Grant Thornton

Smartvest Wealth Managers (Private) Limited

Special Purpose Financial Statements

31 December 2024

Restriction on use

These special Purpose financial statements denominated in ZWG have been prepared for use by the Smartvest Wealth Managers (Private) Limited. Consequently, the financial statements and related auditor's Statements may not be suitable for other Purposes.

NATURE OF BUSINESS:

Smartvest Wealth Managers (Private) Limited (the "Group") and its subsidiary (together "the Group") incorporated and domiciled in Zimbabwe is licensed as an asset manager by the Securities and Exchange Commission of Zimbabwe under the Securities and Exchange Act (Chapter 24:25). The Group's main business is the management of collective investment schemes and individual portfolios offering services to individuals, partnerships, companies, pension and provident funds and manages unit trusts on behalf of individual investors, property management sales, valuation, consultancy servics and property development services.

DIRECTORS:

Tsumba L. L. (Dr)	(Chairman)
Chikava G. T.	(Non-Executive Director)
Heathcote H. R.	(Non-Executive Director)
Phiri W. B.	(Non-Executive Director)
Kadzere P. A.	(Managing Director)

COMPANY SECRETARY:

Mautsahuku M. B.

REGISTERED OFFICE:

71 Selous Avenue
HARARE

AUDITORS:

Grant Thornton
Chartered Accountants (Zimbabwe)
Camelsa Business Park
135 Enterprise Road
Highlands
HARARE

LEGAL ADVISORS:

Chivore Dzingirai Group of Lawyers
'9th Floor, Causeway Building
Corner 3rd Street and Central Avenue
HARARE

PRINCIPAL BANKERS:

Stanbic Bank Zimbabwe Limited
Parklane Branch
77 Park Lane
HARARE

CBZ Bank Limited
Selous Branch
7 Selous Avenue
HARARE

ZB Bank Limited
Rotten row Branch
Rotten row
HARARE

Contents

These Special purpose financial statements are expressed in Zimbabwe Gold (ZWG).

Responsibilities of Management and Those Charged with Governance for the Special Purpose Financial Statements for the year ended 31 December 2024

It is the Directors' responsibility to ensure that the financial statements fairly present the state of affairs of Smartvest Wealth Managers (Private) Limited. The external auditors are responsible for independently reviewing and reporting on the financial statements.

The Directors have assessed the ability of Smartvest Wealth Managers (Private) Limited to continue to operate as a going concern and believe that the preparation of these Special Purpose Financial Statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Group 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 Special Purpose Financial Statements are prepared with the aim of complying fully with the Monetary Policy Statement (MPS) of 6 February 2025.

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

The Group's annual financial statements which are set out on pages **6 to 40** were, in accordance with their responsibilities, approved by the Board of Directors on 12 MARCH 2025 and are signed on its behalf by:

Chikava G. T.
Non-executive Director

Kadzere P. A.
Managing Director

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

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To the members of Smartvest Wealth Managers (Private) Limited

Report on the Audit of the Special purpose Financial Statements

Opinion

We have audited the transalated financial report of Smartvest Wealth Managers (Private) Limited as at 31 December 2024.

In our opinion, the translated financial report of Smartvest Wealth Managers (Private) Limited as at 31 December 2024 is prepared, in all material respects, in accordance with the financial reporting provision established by the Monetary Policy Statement (MPS) of 6 February 2025.

We are the auditors of the Group and rendered our opinion of the underlying annual financial statements that were used to prepare the translated financial report on date 31 December 2024. Our opinion was thereon an unmodified audit opinion, thus, the consolidated financial statements presented fairly, in all material respects, the financial position of Smartvest Wealth Managers (Private) Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the translated financial report in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to **Note 1.2** of the translated financial report, which describes the basis of accounting. The translated financial report is prepared to assist the Group to meet the requirements of the Monetary Policy Statement (MPS) of 6 February 2025. Our opinion is not modified in this respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Chairman's Statement and Company Secretary's Certificate, as required by the Companies and Other Business Entities Act (Chapter 24:31), which we obtained prior to the date of this Auditors' Report. The other information does not include the financial statements and our Auditor's Report thereon.

Our opinion on the Special Purpose Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the 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 that we obtained prior to the date of this auditor's report, 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.

Responsibilities of Management and Those Charged with Governance for the Annual Financial Statements

Management are responsible for the preparation and fair presentation of the Special Purpose Financial Statements in accordance with IFRSs, and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31) for such internal control as 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, Management are responsible for assessing the Group'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 Management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Management are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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 Special Purpose Financial Statements, including the disclosures, and whether the Special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Special Purpose Financial Information of the business activities within the Group to express an opinion on the

financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the Special Purpose Financial Statements have been prepared in accordance with the requirements of the Monetary Policy Statement (MPS) of 6 February 2025, in all material respects.

The engagement partner on the audit resulting in this Independent Auditor's Report is Edmore Chimhowa.

Grant Thornton

Edmore Chimhowa
Partner
Registered Public Auditor (PAAB No: 0470)

31 March 2025

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

HARARE

Statement of profit or loss and other comprehensive income for the year ended 31 December 2024

	Notes	2024 ZWG	2023 ZWG
Fees and commission income	5	21 338 094	11 289 062
Fair value gains on financial assets	6	3 329 348	5 496 422
Net interest income	7	37 297 975	2 128 505
Fair value gains on investment property	8	-	1 490 070
Foreign exchange (loss)/gain	9	(2 016 127)	5 040 098
Other income	10	397 684	219 416
Total operating income		60 346 974	25 663 573
Operating expenses	11	(27 763 082)	(21 129 513)
Profit from operations before tax		32 583 892	4 534 060
Income tax credit/(expense)	12	2 410 741	(1 662 971)
PROFIT FOR THE YEAR		34 994 633	2 871 089
Revaluation property and equipment net of tax		2 192 872	2 401 428
Revaluation on property and equipment		2 579 850	3 003 307
Tax on revaluation credit/(expense)	12.2	(386 978)	(601 879)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		37 187 505	5 272 517
Attributable to:			
Equity holders of the parent		37 294 001	5 313 949
Non-controlling interests		(106 496)	(41 432)
		37 187 505	5 272 517

Statement of financial position
as at 31 December 2024

	Notes	2024 ZWG	2023 ZWG
ASSETS			
Non-current assets			
Property and equipment	13	10 494 418	7 463 637
Investment properties	14	5 314 491	4 024 566
Other investments	15	2 496 237	329 705
		18 305 146	11 817 908
Current assets			
Prepayments	16	438 781	280 349
Trade and other receivables	17	5 626 678	2 059 984
Financial assets	18.2	6 346 147	2 502 895
Current tax asset		102 548	-
Deferred tax asset	12.2	381 895	-
Cash and cash equivalents	19	15 240 155	2 511 329
		28 136 204	7 354 557
Total assets		46 441 350	19 172 465
EQUITY AND LIABILITIES			
Equity			
Share capital	20	37 176	37 176
Share premium		5 734 258	5 734 258
Revaluation reserve		8 260 112	6 067 240
Retained earnings		27 248 736	3 853 883
Equity attributable to owners of the parent		41 280 282	15 692 557
Non-controlling interest		24 071	130 567
		41 304 353	15 823 124
Non current liabilities			
Deferred tax liability	12.2	-	1 641 868
Current liabilities			
Trade and other payables	22	3 663 206	568 341
Current income tax (asset)/liability		-	805 764
Provisions	23	1 473 791	333 368
		5 136 997	1 707 473
Total equity and liabilities		46 441 350	19 172 465

Chikava T. G.
Non-executive Director

Kadzere A. P.
Managing Director

Statement of changes in equity
for the year ended 31 December 2024

	Attributable to the equity holders of the parent						
	Share capital ZWG	Share Premium ZWG	Revaluation reserve ZWG	Retained earnings ZWG	Total ZWG	Non-controlling interest ZWG	Total Equity ZWG
Balance as at 1 January 2023	37 176	5 734 774	3 665 812	1 600 926	11 038 688	171 999	11 210 687
Share buyback	-	(516)	-	(618 132)	(618 648)	-	(618 648)
Profit/(Loss) for the year	-	-	-	2 871 089	2 871 089	(41 432)	2 829 657
Revaluation surplus	-	-	2 401 428	-	2 415 024	-	2 415 024
Balance as at 31 December 2023	37 176	5 734 258	6 067 240	3 853 883	15 706 153	130 567	15 836 720
Balance as at 1 January 2024	37 176	5 734 258	6 067 240	3 853 883	15 692 557	130 567	15 823 124
Dividend	-	-	-	(11 609 325)	(11 609 325)	-	(11 609 325)
Profit for the year	-	-	-	35 004 178	35 004 178	(106 496)	34 897 682
Revaluation surplus	-	-	2 192 872	-	2 924 389	-	2 924 389
Balance as at 31 December 2024	37 176	5 734 258	8 260 112	27 248 736	41 280 282	24 071	41 304 353

Statement of cash flows
for the year ended 31 December 2024

	Notes	2024 ZWG	2023 ZWG
Cash flows from operating activities			
Profit before taxation		32 583 892	4 534 060
Adjustment for non cash items:			
Depreciation	13	413 189	99 892
Fair value adjustment on financial assets	6	(3 329 348)	(5 496 422)
Exchange gain on non-cash items	18.2.4	-	(819 876)
Monetary loss	11	-	7 259 698
Fair value adjustment on investment properties	8	-	(1 490 070)
Dividend income	10	(68 185)	(41 716)
Interest paid	7	21 746 433	1 973 224
Interest received	7	(59 044 408)	(4 101 729)
Operating cash flows before changes in working capital		(7 698 427)	1 917 061
Changes in working capital:			
(Increase)/decrease in trade and other receivables	17	(2 626 339)	658 687
(Increase)/decrease in prepayments	16	(158 432)	(238 585)
Increase/(decrease) in trade and other payables	22	3 094 865	(502 632)
Increase/(decrease) in provisions	23	1 140 423	(135 365)
Cashflows (utilised in)/generated from operating activities		(6 247 910)	1 699 166
Income tax paid		(1 050 408)	(20 174)
Dividend paid		(11 609 325)	-
Dividend income	10	68 185	41 716
Interest paid		(21 746 433)	(1 726 642)
Interest received		58 104 078	3 488 473
Net cash flows generated from operating activities		17 518 187	3 482 539
Cash flows from investing activities			
Purchase of unlisted ordinary shares	18.2	(84 103)	-
Purchase of preference shares	15.2	(84 103)	-
Purchase of treasury bills	15.3	(1 643 855)	-
Purchase of unit trust investments	18.2.3	(28 378)	-
Purchase of bonds	15.1	(515 970)	-
Proceeds from disposal of listed ordinary shares	18.1.1	1 703	1 844 567
Purchase of investment property	14.2	(1 289 925)	-
Proceeds from disposal of bonds	15.1	77 396	-
Proceeds from disposal of investment property	14.1	-	107 838
Purchase listed ordinary shares	18.1.1	(403 153)	(516 667)
Purchase of property and equipment	13	(818 973)	(246 556)
Net cash (utilised in)/generated from investing activities		(4 789 361)	1 189 182
Cash flows from financing activities			
Share buyback		-	(618 622)
Net cash (utilised in)/generated from financing activities		(4789 361)	570 560
Net increase in cash and cash equivalents		12 728 826	4 053 099
Inflation effects on cash and cash equivalents		-	(2 267 095)
Cash and cash equivalents at the beginning of the year		2 511 329	725 325
Cash and cash equivalents at the end of the year	19	15 240 155	2 511 329

Notes to the special purpose financial statements
for the year ended 31 December 2024

1 General information

1.1 Incorporation and nature of business

The Group is a private limited liability Group incorporated and domiciled in Zimbabwe whose main business is the management of collective investment schemes and individual portfolios. It is registered as an investment manager by the Securities and Exchange Commission fo Zimbabwe ("SECZ") under the Securities and Exchange Act (Chapter 24:25). The Group provides services to individuals, partnerships, companies, pension and provident funds and manages unit trusts on behalf of individual investors.

The address of its registered office is 71 Selous Avenue, Harare.

1.2 Currency

These financial statements are presented in Zimbawe Gold(ZWG) being the reporting currency as per guidance by the Reserve Bank of Zimbabwe in the Monetary Policy Statement (MPS) of 6 February 2025.

Basis of preparation

These financial statements have been prepared in accordance with the Reserve Bank of Zimbabwe regulation as a way to ensure comparability of financial statements. A common reporting currency Zimbabwe Gold (ZWG) was adopted in compliance with the Monetary Policy Statement regulation of 6 February 2025.

The financial statements have been prepared under historical cost convention as modified by the revaluation of plant and equipment. It also requires management and the directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the notes. The financial statements has been prepared under the assumption that the Group operates on a going concern basis.

2 New or revised Standards or Interpretation

2.1 New amendments issued effective beginning on or after 1 January 2023

Amendments to IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a single transaction

The IASB issued an amendment which exempts entities from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments require an entity to recognise deferred tax on certain transactions (eg leases and decommissioning liabilities) that give rise to equal amounts of taxable and deductible temporary differences on initial recognition. The amendments require an entity to recognise deferred tax on certain transactions (eg leases and decommissioning liabilities) that give rise to equal amounts of taxable and deductible temporary differences on initial recognition. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

2 New or revised Standards or Interpretation (continued)

2.1 New amendments issued effective beginning on or after 1 January 2023 (continued)

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The IASB issued an amendment which includes a definition of "accounting estimates" as well as other amendments to the statndard that help entities distinguish changes in accounting policies from changes in accounting estimates. This distinction between these two types of changes is important as changes in accounting policies are normally applied retrospectively to past transactions and events, whereas changes in accounting estimates are applied prospectively to future transactions and events.

Amendments to IAS 1 Presentation of Financial Statements: Disclosure of Accounting Policies

The IASB issued an amendment which requires reporting entities to disclose their material accounting policy information rather than their significant accounting policies.

The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments were issued as a result of feedback received indicating that reporting entities needed more guidance when determining what accounting policy information should be disclosed.

3 Summary of significant accounting policies

3.1 Revenue recognition

IFRS 15: Revenue from Contracts with Customers is a principle based model of recognising revenue from customer contracts. It has a five-step model that requires revenue to be recognised when control over goods and services are transferred to the customer at an amount the Group expects to be entitled to for the exchange of these goods allocated to each specific performance obligation.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised in terms of IFRS 15 considering whether performance obligations are satisfied at a point in time or over time. Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

3 Summary of significant accounting policies (continued)

3.1 Revenue recognition (continued)

The Group's revenue streams are recognised as follows:

Unit trust fee income	over time
Management fee income	over time
Advisory fees	at a point in time
Dividend income	at a point in time
Interest income	over time

3.1.1 Interest income and interest expense

Interest income and interest expense are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest method. Where financial assets have been impaired, interest income continues to be recognised on the impaired amount, based on the original effective interest rate. Interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments on financial instruments are reported under other income.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset and liability.

3.1.2 Fees, commission and other income services are performed.

Fee and other commission income includes dividends from investments, management fees, securities trading and net gains on the realisation or revaluation of investment assets. All such commissions and fees including service fees, investment fees, are recognised as related services are performed.

3.2 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

3.3 Motor vehicles and equipment

All assets are stated at valuation less accumulated depreciation and impairment losses. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred.

**Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)**

3 Summary of significant accounting policies (continued)

3.3 Motor vehicles and equipment (continued)

All assets are stated at valuation less accumulated depreciation and impairment losses. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of motor vehicles, computer equipment, furniture and fittings are credited to capital reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against capital reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from 'capital reserves' to 'retained earnings'.

3.3.1 Depreciation

Motor vehicles and equipment are depreciated on a straight line basis at rates estimated to write-off the

cost or valuation of such assets over their expected useful lives at the following rates per annum:

Buildings	2.5%
Motor vehicles	20%
Furniture and fittings	10%
Office equipment	10% - 35%

The assets residual values and useful lives are reviewed annually, and adjusted if appropriate at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in capital reserves relating to that asset are transferred to retained earnings.

3.4 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

3 Summary of significant accounting policies (continued)

3.4 Trade receivables (continued)

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within "selling and marketing costs". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "selling and marketing costs" in the statement of comprehensive income.

3.5 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Deferred tax assets are recognised for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax losses can be utilised.

3.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, bank overdrafts and other short-term highly liquid investments with maturities of ninety one days or less. Bank overdrafts are shown within borrowings in current liabilities on the reporting date.

3.7 Held-to-maturity assets

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held to maturity investments are measured at amortised cost using the effective interest rate less the effective interest rate. The fair amortisation is included as finance income in the statement of profit or loss.

3.8 Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

3.9 Current and deferred income tax

Current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by reporting date.

Deferred income tax is provided using the full balance sheet liability method on temporary differences at year end between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

3 Summary of significant accounting policies (continued)

3.9 Current and deferred income tax (cotinued)

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax losses can be utilised.

3.10 Provisions

Provisions are recognised when, the Group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be low.

3.11 Employee benefits

3.11.1 Pension scheme

The Group and its employees contribute to the National Social Security Authority Scheme ("NSSA"). This is a statutory defined benefit social security scheme which was promulgated under the National Social Security Act, (Chapter 17:04). The Group's obligations under the scheme are limited to specific contributions as legislated from time to time. The Group's contributions to the pension plans are charged to the statement of comprehensive income in the period to which the contributions relate. The Group Group does not have its own pension plan at the moment due to small staff complement.

3.11.2 Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

3 Summary of significant accounting policies (continued)

3.11 Employee benefits (continued)

3.11.2 Termination benefits (continued)

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present values.

3.11.3 Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis basis and are expensed as the related service is provided.

3.12 Critical accounting estimates and judgements

The Group's financial statements are influenced by accounting policies, assumptions, estimates and management judgements, which necessarily have to be made in the course of preparation of the financial statements.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Valuation of investment property and land and buildings

The Group carries its investment property at fair value, with changes in fair value being recognised in the statement of profit or loss, whilst land and buildings recognised in property and equipment are carried at revalued amounts, with revaluation gains and losses being recognised as other comprehensive income. Investment property, which comprises of stands were valued using the comparative approach whilst land and buildings are valued using the implicit investment approach based on the capitalisation of income.

The comparative approach method compares like with like, extracts data from properties recently sold or on offer similar to those to be valued with the same planning controls. The data is then analysed and applied to the subject property varied by scrutiny of comparables not exactly equivalent in size, quality and location.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

3.12 Critical accounting estimates and judgements (continued)

Valuation of investment property and land and buildings (continued)

The implicit investment approach method is based on the principle that rents and capital values are inter-related hence given the income produced by a property, its capital value can be estimated. The valuer used comparable rentals inferred from offices and industrial properties within the locality of the property based on use, location, size and quality of finishes. The rentals were then annualised and a capitalisation factor was then applied to give a market value of the property, also inferring on comparable premises which are in the same category as regards the building elements.

4 Financial Instruments

4.1 Classification and measurement of financial assets and financial liabilities

Under IFRS 9, on initial recognition, a financial asset is classified as measured at:
- amortised cost;
- fair value through other comprehensive income ("FVTOCI") (debt investment and equity investment); or
- fair value through profit or loss ("FVTPL").

4.2 Amortised cost

This includes amounts due from banks and loans and receivables. Investments are recorded using the effective

- they are held within a business model whose objective is to hold assets to collect contractual cash flows; and
- their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4.3 Fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if:
- they are held within a business model whose objective is achieved by both collecting cash flows and selling financial assets; and
- their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses arising from changes in fair value are recognised directly in other comprehensive income with the exception of impairment losses and interest calculated using the effective interest rate method.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

4 Financial Instruments (continued)

4.4 Fair value through profit or loss

All other financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Group has irrevocably elected to present subsequent changes in the investment's fair value in other comprehensive income.

A financial asset is initially measured at fair value plus, except for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Any resulting gains are recognised in profit or loss. Interest income from these financial assets is recognised using the effective interest rate method.

4.5 Subsequent measurement of financial assets

The policies below apply to the subsequent measurement of financial assets:

Financial asset	Subsequent measurement
Financial assets at fair value through profit or loss	Fair value
Financial assets at amortised cost	Amortised cost using the effective
Debt investments at fair value through other comprehensive income	Amortised cost using the effective
Equity investments at fair value through profit or loss	Fair value

4.6 Impairment of financial assets

Expected credit loss allowances are measured on either of the following bases:

· 12-month expected credit losses ("ECLs"): these are ECLs that resulted from possible default events within the next 12 months after the reporting date; and

· Lifetime ECLs: these that result from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

Factors that are considered in assessing whether risk has increased significantly includes;

- changes in market indicators of credit risk
- credit ratings
- changes to contractual terms
- adverse changes in general economic or market conditions
- changes in the expected behaviour of the debtor

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

4 Financial Instruments (continued)

4.6.1 Measurement of ECL

ECLs are a probability weighted estimate of credit losses. Expected credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows to the Group in accordance with the contract and the cash flows that the Group expects to receive).

4.6.2 Presentation of impairment

Expected credit loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

4.6.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:
• the rights to receive cash flows from the asset have expired, and
• the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or/(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transaferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing 'involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the 'asset and the maximum amount of consideration that the Group be required to repay.

4.6.4 Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

4.6.5 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not perspective; that is, instruments that do not contain a contractual obligation to make fixed payments and that evidence a residual interest in the issuer's net assets.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

4 **Financial Instruments (continued)**

4.6.6 Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Group's financial liabilities which consist of other liabilities are initially measured at fair value, net of transactions costs. These are subsequently measured at amortised cost using the effective interest method with interest expense recognised on an effective yield basis.

4.6.7 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

4.6.8 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the of financial position if, and only if: there is a currently enforceable legal right to offset the recognised amounts, and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

		2024 ZWG	2023 ZWG
5	**Fees and commission income**		
	Service fees	563 568	137 145
	Management fees - money market	8 342 255	1 615 502
	Management fees - managed clients	8 025 836	5 850 635
	Rental commissions	66 302	-
	Advisory fees	4 340 133	3 685 780
		21 338 094	11 289 062
6	**Fair value gains/(losses) on financial assets**		
	Fair value gains arising from:		
	Realised gains on financial assets	103	2 207 629
	Unrealised gains on unit trust investments	903	-
	Unrealised gains on financial assets at fair value	3 328 342	3 288 793
		3 329 348	5 496 422
7	**Net interest income**		
	Interest receivable	59 044 408	4 101 729
	Interest payable	(21 746 433)	(1 973 224)
		37 297 975	2 128 505
8	**Fair value gain on investment properties**		
	Unrealised gain	-	1 490 070
9	**Foreign exchange income**		
	Realised (loss) / gain	(2 016 127)	5 040 098
10	**Other income**		
	Interest on staff loans	19 168	112 714
	Interest on treasury bills	207 472	-
	Dividend income cummulative preference shares	45 973	-
	Sundry income	9 726	3 199
	Non member institute ("NMI") rebates	47 160	61 787
	Dividend income	68 185	41 716
		397 684	219 416

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

	2024 ZWG	2023 ZWG
11 Operating expenses		
Included in operating expenses are:		
Audit fees **(Note 11.3)**	338 218	444 147
Depreciation of property and equipment	413 189	99 892
Monetary loss	-	7 259 698
Directors emoluments **(Note 11.2)**	2 056 115	1 092 463
Employee benefits expense **(Note 11.1)**	10 919 344	4 836 135
Adminstrative expenses	14 036 216	7 397 178
	27 763 082	21 129 513

11.1 Employee benefits expense

	2024 ZWG	2023 ZWG
Medical aid	877 846	564 136
NSSA contributions	147 206	57 634
Salaries and benefits	5 972 791	3 866 241
Other	3 921 501	348 125
	10 919 344	4 836 136

11.2 Directors emoluments

	2024 ZWG	2023 ZWG
Directors fees	2 056 115	1 092 463

11.3 Auditor's remuneration

	2024 ZWG	2023 ZWG
Audit fees	338 218	444 147

11.4 Dividend Paid

	2024 ZWG	2023 ZWG
Final dividend year 2023	2 579 850	-
Interim dividend year 2024	9 029 475	-
	11 609 325	-

12 Income tax (credit)/expense

	2024 ZWG	2023 ZWG
Current tax	-	841 908
Deferred tax	(2 410 741)	821 063
	(2 410 741)	1 662 971

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

	2024 ZWG	2023 ZWG
12 Income tax (credit)/expense (continued)		
12.1 Tax reconciliation:		
Profit before tax	32 583 892	4 534 060
Notional tax thereon at a rate of 25.75% & 24.72%	8 390 352	1 120 820
Adjustments relating to:		
Non-deductible items	677 692	2 782 364
Non-taxable items	(11 478 785)	(2 240 213)
	(2 410 741)	1 662 971

12.2 Deferred tax

	1 January 2023 ZWG	Recognised in other comprehensive income ZWG	Recognised in profit or loss ZWG	31 December 2023 ZWG
Property and equipment	117 719	601 879	182 705	902 303
Other items	102 781	-	636 784	739 565
	220 500	601 879	819 489	1 641 868

	1 January 2024 ZWG	Recognised in other comprehensive income ZWG	Recognised in profit or loss ZWG	31 December 2024 ZWG
Property and equipment	902 303	386 978	61 143	1 350 424
Other items	739 565	-	(999 331)	(259 766)
Unused tax losses	-	-	(1 472 553)	(1 472 553)
	1 641 868	386 978	(2 410 741)	(381 895)

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

13 Property and equipment

	Land and Buildings ZWG	Motor Vehicles ZWG	Office equipment ZWG	Furniture and fittings ZWG	Total ZWG
Year ended 31 December 2023					
Cost/valuation					
Balance as at 1 January 2023	3 405 067	811 260	555 777	84 542	4 856 646
Additions	41 252	-	205 304	-	246 556
Revaluation	3 003 307	-	-	-	3 003 307
Balance as at 31 December 2023	6 449 626	811 260	761 081	84 542	8 106 509
Accumulated depreciation					
Balance as at 1 January 2023	-	95 093	384 888	76 596	556 577
Elimination of accumulated depreciation on revaluation	(13 596)	-	-	-	(13 596)
Depreciation charge for the year	13 596	67 669	18 549	77	99 891
Balance as at 31 December 2023	-	162 762	403 437	76 673	642 872
Closing amount as at 31 December 2023	6 449 626	648 498	357 644	7 869	7 463 637
Year ended 31 December 2024					
Cost/valuation					
Balance as at 1 January 2024	6 449 626	811 260	761 081	84 542	8 106 509
Additions	-	358 341	339 379	121 253	818 973
Revaluation	2 579 850	-	-	-	2 579 850
Balance as at 31 December 2024	9 029 476	1 169 601	1 100 460	205 795	11 505 332
Accumulated depreciation					
Balance as at 1 January 2024	-	162 762	403 437	76 673	642 872
Elimination of accumulated depreciation on revaluation	(45 147)	-	-	-	(45 147)
Depreciation charge for the year	45 147	198 081	155 462	14 499	413 189
Balance as at 31 December 2024	-	360 843	558 899	91 172	1 010 914
Closing amount as at 31 December 2024	9 029 476	808 758	541 561	114 623	10 494 418

The Group's land and buildings were revalued by Intergrated Properties as at 31 December 2024 using the market values to determine fair values. The market values were the estimated amounts for which an item of property and equipment would be exchanged on the date of valuation between a willing buyer and a willing seller in an arms's length transaction.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

		2024 ZWG	2023 ZWG
14	**Investment properties**		
	14.1 Riverside stands		
	Balance as at 1 January	1 702 701	1 416 519
	Disposals	-	(107 838)
	Fair value gain	-	394 020
	Balance as at 31 December	1 702 701	1 702 701
	14.2 Bindura Stand		
	Balance as at 1 January	-	-
	Additions	1 289 925	-
	Balance as at 31 December	1 289 925	-
	14.3 Glaudina stands		
	Balance as at 1 January	2 321 865	1 225 816
	Fair value gain	-	1 096 049
	Balance as at 31 December	2 321 865	2 321 865
	Total Investment properties	5 314 491	4 024 566
15	**Other investments**		
15.1	**Bond**		
	Balance as at 1 January	77 396	8 514
	Additions	515 970	-
	Disposal	(77 396)	-
	Exchange gain	-	68 882
	Balance as at 31 December	515 970	77 396
15.2	**8% Elephantvale preference shares**		
	Balance as at 1 January	252 309	27 759
	Additions	84 103	-
	Exchange gain	-	224 550
	Balance as at 31 December	336 412	252 309

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

15 Other investments (continued)

	2024 ZWG	2023 ZWG
15.3 Treasury bills		
Balance as at 1 January	-	-
Additions	1 643 855	-
Balance as at 31 December	1 643 855	-
Total other investments	2 496 237	329 705

16 Prepayments

	2024 ZWG	2023 ZWG
School fees assistance	271 091	240 645
Diesel D50	72 442	12 125
Payroll subscription	15 556	-
Security and Exchange Commission Levy	74 171	-
Blended Petrol E85	5 521	27 579
	438 781	280 349

17 Trade and other receivables

	2024 ZWG	2023 ZWG
17.1 Trade and other receivables excluding interest receivable		
Management fees	3 053 820	1 237 554
Sundry debtors	443 915	340 824
Staff loans	1 120 093	413 111
	4 617 828	1 991 489
17.2 Interest receivable		
Interest receivable	1 008 850	68 495
	5 626 678	2 059 984

All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. The Group expects to receive all the amounts due and we does not expect any bad debts.

18 Financial assets

18.1 Financial assets at fair value through profit or loss

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

	2024 ZWG	2023 ZWG
18 Financial assets (continued)		
18.1 Financial assets at fair value through profit or loss (continued)		
18.1.1 Listed equity securities - held for trading		
Balance as at 1 January	2 250 584	2 214 492
Additions	403 153	516 667
Disposals	(1 703)	(1 844 567)
Fair value (loss)/gain	(526 289)	1 363 992
Balance as at 31 December	2 125 745	2 250 584
18.2 Financial assets at fair value through other comprehensive income		
18.2.1 Elephantvale ordinary shares		
Balance as at 1 January	252 309	133 199
Additions	84 103	-
Disposals	-	-
Fair value gain	-	-
Exchange gain	-	576 055
Fair value gain/(loss)	3 854 709	(456 943)
Balance as at 31 December	4 191 121	252 311
18.2 Financial assets at fair value through other comprehensive income (continued)		
18.2.3 Unit trust investments		
Balance as at 1 January	-	-
Additions	28 378	-
Disposals	-	-
Fair value gain	-	-
Exchange gain	-	-
Fair value gain	903	-
Balance as at 31 December	29 281	-
Total financial assets at fair value through other comprehensive income	4 220 402	252 311
Total financial assets	6 346 147	2 502 895

The financial assets comprise of listed equity securities held for trading in Zimbabwe. Changes in fair values of financial assets at fair value through profit or loss are recorded in statement of profit or loss and other comprehensive income.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

	2024 ZWG	2023 ZWG
18.2.4 Foreign exchange gain		
Afrismart **(Note18.2.2)**	-	124 710
Elephantvale ordinary shares **(Note 18.2.1)**	-	576 055
8% Elephantvale preferance shares **(Note 15.2)**	-	119 112
	-	819 877

19 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2024 ZWG	2023 ZWG
Cash on hand	92 488	124 117
Cash at bank	665 266	505 960
Total cash in hand and bank balance	757 754	630 077
Short term deposits	14 482 401	1 881 252
	15 240 155	2 511 329

Short term deposits comprise of placements on fixed deposits placed with commercial banks or financial instutions for less than 90 days.

20 Share capital

	2024 ZWG	2023 ZWG
Authorised shares		
5 000 000 000 ordinary shares of ZWG 0.001 each	1 858 782	1 858 782
Issued and fully paid		
100 000 000 ordinary shares of of ZWG 0.001 each	37 176	37 176

In terms of the Group's articles of association the unissued share capital, consisting of 4 900 000 000 ordinary shares, are under the control of the directors, subject to the provisions of Section 183 (1) (a) of the Companies and Other Business Entities (Chapter 24:31).

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

21 Smartvest Wealth Managers (Private) Limited shareholding

PAK Family Trust	35.68%	35.68%
Brarb Family Trust	18.85%	18.85%
Mjikeni Nxumalo	18.24%	18.24%
Rolinda Ndlovu	10.45%	10.45%
Moreblessing Tapfuma	9.19%	9.19%
Washington Chituku	7.59%	7.59%
Total	**100.00%**	**100.00%**

	2024 ZWG	2023 ZWG
22 Trade and other payables		
Other payables	3 663 206	568 341

Other payables consist various taxes payeble to Zimra as well as NSSA contributions.

23 Provisions

Provision for audit fees	167 561	234 766
Provision for leave pay	1 306 230	98 602
	1 473 791	333 368

24 Financial risk management

24.1 The Group is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are investment risk, cashflow and fair value interest rate are investment risk, cashflow and fair value interest rate risk, market risk which comprises foreign exchange risk, and other price risk, credit risk and liquidity risk.

25.1.1 Investment risk

The Group's investment risk management system operates through a hierarchy of limit approvals. Investment risk is the probability that an actual return on an investment will be lower than the investor's expectations. All investments have some level of risk due to the unpredictability of the market's direction. Individual fund managers and traders have authority to trade due to the unpredictability of the market's direction. Individual fund managers and traders have authority to trade within certain limits. Investments in excess of the specified limits require the approval of management. Securities in terms of treasury bills, equities and bankers acceptances is requested from 2nd tier banks. Securities required is 1.2 times on treasury bills and bankers acceptances and 1.5 times on equities. In addition, the board makes all decisions regarding unquoted companies share transactions.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

24 Financial risk management (continued)

25.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the market interest rates. The Group's exposure to the risk of changes in the market interest rates relates primarily to the Group's money market investments that earn interest at floating interest rates.

The Group manages its interest risk by having a balanced portfolio of money market financial instruments with variable interest rates.

Sensitivity analysis

	Change in rate	Effect on (Loss)/ profit before income tax ZWG	Effect on equity ZWG
31 December 2024	+10%	3 729 792	3 729 792
	-10%	(3 729 792)	(3 729 792)
31 December 2023	+10%	212 863	212 863
	-10%	(212 863)	(212 863)

25.1.3 Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified on the statement of financial position as financial assets at fair value through profit or loss. To manage the price risk arising from investment in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group through Investment Committee Meetings ("ICM") held every fortnight.

The equities investments are publicly traded and are included on the Zimbabwe Stock Exchange ("ZSE"). The amount exposed to this risk amounts to ZWG 6 574 851 (2023: ZWG 2 760 878). The sensitivity analysis below shows the effect on profit or loss before tax due to a 10% change in the equity prices at year end.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

24 Financial risk management (continued)

25.1.3 Price risk (continued)

Sensitivity analysis

	Change in rate	Effect on (Loss)/ profit before income tax ZWG	Effect on equity ZWG
31 December 2024	+10%	660 416	660 416
	-10%	(660 416)	(660 416)
31 December 2023	+10%	276 096	276 096
	-10%	(276 096)	(276 096)

25.1.4 Liquidity risk

It is the Group's policy to ensure that financial resources are at all times available to meet cash flow requirements as they arise. Cash outflows arise from purchase of investments and other operating commitments. Such out-flows should be adequately matched by inflows from maturing investments and investment fees. The Group maintains comprehensive cash flow forecasts and budgets.

As at 31 December 2024	On demand and within 3 months ZWG	3 - 12 months ZWG	>1 year ZWG	Total ZWG
Assets				
Balances with banks and cash	757 754	-	-	757 754
Short term deposits	14 482 401	-	-	14 482 401
Other receivables (excluding prepayments)	-	-	-	-
Financial assets at fair value through profit or loss	2 125 745	-	-	2 125 745
	17 365 900	-	-	17 365 900
Liabilities				
Other liabilities (excluding statutory liabilities and provisions)	3 663 206	-	-	3 663 206
	3 663 206	-	-	3 663 206
Liquidity gap	13 702 694	-	-	13 702 694
Cumulative liquidity gap	13 702 694	13 702 694	13 702 694	-

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

25.1.4 Liquidity risk (continued)

As at 31 December 2023	On demand and within 3 months ZWG	3 - 12 months ZWG	>1 year ZWG	Total ZWG
Assets				
Balances with banks and cash	630 077	-	-	630 077
Short term deposits	1 881 252	-	-	1 881 252
Other receivables (excluding prepayments)	2 125 745	413 120	-	2 538 865
Financial assets at fair value through profit or loss	2 250 584	-	-	2 250 584
	6 887 658	413 120	-	7 300 778
Liabilities				
Other liabilities (excluding statutory liabilities and provisions)	568 341	-	-	568 341
	568 341	-	-	568 341
Liquidity gap	6 319 317	413 120	-	6 732 437
Cumulative liquidity gap	6 319 317	6 732 437	6 732 437	-

25.1.5 Credit risk

Credit risk is the risk of suffering financial loss, should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligations to the Group. Credit risk arises mainly from trade and other receivables and cash and cash equivalents.

The Group is also exposed to credit risks arising from investment in debt securities and other exposures arising from its trading activities ("trading exposures") including non-equity trading portfolio assets, and settlement balances with market counterparties.

Credit risk is the single largest risk for the Group's business; management therefore carefully manages its exposures to credit risk.

Management of credit risk

The Board of Directors has delegated responsibility for the management of credit risk to management.

Credit quality of financial instruments

The Group's exposure to counterparties with external rating (Global Credit Ratings Group) is as follows:

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

24 Financial risk management (continued)

25.1.5 Credit risk (cotinued)

Credit quality of financial instruments (cotinued)

Credit rating of banks by Global Credit Ratings Group ("GCR")

	2024 ZWG	2023 ZWG
A	80 676	10 877
AA	116 841	387 142
BB	226	12 303
Not rated	15 042 412	2 101 007
Cash and cash equivalents	15 240 155	2 511 329

Capital management policies

Capital comprises shareholders' equity. It is the Group's objective to retain assets with a weighted value at more or equal to quarterly expenses as minimum capital prescribed by the the regulator, the Security and Exchange Commission of Zimbabwe. The Group manages its capital structure and makes adjustments to it, in light of changes in the economic conditions. The Group's policy is not expected to change in the foreseeable future.

25.1.6 Minimum capital requirements

The regulator Securities and Exchange Commission released new computations for minimum capital requirements which take into account net assets less illiquid assets referred to as as adjusted liquid capital.

25 Fair value estimation

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions.

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities traded on the Zimbabwe Stock Exchange.

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

25 Fair value estimation (continued)

Fair value hierarchy (continued)

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This level includes non listed equity investments.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible. The table below summarises the various assets and liabilities measured at fair value and the level on the fair value hierarchy.

	Level 1 ZWG	Level 2 ZWG	Level 3 ZWG
As at 31 December 2023			
-Financial assets at fair value through profit or loss (quoted securities)	2 250 584	-	-
-Land and buildings, recognised in property and equipment	-	-	6 449 626
-Investment property	-	-	4 024 566
	2 250 584	-	10 474 192
As at 31 December 2024			
-Financial assets at fair value through profit or loss (quoted securities)	2 125 745	-	-
-Land and buildings, recognised in property and equipment	-	-	9 029 476
-Investment property	-	-	5 314 491
	2 125 745	-	14 343 967

There were no transfers between levels 1 and 2 during the year (2023: none)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1, and comprise primarily equity investments classified as trading securities, and listed on the Zimbabwe Stock Exchange.

The Group had no other assets or liabilities or other assets or liabilities that were carried at fair value, as at 31 December 2024 (2023 - ZWG nil).

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

25 Fair value estimation (continued)

Fair value hierarchy (continued)

25.1 Historical cost

	2024 ZWG	2023 ZWG
If land and buildings were stated on a historical cost basis, the amounts would be as follows:		
Cost	303 003	303 003
Accumulated depreciation	(135 906)	(83 329)
	167 097	219 674

25.2 Valuation of land and buildings

The carrying amount of land and buildings is the fair value of the property as determined by the year end valuation carried out by Integrated Properties (Private) Limited ("Integrated Properties"), independent professional valuers, as at 31 December 2024.

In arriving at the fair values of land and buildings the implicit investment approach was applied based on the capitalisation of income. This method is based on the principle that rents and capital values are inter-related. Hence given the income produced by a property, its capital value can be estimated. Comparable rentals inferred from offices and industrial buildings within the locality of the property based on use, location, size and quality of finishes were used. The rentals were annualised and a capitalisation factor was then applied to give a market value of the property property, also inferring on comparable premises which are in the same category as regards the building elements.

The revaluation surplus net of applicable deferred taxes was credited to other comprehensive income.

The professional valuers hold recognised relevant professional qualifications and have recent experience in the locations and categories of the property.

Class of property	Fair value as at 31 December 2024 ZWG	Valuation technique	Key unobservable inputs	Range of unobservable inputs (weighted average) ZWG
Land and buildings	9 029 475	Implicit investment method	Comparable rental per square meter	10 165

Smartvest Wealth Managers (Private) Limited owns land situated in the district of Harare, 15 Stands in Glaudina and stands in Ruwa Township of Subdivision C of Sebatopol, Stand numbers 22981, 22993 and Stand 1233 Claverhill Township, Bindura.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

25.2 Valuation of land and buildings (continued)

The carrying amount of the investment property is the fair value of the property as determined by the period-end valuation performed by Integrated Properties (Private) Limited, independent valuers in December 2024 by reference to the market evidence of recent transactions for similar properties. The valuation conforms to International Valuation Standards. Fair value is determined with reference to the market value of the property between a willing buyer and a willing willing seller at arms length. No rental income or operating expenses associated with the investment property was recognised in the current and prior year. Investment property was was recognised in the current and prior year.

Valuation processes of the Group - Investment property

The investment property was valued at 31 December 2024 by Integrated Properties (Private) Limited in accordance with the relevant professional guidelines and statements issued under Royal Institute of Chartered Surveyors Appraisal and Valuation.

The valuation basis is the market comparable method. This conforms to international valuation standards.

Valuation techniques underlying management's estimation of fair value

The market comparable method was used in determining the market value of the land. This was based on various properties that have recently sold or which are currently on sale and situated in the comparable residential areas. They also considered market evidence from other estate agents and local press. This comprised concluded transactions as well as transactions where offers had been made but transactions had not been finalised. The location of the property provided reasonable basis for analysis. Requisite searches were also carried out with the Harare City Council to verify critical information.

Class of property	Fair value as at 31 December 2024 ZWG	Valuation technique	Key unobservable inputs	Range of unobservable inputs (weighted average) ZWG
Investment property (land)	5 314 491	Market comparable method	Comparable price per square metre	568

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

25.2 Valuation of land and buildings (continued)

Sensitivity analysis

Sensitivity analysis performed on a valuation of assets and liabilities with significant unobservable inputs (level 3) to generate a range.

The table below presents the sensitivity on (loss)/profit before income tax due to the change in assumptions. The sensitivities presented are favourable movement if the sensitivity variables are unfavourable, the negative impact on profit/(loss) in the statement of comprehensive income would be of a similar magnitude.

	Effect on (loss)/ profit before tax	
	2024	2023
	ZWG	ZWG
5% increase in price per square metre	-	20 665
5% decrease in price per square metre	-	(20665)

26 Related party transactions

Related party transactions include transactions between the parent Smartvest Wealth Managers (Private) Limited and its subsidiary Afrismart Properties Investments (Private) Limited as well as key management personnel. However, there were no balance for the reporting period.

27 Contingent liabilities

There were no contingent liabilities as at 31 December 2024.

28 Capital commitments

There were no capital commitments as at 31 December 2024.

29 Going concern

Management has assessed and concluded that the Group will continue operating as a going concern for the foreseeable future. TheTranslated financial statements were prepared on a going concern basis basing on the cashflow statements, net current asset value, key financial ratios, profitability, risk assessment and the expected cashflow forecasts prepared by management for the year ending 31 December 2025. The Group has resources to take it through the foreseeable future.

30 Capital adequacy

Smartvest Wealth Managers (Private) Limited framework is based on the Securities and Exchange Commission of Zimbabwe's risk-based capital adequacy approach of July 2017. As at 31 December 2024 the adjusted liquid capital stood at ZWG18 139 983 as per table below against capital requirements of ZWG11 266 566 resulting in a surpuls of ZWG6 873 417.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

30 Capital adequacy (continued)

Requirements

	2024 ZWG
Operational expenditure/ Fixed Expenditure Base Requirement (13 Weeks) or Fixed Technology Expenditure requirement (FTER) (annual)	6 735 008
Counter party risk requirement (CRR)	3 149 816
Position risk requirement (PRR)	1 381 742
Settlement risk requirement (SRR)	-
Other risks	-
Total Requirement (TR) (a+b+c+d)	11 266 566
Adjusted liquid capital (ALC)	18 139 983
Capital surplus/(shortfall)	6 873 417

31 Trust accounts

As per schedule Part IV of the Securities and Exchange Act (Chapter 24:25) and section 40 of the Staturoty instrument 100 of 2010, licensed SMIs who maintain trust and nominees accounts. Ast at 31 December 2024, Smartvest Wealth Managers Private Limited was holding trust and nominee balance of nill (2023: nill).

32 Funds under management

As at 31 December 2024, funds under management of Smartvest Wealth Managers Private Limited stood at ZWG2 427 552 322 (2023, ZWG1 869 601 506). The funds are invested in the asset classes provided below:

As at 31 December	2024 ZWG	2023 ZWG
Property	1 665 554 024	1 368 677 217
Equities	246 169 364	236 287 559
Fixed deposit	399 193 399	120 410 448
Bonds	96 887 660	107 303 159
Cash	19 747 875	36 923 123
	2 427 552 322	1 869 601 506

33 Environmental, Social and Governance issues

33.1 Environmental issues

On the first Friday of each month, Smartvest Wealth Managers Private Limited engage in His Execellency Presdient Emmerson Dambudzo Mnangagwa's vision for a clean city and a health environment. Smartvest is also promoting the use on renewable enengy through the use of solar energy in all its projects.

Notes to the special purpose financial statements for the year ended 31 December 2024 (continued)

33 Environmental, Social and Governance issues (continued)

33.1 Environmental issues (continued)

On all Smartvest Wealth Managers Private Limited projects we make sure we plant trees keep a green city. In 2025 we will engage in enviromental awareness campaigns to fight against global warming and will engage Envirdmental Management Agency (EMA) on the intitative.

33.2 Social issues

In 2024 Smartvest Wealth Managers Private Limited completed affordable 735 stands in Glaudina for low income earners in line Second Republic's intiation to complete one million houses by the year 2025. Smartvest is part and parcel of the Chegutu low income housing scheme where investments with a value of ZWG25 798 500. Smartvest participate in Golf Sponsorship for children's homes as a way of corporate social reponsibility. Donations were to Jiti Primary School and Jiti Secondary School in Bindura in the year 2024. To relieve Bindura University of Science and Technology students from accomodations crisis, Smartvest purchased land from Bindura Municipality for student accomodation. The project will commence in the year 2025 and will go a long way in providing better living standards for students.

33.3 Corporate governance

Good corporate governace is fundamental to company's success, sustainability and legitimacy. Our corporate governance principles, framework and risk management practices ensure we make choices that align with our vision, values and strategy. In line with this Board Meetings and Audit and risk committee meetings are held quarterly to manage the company's internal controls and adherence to policies. The board continue to safeguard all company's external stakeholders including the company's shareholders and protect shareholders rights and ensuring adherence to regulations from the regulators. Board put in place policies that prevents bribery, lobbying and allows whistleblowing direct to the directors for any anomalies.

Board and Board committees attendance for 2024 were as follows:

Name of Director	Age	Gender	Race	Total meetings held	Meetings attended	Total absent
Dr Leonard Ladislas Tsumba (Chairman)	81	Male	African	4	4	-
George Tetere Chikava	61	Male	African	4	4	-
Hayes Rowland Heathcote	76	Male	White	4	4	-
Wadzanayi Phiri	47	Female	African	4	4	-
Peter Antony Kadzere*	62	Male	African	4	4	-

*Executive director.

Notes to the special purpose financial statements
for the year ended 31 December 2024 (continued)

33 Environmental, Social and Governance issues (continued)

33.3 Corporate governance (continued)

Committee Member	Age	Gender	Race	Total meetings held	Meetings attended	Total absent
George Tetere Chikava	61	Male	African	4	4	-
Wadzanayi Phiri	47	Female	African	4	4	-
Peter Antony Kadzere*	62	Female	African	4	4	-

*Executive director.

An annual general meeting was held on the 24th of August 2024 and more than 50% of shareholders attended.

34 AML/CFT Programme

In line with the requirements of the Reserve Bank on Zimbabwe through the Financial Intelligence Unit (FIU) requires reporting on suspicious transactions. Smartvest adopted GoAML and report on a monthly basis any suspicious transaction reports and in the year to 31 December 2024 nill returns were submitted as there was nothing to report.

Due dilligence is applied when receiving new clients and the company request for all know your clients (KYC) documents to identify clients listed on the sanctions list. Screening is done for all suspicous transactions and the company does not allow third party payments except where there is an indemnity. Staff continue to attend training on AML/CFT and the infomartion is cascaded down to all employees.

35 Events After The Reporting Period

Smartvest Wealth Managers Private Limitedapproached Ronwell invesments on the purchase of a new property on number 143 Borrowdale Road being the new premises for Smartvest wealth Managers Private Limited. The transaction is at an advanced stage and is likely to be concluded before the reporting date.