to note 2.1.2 which shows how the figures prior to 5 April 2024 were arrived at.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation of these matters. Accordingly, our audit concluded the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provided the basis for our audit opinion on the accompanying financial statements.

<table>
<tr><th>KEY AUDIT MATTERS</th><th>HOW OUR AUDIT ADDRESSED THE MATTERS</th></tr>
<tr><td colspan="2">Revenue recognition</td></tr>
<tr><td>Revenue Recognition
The company`s revenue is primarily generated from the brokerage fees paid by its client. The accuracy of revenue recorded in the financial statements in an inherent risk because the transactions are in large volumes and their different systems.
We identified revenue recognition as a key audit matter because revenue is one of the performance indicators of the company because it involves complex IT systems and management judgment both of which give rise to an inherent risk that</td><td>Our audit procedure in relation to the recoverability of trade receivables include:
Understanding the policies and procedures applied to revenue recognition as well as compliance therewith, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the company.
Carrying out substantive analytical procedures for the company, analysing the actual performance of revenue and costs.</td></tr>
</table>

revenue could be subject to manipulation to meet targets or expectations.	

Other information

Other information consists of the management's responsibility statement included in the financial statements, other than the Company's financial statements and our auditor's report thereon. The management are responsible for the other information.

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

In connection with our audit of the company's financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The management of Fincent Securities (Pvt) Ltd are responsible for the preparation and fair presentation of the company financial statements in accordance with IFRS and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's will always detect a material misstatement when it exists. Misstatements can arise from or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Company financial statements.

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

- Identify and assess the risk of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intention omission, misrepresentations, or the override or internal control.

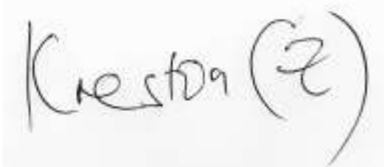
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedure that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness on the company internal controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors

- Conclude on the appropriateness of the company's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a materials uncertainty exists, we are required to draw attention in our audit report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company's activities within the exchange to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that that we identify during our audit.
We also provide the company with a statement that we have complied with relevant ethical requirement regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with directors, we determined those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the other legal and regulatory Requirements.
In our opinion, the financial statements have in all material respects been properly prepared in compliance with disclosure requirements of the Companies and Other Business Entities Act [Chapter 24:31].

The engagement partner on the audit resulting in this independent auditor's report is Mr. Modern Mutumwa (PAAB Practicing Certificate Number: 0540)



31 March 2025

KRESTON ZIMBABWE CHARTERED ACCOUNTANTS **DATE**
REGISTERED PUBLIC AUDITORS
HARARE

FINCENT SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		INFLATION ADJUSTED		HISTORICAL	
	Note	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
ASSETS					
Non current assets					
Equipment	4	525,927	760,316	295,465	427,144
Intangible Asset	5	21	37	21	21
Right of use Asset	6	-	-	-	-
		525,948	**760,353**	**295,486**	**427,164**
Current assets					
Trade and other receivables	7	2,004,457	7,089,255	2,004,457	3,982,727
Financial Assets	8	796,275	258,366	796,275	145,149
Cash and cash equivalents	9	172,128	49,321	172,128	27,708
		2,972,859	**7,396,940**	**2,972,859**	**4,155,584**
Total assets		**3,498,807**	**8,157,293**	**3,268,344**	**4,582,748**
EQUITY AND LIABILITIES					
Equity					
Share capital		8	8	4	4
Share Premium		18,683	18,683	10,496	10,496
Shareholder funds		2,755,982	2,387,758	1,709,661	1,341,437
Retained Earnings		(1,630,637)	(1,604,818)	(752,661)	(901,583)
		1,144,036	**801,631**	**967,500**	**450,355**
Non current liabilities					
Deferred tax liability	11	130,009	195,781	76,082	109,989
Lease liability	6	-	-	-	-
		130,009	**195,781**	**76,082**	**109,989**
Current liabilities					
Trade and other payables	13	2,218,510	7,148,680	2,218,510	4,016,112
Bank Overdraft	10	7	84	7	47
Tax payable	12.3	6,245	11,116	6,245	6,245
Lease liability	6	-	-	-	-
		2,224,762	7,159,880	2,224,762	4,022,404
Total liabilities		**2,354,771**	**7,355,661**	**2,300,844**	**4,132,394**
Total equity and liabilities		**3,498,807**	**8,157,293**	**3,268,344**	**4,582,748**

Signed for and on behalf of Fincent Securities by:

.... 31-03-2025
....

EXECUTIVE DIRECTOR **Date**

.... 31/03/25
....

EXECUTIVE DIRECTOR **Date**

FINCENT SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		INFLATION ADJUSTED		HISTORICAL	
	Note	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Revenue		**6,944,368**	**585,544**	**3,956,745**	**328,958**
Brokerage commission		588,030	495,676	383,300	278,469
Other income	**14**	6,356,338	89,869	3,573,445	50,488
Total Expenditure		**(1,540,435)**	**(1,607,610)**	**(979,288)**	**(903,152)**
Administrative expenses	**15**	562,896	664,382	347,851	373,249
Employee Costs	**16**	977,539	943,227	631,437	529,903
Operating Profit		**5,403,933**	**(1,022,065)**	**2,977,457**	**(574,194)**
Fair Value through profit &loss	**8**	281,015	13,477	281,015	7,571
Profit Before Tax		5,684,948	(1,008,588)	3,258,472	(566,623)
Taxation	**12.1**	65,772	(195,359)	33,907	(109,752)
Profit After Taxation		**5,750,720**	**(1,203,948)**	**3,292,379**	**(676,375)**
Net Monetary (Loss)/Gain		(3,370,091)	(5,191,547)	(3,143,457)	(1,564,662)
Net (Loss)/ Profit for the year		**2,380,628**	**(6,395,495)**	**148,922**	**(2,241,038)**

FINCENT SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

Inflation Adjusted

	Share capital ZWG	Share Premium ZWG	Shareholder funds ZWG	Accumulated funds ZWG	Total ZWG
Balance as at 1 January 2023	**8**	**18,683**	**-**	**2,384,229**	**2,402,920**
Profit for the year	-	-	-	**(6,395,495)**	**(6,395,495)**
Capital injection	-	-	2,387,758	-	**2,387,758**
Balance as at 31 December 2023	**8**	**18,683**	**2,387,758**	**(4,011,266)**	**(1,604,818)**
Loss for the year	-	-	-	**2,380,628**	**2,380,628**
Capital injection		-	368,224	-	**368,224**
Balance as at 31 December 2024	**8**	**18,683**	**2,755,982**	**(1,630,637)**	**1,144,034**

Historical

	Share capital ZWG	Share Premium ZWG	Shareholder funds ZWG	Accumulated funds ZWG	Total ZWG
Balance as at 1 January 2023	**4**	**10,496**	**-**	**1,339,455**	**1,349,955**
Profit for the year	-	-	-	(2,241,038)	**(2,241,038)**
Capital injection	-	-	1,341,437	-	**1,341,437**
Balance as at 31 December 2023	**4**	**10,496**	**1,341,437**	**(901,583)**	**450,355**
Loss for the year	-	-	-	148,922	**148,922**
Capital injection	-	-	368,224	-	**368,224**
Balance as at 31 December 2024	**4**	**10,496**	**1,709,661**	**(752,661)**	**967,500**

FINCENT SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	INFLATION ADJUSTED		HISTORICAL	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
CASHFLOWS FROM OPERATING ACTIVITIES				
Profit before tax	5,684,948	(1,008,588)	3,258,472	(566,623)
Non Cash items				
Depreciation charge for the year	234,388	239,837	131,679	134,740
Loss on lease cancellation	-	39,434	-	22,154
Fair-value adjustment on shares	(281,015)	(13,477)	(281,015)	(7,571)
Unrealised profit	(6,356,337)	(47,441)	(3,573,445)	(47,441)
Cashflow from operations before working capital changes	**(718,016)**	**(790,235)**	**(464,309)**	**(464,741)**
Adjustments for working capital				
(Decrease)/Increase in trade and other receivables	(5,084,798)	138,116	(1,978,270)	77,593
Decrease in trade and other payables	(4,930,170)	(9,721,656)	(1,797,602)	(5,461,605)
Net cash outflow from operating activities	**(10,732,983)**	**(10,373,775)**	**(4,240,182)**	**(5,848,752)**
CASHFLOWS FROM INVESTING ACTIVITIES				
Acquisition of Trade Investments (Shares)	-	(442,902)	-	(248,821)
Net cash inflow from investing activities	**-**	**(442,902)**	**-**	**(248,821)**
CASHFLOWS FROM FINANCING ACTIVITIES				
Shareholders loan received	-	1,902,202	-	1,068,653
Net cash inflow from financing activities	**-**	**1,902,202**	**-**	**1,068,653**
Net decrease in cash and cash equivalents	**(10,732,983)**	**(8,914,475)**	**(4,240,182)**	**(5,028,920)**
Net effects of IAS 29	10,855,867	(19,837,295)	4,384,641	(11,123,759)
Cash and cash equivalents balance at beginning of the year	49,236	28,801,006	27,661	16,180,340
Balance at the end of the year	172,120	49,236	172,120	27,661
Represented by:	172,120	49,236	172,120	27,661
Cash and cash equivalents	172,128	49,321	172,128	27,708
Bank Overdraft	(7)	(84)	(7)	(47)

1. General information

Nature of business

The company is incorporated in Zimbabwe (Registration number: 5773/2019), its main business is buying and selling of shares on the Zimbabwe Stock Exchange.

1.1 Currency

The company's functional and presentation currency is the Zimbabwean Dollar (ZWG).

2.1 Basis of Preparation

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

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB). The financial statements are based on statutory records that are maintained under the historical cost convention, except for available for sale investments which are carried at fair value.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

2.1.1 Determination of the functional currency

Over the past few years, there have been notable changes in monetary policy and exchange control measures that have had a positive impact on company's operations. In March 2020, SI 185 of 2020 "Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations was pronounced, introducing dual pricing and displaying, quoting, and offering of prices for goods and services in both local and foreign currency. In June 2022, SI 118A of 2022 "Presidential Powers (Temporary Measures) (Amendment of Exchange Control Act) Regulations, 2022" was entrenched into law, allowing the multicurrency regime to continue till December 2025. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, providing much-needed policy clarity on the continuation of the multi-currency regime.

As a result of the above monetary and fiscal measures, the economy witnessed a substantial increase in foreign currency transactions. Management assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwean Dollar as the functional remained appropriate. In assessing the functional currency, the Directors considered the parameters set in IAS 21 as follows:

- The currency that mainly influences the sales prices for goods and services
- The currency of the competitive forces and regulations that mainly determines the sales prices of goods and services.
- The currency that mainly influences labour, material, and other costs of providing goods and services (normally the currency in which such costs are denoted and settled)
- The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

In light of the developments summarised above and guidance from IAS 21, the management concluded that company's functional currency remains the Zimbabwe dollar (ZWG$), and values are rounded to the nearest ZWG$ except when otherwise indicated.

The first quarter preceding the introduction of the ZWG$ the ZWL$ was the functional currency and all amounts were translated using the rate of 2,498.7242

- **2.1.2 Application of International Accounting Standards 29, Financial Reporting in Hyperinflationary Economies ("IAS 29")**

These financial results have been prepared in accordance with IAS 29 and requires that the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that corresponding figures for the previous period also be restated in terms of the same measuring unit.

Following the pronouncement of SI 27 of 2023, Census and Statistics (General) Notice, 2023 which introduced blended inflation rates replacing the ZWG$ inflation rates and Consumer Price Index (CPI) effective February 2023, the company used a combination of the Zimbabwe consumer price index (CPI) compiled by Zimbabwe National Statistics.

Agency (ZIMSTAT) up to January 2024 and an internal estimation based on the published Total Consumption Poverty Line (TCPL) from February to December 2024 to determine the IAS 29 conversion factor. The indices and conversion factors used to restate these financials are given below.

Date	Currency	Closing Indices	Conversion Factors
31-Dec-23	ZWL	65 703.45	6.532682
31-Mar 24	ZWL	429 291.70	1.000000
30-Apr-24	ZWG	650.30	1.77872
31-Dec-24	ZWG	1 156.70	1.00000

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

- All comparative figures as at the end of the period 31 December 2023 were restated by applying the change in the index from the date of the last re-measurement to 31 March 2024 and subsequently restated to December 2024 by applying the March 2024 index.
- Monetary assets and liabilities were not restated because they are already stated in terms of the measuring unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet and components of shareholders' equity were restated by applying the change in the index from the date of the transaction or, if applicable, from the date of their most recent revaluation to 31 December 2024.
- The inflation effects on cash and cash equivalents were shown separately in the reconciliation of cash and cash equivalents. The company considered the broad objectives of IAS 29 and IAS 7 to appropriately present and disclose the effects of inflation on cash and cash equivalents.

IAS 29 discourages publication of historical financial statements as a supplement to inflation adjusted accounts. However, Historical financial statements have been published to allow comparability in applying the standard.

2.2 Property Plant and Equipment

Property and equipment are tangible items that are held for use in the production or supply of goods or services, rental to others or for administrative purposes; and are expected to be used during more than one period. Property and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property and equipment, the carrying amount of the replaced part is derecognised.

Property and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is charged so as to write off the depreciable amount of the assets, other than land, over their estimated useful lives, using a method that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Where significant parts of an item have different useful lives to the item itself, these parts are depreciated over their estimated useful lives. The methods of depreciation, useful lives and residual values are reviewed annually. The following methods and rates were used during the year:

Office Equipment	Straight line	5 years
Furniture and Fittings	Straight line	10 years
Computer equipment	Straight line	5 years

2.3 Financial Instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.3.1 Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.3.2 Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

2.3.3 Trade and Other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 120 days overdue) are considered indicators that the receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a receivable is uncollectable, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

2.4 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

2.5 Revenue Recognition

The Company recognises revenue from the following major sources:

- Commission/Brokerage fees
- Interest received
- Realised and unrealised profits/loss

Revenue is measured at the fair value of the consideration received or receivable for the provision of goods in the ordinary course of the company's activities. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the company and specific criteria have been met for each of the company's activities. The following specific policies apply to the category of Revenue:

Commission/Brokerage fees

For commission/brokerage fees, revenue is recognised when the service is rendered and the deal is complete.

Interest income

Interest is recognized on a time proportion basis taking account of the principal outstanding and effective rate over the period to maturity.

Realised and unrealised profits/loss

Realised and unrealized profits/ loss arises from the Company's investments in listed equity. Realised income or loss is recognized when the Company makes a profit or loss on selling listed shares and unrealised profit/loss is recognized at each cut-off date based on the movement of the share price of the underlying portfolio.

2.6 Foreign Currencies

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Retirement Benefit Costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions. Retirements benefits are provided for the Company's employees through the Zimbabwe government's National Social Security Authority. The amounts payable to the National Social Security Authority are determined by the systematic recognition of legislated contributions. Payments to the retirement benefit scheme is charged as an expense as it falls due.

2.8 Termination Benefits

Termination benefits are recognised at the earlier of when the Company can no longer withdraw the offer for the benefits or when the entity recognises costs for a restructuring that involves the payment of termination benefits. The calculation takes into account the employees' basic salary at agreed rate over the years of service.

2.9 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable income for the year. Taxable income differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.10 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3 Significant Accounting Policies

Significant Judgements and sources of estimation uncertainty

Taxation

Judgement is required in determining the provision for income taxes due to complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made

Inflation Adjusted

4 EQUIPMENT

	Office Equipment ZWG	Furniture & Fittings ZWG	Computer Equipment ZWG	TOTAL ZWG
Balance at 1 January 2023	**39,403**	**250,021**	**1,034,773**	**1,324,197**
Additions	-	-	-	-
Balance at 31 December 2023	**39,403**	**250,021**	**1,034,773**	1,324,197
Additions	-	-	-	-
Balance at 31 December 2024	**39,403**	**250,021**	**1,034,773**	1,324,197
Depreciation and Impairment				
Balance at 1 January 2023	**29,091**	**178,145**	**116,807**	**324,044**
Charge for the year	7,881	25,002	206,955	239,837
Balance at 31 December 2023	**36,972**	**203,148**	**323,762**	**563,881**
Charge for the year	2,431	25,002	206,955	234,388
Balance at 31 December 2024	39,403	228,150	530,717	798,269
Net book Value				
At 31 December 2024	-	21,871	504,056	525,927
At 31 December 2023	2,431	46,873	711,011	760,316

Historical Cost

4 EQUIPMENT

	Office Equipment ZWG	Furniture & Fittings ZWG	Computer Equipment ZWG	TOTAL ZWG
Balance at 1 January 2023	**22,137**	**140,461**	**581,333**	**743,931**
Additions	-	-	-	-
Balance at 31 December 2023	**22,137**	**140,461**	**581,333**	**743,931**
Additions	-	-	-	-
Balance at 31 December 2024	**22,137**	**140,461**	**581,333**	**743,931**
Depreciation and impairment				
Balance at 1 January 2023	**16,343**	**100,082**	**65,622**	**182,047**
Charge for the year	4,427	14,046	116,267	134,740
Balance at 31 December 2023	**20,771**	**114,128**	**181,889**	316,787
Charge for the year	1,366	14,046	116,267	131,679
Balance at 31 December 2024	**22,137**	**128,174**	**298,155**	448,466
Net book Value				
At 31 December 2024	-	12,287	283,178	295,465
At 31 December 2023	1,366	26,333	399,444	427,144

5 Intangible Asset

SEC Zimbabwe License	21	37	21	21

This is a license for operations from the regulator Securities Exchange Comission of Zimbabwe. This is classified as an intangible asset with an indefinitie useful life and is reviewed annually for impairment.

6 Right of Use

The company leases buildings under finance lease expiring in three years and 3 months

Right of use Asset

The company is in a lease agreement where it obtained the right to use office premises. The right of use assets is amortized over 4 years and three months.

	INFLATION ADJUSTED		HISTORICAL	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Right of Use Asset at Cost				
Opening Balance	-	58,178	-	32,684
Lease modification	-	-	-	-
Termination of lease	-	(58,178)	-	(32,684)
	-	-	-	-
Amortisation				
Opening Balance	-	21,222	-	11,922
Charge for the year	-	-	-	-
Termination of lease	-	(21,222)	-	(11,922)
	-	-	-	-
Carrying Amount	-	-	-	-

Lease liability

The lease liability is resulting from obligatory lease payments that will be paid throughout the lease period.The lease liability is measured at amortized cost as per IFRS 9.The present value was determined and amortized using the 25% which was the interest rate for borrowings as reflected by Reserve Bank of Zimbabwe

	INFLATION ADJUSTED		HISTORICAL	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening balance	-	-	-	-
Lease liability assumed	-	59,771	-	33,579
Adjustment for change in lease agreement	-	-	-	-
Amortization of the period	-	-	-	-
Lease Payments	-	-	-	-
Termination of lease	-	(59,771)	-	(33,579)
Closing balance	-	-	-	-
Current Portion	-	-	-	-
Non Current Portion	-	-	-	-
Total lease liability	-	-	-	-

		INFLATION ADJUSTED		HISTORICAL	
7	**Trade and Other receivables**	**2024 ZWG**	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
	Trade receivables	1,204,256	7,089,255	1,204,256	3,982,727
	Other receivables	800,201	-	800,201	-
	Total financial assets other than cash and cash equivalents	**2,004,457**	**7,089,255**	**2,004,457**	**3,982,727**
	The carrying value of trade and other receivables approximates the fair value.				
	Up to 3 months	2,004,457	7,089,255	2,004,457	3,982,727

The accounts receivable have been assessed for impairment as at year end and the balances are not impaired.

8	**Finacial assets at fair value through profit/loss**				
	Listed equity securities				
	Opening Balance	258,366	53,673	145,149	30,153
	Shares purchased at cost	-	442,902	-	248,821
	Restatement of old mutual shares	-	-	370,111	-
	Closing Balance at Cost	258,366	496,575	515,260	278,974
	Fair-value adjustment	281,015	13,477	281,015	7,571
	Effects of IAS 29	256,895	(251,686)	-	(141,397)
	Balance as at31 December Fair value	**796,275**	**258,366**	**796,275**	**145,149**
9	**Cash and cash equivalents**	**0**		**0**	**796275**
	Cash and cash equivalents comprises the following:				
	Cash at bank	172,128	49,321	172,128	27,708
		172,128	**49,321**	**172,128**	**27,708**
10	**Overdrafts**				
	Bank	7	84	7	47
		7	**84**	**7**	**47**

		INFLATION ADJUSTED		HISTORICAL	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
11	**Deferred Tax**				
	Property and Equipment	130,009	195,781	76,082	109,989
	Closing deferred tax liability	**130,009**	**195,781**	**76,082**	**109,989**
	Deferred tax liability at the beginning of the year	195,781	422	109,989	237
	Deferred tax movement	(65,772)	195,359	(33,907)	109,752
12.1	**Income Tax Expense**				
	Current taxation	-	-	-	-
	Deferred tax	(65,772)	195,359	(33,907)	109,752
	Tax expense	(65,772)	195,359	(33,907)	109,752
12.2	**Reconciliation of income tax charge**				
	Profit from continuing operations	5,684,948	(1,008,588)	3,258,472	(566,623)
	Tax at the Zimbabwe Tax rate (24.72%)	1,405,319	-	805,494	-
	Non taxable income	(1,922,816)	-	1,608,133	-
	Movement in temporary differences	(65,772)	195,359	(33,907)	109,752
	Income Tax Expense	(583,269)	195,359	2,379,720	109,752
12.3	**Tax Payable**				
	Opening Balance	11,116	166,930	6,245	93,781
	Current year charge	-	-	-	-
	Tax paid	-	(155,814)	-	(87,536)
	Effects of IAS 29	(4,872)	-	-	-
	Closing Balance	6,245	11,116	6,245	6,245

		INFLATION ADJUSTED		HISTORICAL	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
13	**Trade and Other Payables**				
	Trade Payables	2,149,370	7,057,689	2,149,370	3,964,994
	Salaries Payable	28,857	-	**28,857**	-
	PAYE Payable	19,877	-	19,877	-
	NSSA Payables	5,934	-	5,934	-
	Zimdef payable	209		209	
	Stamp duty	11,521	18,850	11,521	10,590
	VAT	-	9,708	-	5,454
	Capital Gains Tax	-	52,232	-	29,344
	Web Services Payable	2,742	-	2,742	-
	ZSE Levy Payable	-	10,200	-	5,730
	Total trade and other payables	**2,218,510**	**7,148,680**	**2,218,510**	**4,016,112**

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

14	**Other Income**				
	Unrealised Profit	6,356,337	84,444	3,573,445	47,441
	Interest received	1	5,424	1	3,047
	Fair Value through Profit and Loss	-	-	-	-
		6,356,338	**89,869**	**3,573,445**	**50,488**

15	**Administration Expenses**				
	IMMT Tax	16,835	11,967	11,171	6,723
	NMI Rebates	15,656	10,023	8,797	5,631
	Investor protection Levy	-	447	-	251
	Licensing	134,303	20,047	96,444	11,262
	Bank Charges	39,035	19,128	23,565	10,746
	Computer Expenses	-	55,202	-	31,012
	Consultancy	21,804	136,173	14,563	76,502
	Depreciation	234,388	239,837	131,679	134,740
	Printing & Stationery	-	16,921	-	9,506
	Staff training	-	2,335	-	1,312
	Audit Fees	-	63,628	-	35,746
	Penalties	-	12,890	-	7,241
	Loss on termination of Lease	-	39,434	-	22,154
	Interest paid	-	16,914	-	9,502
	Web services	100,875	15,190	61,634	8,534
	Subscriptions	-	4,246	-	2,385
		562,896	**664,382**	**347,851**	**373,249**

	INFLATION ADJUSTED		HISTORICAL	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
16 Employee costs				
Net Salary	426,155	415,123	275,719	233,215
PAYE	47,731	40,275	32,951	22,626
Medical Aid	443,874	445,871	287,628	250,490
Nssa	16,286	17,057	10,805	9,583
ZIMDEF	3,579	5,203	2,380	2,923
Professional indemnity	-	835	-	469
Funeral cover	39,914	18,864	21,954	10,598
	977,539	943,227	631,437	529,903

17 Related party information

Related parties	**Nature of relationship**
Mr R.Makwata	Executive Director
Mr R.G Zengeni	Executive Director
Mr H. Shumba	Non-executive Director
Mr D. Sigauke	Non-executive Director

During the year the company entered into the following transactions with related parties:

Compensation to key management
Key management personnel are employees who have authority and are responsible for planning, directing and controlling the activities of the company.

Mr R.Makwata	-	110,808	-	62,252
Mr R.G Zengeni	-	110,808	-	62,252
	-	**221,617**	**-**	**124,504**

18 Financial risk management

Financial instruments risk

The company is exposed through its operations to the following financial risks:

1. Credit risk
2. Liquidity risk
3. Interest risk
4.Legal and compliance risk
5. Operational risk
6. Strategy risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantial changes in the company's exposure to financial instrument risks, its objectives, policies and processes for

managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises, are as follows:

a) Trade and other receivables
b) Cash at bank
c) Financial Assets at Fair Value Through Profit and Loss
d) Trade and other payables

A summary of the financial instruments held by category is provided below:

Financial assets

	Loans and receivables			
	INFLATION ADJUSTED		**HISTORICAL**	
	2024 ZWG	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Cash and cash equivalents	172,128	49,321	172,128	27,708
Trade and other receivables	2,004,457	7,089,255	2,004,457	3,982,727
Financial Assets at Fair Value Through Profit and Loss	796,275	258,366	796,275	145,149
Total financial assets	**2,972,860**	**7,396,941**	**2,972,860**	**4,155,585**

Financial liabilities

	Financial liabilities at amortised cost		Financial liabilities at amortised cost	
	2024 ZWG	**2023 ZWG**	**2024 ZWG**	**2023 ZWG**
Trade and other payables	**2,149,370**	**7,057,689**	**2,149,370**	**3,964,994**

18 Financial risk management cont'd

General objectives, policies and processes

The Board has overall responsibility for the determination of the company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's finance function.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial assets which potentially subject the company to concentrations of credit risk consist primarily of cash and trade receivables. The company's cash and cash equivalents are placed with high quality financial institutions. The credit risk with respect to trade receivables is limited to contractual obligations by debtors. The carrying amount of the trade and other receivables is the same as the maximum exposure.

Liquidity risk

This is the risk of insufficient liquid funds being available to cover commitments. In order to mitigate any liquidity risk that the company faces, the company's policy has been throughout the year ended 31 December 2023, to maintain significant liquid resources.

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Over 2 years
	ZWG	ZWG	ZWG	ZWG
At 31 December 2024				
Trade and other payables	**2,149,370**	-	-	-

Interest rate risk

This is the risk that arises from the adverse movement in the value of future interest receipts resulting from movements in interest rates. The interest rates for interest receivable from local financial institutions are generally pegged against the Reserve Bank of Zimbabwe rates.

19Environmental, Social and Governance Policy

19.1Policy

This Environmental, Social and Governance ("ESG") Policy outlines Fincent Securities (Private) Limited 's approach to assessing ESG risks and value creation opportunities in the context of stockbroking services offered to corporate, institutional, and private clients. Fincent Securities (Private) Limited prioritizes material ESG considerations in its due diligence processes and ongoing management of client investments, when reasonably practical. For the purpose of this policy, material ESG issues are defined as those that Fincent Securities (Private) Limited determined significantly impact an organization's ability to generate or maintain economic, environmental, and social value for itself, its communities, and stakeholders.

Examples of ESG matters include:

- **Environmental: energy use, carbon emissions, pollution, waste, and water management**.
- **Social: human rights, equality, health and safety, community impacts.**
- **Governance: management structure, compliance with regulations, and conflict of interest policies**.

As a long-term investor, we believe we have a fiduciary obligation to proactively address ESG risks and opportunities as part of our investment strategy to create long-term sustainable value for ISZ's limited partners. ISZ is a signatory to the Principles for Responsible Investment ("**PRI**"), an initiative supported by the United Nations that provides a voluntary framework to help institutional investors incorporate environmental, social and corporate governance issues into investment analysis, decision-making and ownership practices.

19.2Objectives

ISZ seeks to:

A. Evaluate environmental, governance, safety, and social issues associated with potential investment opportunities.
B. Engage with stakeholders, including local communities and government entities, to communicate ESG priorities.
C. Develop and enhance the long-term sustainability of client investments for diverse stakeholders.
D. Collaborate with portfolio companies and stakeholders to advance ESG initiatives.
E. Ensure transparency and timely communication regarding ESG matters with clients.
F. Adhere to strict anti-bribery and anti-money laundering regulations.

19.3 ESG When making an investment

During the investment evaluation process, ISZ will:

A. Assess the type, geography, and control of investments, reviewing relevant ESG elements and engaging external advisors for formal reports addressing transaction merits and risks.
B. Avoid investments in companies or projects that violate human rights, including child

or forced labor and discriminatory practices.

C. Identify strategies to mitigate potential ESG risks and leverage opportunities for value enhancement post-acquisition.

19.4 ESG as Part of Fincent Securities (Private) Limited.

Fincent Securities (Private) Limited incorporates ESG risks and opportunities into its evaluation of investment prospects and ongoing management of client portfolios. The extent of management and monitoring will depend on the level of influence Fincent Securities (Private) Limited has over the client's portfolio. Effective handling of ESG risks and opportunities is viewed as a means to enhance investment value, leading to sustainable practices.

A. Integrates ESG risks and opportunities identified during due diligence into post-acquisition action plans.

B. Requires ongoing disclosure from project companies, in the form of quarterly reporting and regular key performance indicators.

C. Where appropriate, considers ESG matters as part of a portfolio company's incentive program.

D. Complies with applicable local, state, provincial, national and international labor laws and standards applicable to the jurisdictions in which it invests. ISZ strives to provide a safe, healthy and supportive work environment at all of its portfolio investments and supports competitive wages and benefits for its employees.

19.5 Reporting and Transparency

Fincent Securities (Private) Limited partners integrate ESG factors into its internal reporting.

19.6 Scope and Responsibilities

Senior professionals within Fincent Securities (Private) Limited's investment team are accountable for ESG-related matters in collaboration with stakeholder relations and legal teams. The Managing Director oversees the ESG policy's implementation, ensuring periodic reviews and necessary updates. Continuous training on ESG is provided throughout the organization.

19.7 Authority

The Board of Directors has approved this policy, which will be reviewed and updated annually. Significant changes will require prior approval before implementation.

20 Disclosure for Audited Financial Statements - Risk Assessment Process

As part of our commitment to transparency and effective risk management, the company discloses its risk assessment processes, internal controls, and practices. These processes are designed to identify, assess, and manage the risks specific to our operations. These risks include, but are not limited to, operational risk, market risk, strategic risk, liquidity risk, and legal and compliance risk.

The company regularly reviews and updates its risk management framework to ensure the effectiveness of its internal controls and policies. The audit process will assess the application of these risk assessments, evaluating whether the policies, procedures, and

controls in place are adequate and whether they have been operated effectively throughout the reporting period.
This ongoing evaluation is vital to maintaining the integrity of our operations and ensuring the company's resilience in managing various risk factors that may impact our financial position and overall performance.

21 ML/TF Risk Assessment Process

In accordance with regulatory requirements, the company has implemented a comprehensive risk assessment process to identify and assess the risks associated with money laundering (ML) and terrorist financing (TF) specific to our operations. This process is designed to ensure that the company effectively identifies, mitigates, and manages potential ML/TF risks within its operations.
The company's internal controls and procedures are regularly reviewed and updated to address evolving ML/TF risks and comply with applicable laws and regulations. The audit will assess the application of the risk assessment process, evaluating whether the company has implemented adequate policies, procedures, and controls to mitigate ML/TF risks and whether these measures have operated effectively throughout the reporting period.
The company's commitment to robust risk management practices helps ensure compliance with anti-money laundering and anti-terrorist financing regulations, safeguarding the integrity of our operations and financial reporting.

22 Disclosure for Audited Financial Statements - Effectiveness of AML/CFT Programme

As part of our commitment to ensuring compliance with anti-money laundering (AML) and countering the financing of terrorism (CFT) regulations, the company has conducted an independent assessment of its AML/CFT programme. The assessment covers the following key areas:

i. **Compliance with Relevant Legislation:** The AML/CFT programme is designed to comply with the relevant sections of the Money Laundering and Proceeds of Crime Act, ensuring that the company adheres to all applicable legal requirements.
ii. **Risk-Based Policies, Procedures, and Controls:** The company's AML/CFT policies, procedures, and controls are based on the results of a comprehensive AML/CFT risk assessment, ensuring they are tailored to address the specific risks identified within our operations.
iii. **Adequacy of Policies, Procedures, and Controls:** The independent assessment has confirmed that the company's AML/CFT policies, procedures, and controls are adequate to mitigate the risks associated with money laundering and terrorist financing.

iv. **Effectiveness of Policies, Procedures, and Controls:** The assessment further confirms that the company's AML/CFT policies, procedures, and controls have been effectively implemented and have operated as intended throughout the reporting period.

	INFLATION ADJUSTED		HISTORICAL	
	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG

23 Post employment benefits

National Social Security Authority Scheme

All eligible employees are members of the National Social Security Scheme to which the employees and the Company contribute. The scheme was promulgated under the National Social Security Authority Act 1989. The Company's obligations under this scheme are limited to specific contributions legislated from time to time. Contributions by the Company amount to 3.5% of basic salary per employee per month

	INFLATION ADJUSTED 2024 ZWG	INFLATION ADJUSTED 2023 ZWG	HISTORICAL 2024 ZWG	HISTORICAL 2023 ZWG
Contributions for the year	**16,286**	**17,057**	**10,805**	**9,583**

24 Going concern

The company's ability to continue as a going concern is dependent on the company's ability to increase its business and profitability. The shareholders have committed to inject funds into the business in order for the company to continue meeting its working capital needs. The company has a minimum capital threshold requirement invested in the Stock Market.

It is on this basis that the financial statements are prepared on a going concern basis.

23 Subsequent events

Statutory Instrument 27 of 2023, Census and Statistics (General) Notice, 2023 prescribes a new method of measurement of inflation rate. The Statutory Instrument (SI) changes inflation figures from a Zimbabwe Dollar (ZWL) based Consumer Price Index (CPI) to a blended CPI. The new blended CPI will use a method of averaging inflation figures based on the 2 main currencies in circulation namely the United States Dollar (USD) and the Zimbabwe Dollar (ZWL). Inflation figures in ZWL will no longer be made available. The SI will result in challenges in applying IAS 29: Financial Reporting in Hyper inflationary environment leading possibly to adverse opinions for entities that have the ZWL as the functional currency going into the unforeseeable future.

25 Capital adequacy

	Historical 2024 ZIG

Fincent Securities (Private) Limited capital management framework is based on SECZim risk-based capital adequacy approach as provided in the Capital *Adequacy Directive for Securities Market Intermediaries of July 2017*. As at 31 December 2024 the adjusted liquid capital stood at ZWG3767855.48 *(see Adjusted liquid capital table)*.

Table 1. Requirements

Requirements			
Operational expenditure/ Fixed Expenditure Base Requirement			
(13 Weeks) or Fixed Technology Expenditure requirement (FTER) (annual)		a	1,934,887.50
Counter party risk requirement (CRR): **Table 2**		b	-
Position Risk requirement (PRR) **Table 3**		c	318,510.00
Settlement Risk Requirement (SRR)		d	-
Other risks		e	-
Total Requirement (TR) (a+b+c+d+e)			**2,253,397.50**
Adjusted liquid Capital (ALC): **Table 4**			3,767,854.00
Capital Surplus (shortfall)		**ALC less TR**	**1,514,456.50**

Table 2: Counter party risk requirement (CRR)

Type of transaction		Risk Factor	CRR Value
Unsettled securities transactions traded			
on securities exchange in Zimbabwe Government			
Quasi Government and Corporate bonds			
0 to 30 days after settlement date		50% of potential loss	-
More than 30 days after settlement date		100% of potential loss	-
Amounts due for payment or owned on closed			
positions 30 days due and above		100% of potential loss	-
Other receivables oustanding for more than 30 days			
Commissions and fees earned		100% of potential loss	-
Marketable securities at maturity date or call		100% of potential loss	-
Scrip issues and rights issues		100% of potential loss	-
Any other receivables		100% of potential loss	-
Total to table 1			-

	Historical 2024 ZIG

25 Capital adequacy cont'd

Table 3 Position Risk Requirement

	Market Value	Risk Factor	PRR
Listed shares on securities exchange	796,275.00	40%	318,510.00
Debt securities			
Issued or guaranteed by Government	-	0%	-
Issued or accepted by bank	-	40%	-
Corporate and other listed debt securities	0	40%	-
Property Investments	0	10%	-
	Total to table 1		318,510.00

Table 4: Adjusted Liquid Capital

Sharecapital	4
Share Premium	10,496
Other reserves	1,709,661
Retained loss	(752,661)
Owners equity	**967,500**
+ Shareholder Contribution	-
+ Guarantees received	3,095,820
Total capital resources (a)	**4,063,320**
Less intangible assets + Guarantees provided (b)	**-**
Goodwill	-
Capitalised development costs	-
Licensees, softwares	-
Trademarks and similar rights	-
Guarantees provided	-
Available capital resources (c) = (a-b)	**4,063,320**
Less Illiquid assets (d)	**295,465**
Fixed Assets, net of related secured loans	295,465
Deffered Tax Asset	-
Adjusted Liquid Capital (c-d)	**3,767,855**