MORGAN & CO (PVT) LTD

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

General Information

Nature of business
The main business of the company is buying and selling of shares on the Zimbabwe Stock Exchange

Registered office	14165 Sauer Road Gunhill **Harare**
Directors	
Mr D Muchengi	Executive Director
Mr L Nyamazana	Executive Director
Independent auditors	Kreston Zimbabwe Chartered Accountants Block A,Smatsatsa Office Park Borrowdale **Harare**
Principal bankers	CBZ Custodial Service Branch **Harare**
	ZB Bank Natal Branch **Harare**
	NMB Borrowdale Branch **Harare**
Lawyers	Coglan,Welsh & Guest Cecil House 2 Central Avenue Corner Second Street **Harare**

MORGAN & CO (PVT) LTD

MANAGEMENT'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

It is management's 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.

Management has assessed the ability of Morgan & Co (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, management 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 management confirms that the systems of accounting and internal control are operating in a satisfactory manner.

In light of the current financial position, management is satisfied that Morgan & Co (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 3 to 6.

Company`s financial statements which are set out on pages 7 to 32 were in accordance with their responsibilities, approved by the company executives on ....2025 and are signed on their behalf by:

....	....
DIRECTOR	**DIRECTOR**

INDEPENDENT AUDITOR'S REPORT
TO THE MANAGEMENT OF MORGAN & CO (PVT) LTD

Unqualified Opinion

We have audited the financial statements of Morgan & Co (Private) Limited set out on pages 7 to 32, which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in reserve, and the statement of cash flows for the year ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly the financial position of Morgan & Co (Private) Limited as at 31 December 2024, and its financial performance and its cash flows for the year that ended in accordance with International Financial Reporting Standards and the manner required by the Companies and Other Business Entities Act Chapter (24:31) of Zimbabwe.

Basis for Unqualified 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 unqualified opinion except for the matter below.

Material Uncertainty Related to Going Concern

Our review of the director's responsibility statement set on page 2, relating to going concerns, we have nothing to report having performed our review. As noted within the director's responsibility statement on page 2, the directors have 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 the directors intend it to do so for at least one year from the date the financial statements were signed. As part of our audit, we have assessed that the board of directors' use of a going concern basis is appropriate. However, because not all future events or conditions can be predicted, these statements are not guaranteed as to the company`s ability to continue as a going concern.

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 company 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 2.1.1 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 judgment, were of the most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. However, there are no key audit matters.

Other information

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

Our opinion on the company`s financial statements does not cover the other information, and we do not express an 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, 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 on in this regard.

Director's Responsibilities for the Financial Statements

The management of Morgan & Co (Private) Limited are responsible for the preparation and fair presentation of the company's financial statements in accordance with IFRS and for such internal control as the management determines 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 management either intends 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's 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 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 based on the company's financial statements.

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

- Identify and assess the risk of material misstatement of the company's 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 override or internal control.
- Obtain an understanding of internal controls relevant to the audit to design audit procedures that are appropriate in the circumstance, but not to express an opinion on the effectiveness of the company's internal controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- 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 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 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 in 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 company to express an opinion on the financial statements. We remain solely responsible for our Audit opinion.

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

We also provide the company with a statement that we have complied with the 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 the company, we determined those matters that were of the most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations preclude 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 been properly prepared per accounting policies set out on pages 11 to 20.
The engagement partner on the audit resulting in this independent auditor's report is Ms Chipo Mache (PAAB Practicing Certificate Number: 0548).

Kreston (Z)

<u>31 March 2025</u>

KRESTON ZIMBABWE CHARTERED ACCOUNTANTS
DATE REGISTERED PUBLIC AUDITORS
HARARE

DATE

MORGAN & CO (PRIVATE) LIMITED
RESTATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Inflation adjusted		Historical Cost	
	Note	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
ASSETS					
Non current assets		**12,834,010**	**205,673**	**12,766,500**	**115,547**
Property and Equipment	4	145,725	194,336	78,215	109,177
Investment property		12,687,795	-	12,687,795	-
Lease - Right of Use Asset	5	490	11,338	490	6,370
Current assets		**2,088,198**	**6,230,032**	**2,088,198**	**3,500,018**
Trade and other receivables	6	767,396	955,913	767,396	537,030
Financial Assets at Fair Value Through Profit and Loss	7	158,879	4,942,430	158,879	2,776,646
Cash and cash equivalents	8	1,161,922	331,689	1,161,922	186,342
Total assets		**14,922,208**	**6,435,705**	**14,854,698**	**3,615,565**
EQUITY AND LIABILITIES					
Equity		**13,582,648**	**1,614,899**	**13,516,151**	**994,172**
Ordinary Shares		4,055	4,055	2,278	2,278
Capital contribution		12,687,795	-	12,687,795	-
Treasury shares		104	104	58	58
Revaluation reserve		59,724	59,724	33,553	33,553
Retained Earnings		830,970	1,551,016	792,467	958,283
Non current liabilities		**83,135**	**383,545**	**83,135**	**128,549**
Deferred Tax	9	83,135	38,976	83,135	21,897
Lease liability	5	-	344,569	-	106,653
Current liabilities		**1,256,425**	**4,437,262**	**1,255,412**	**2,492,844**
Trade and other payables	10	911,879	4,229,084	911,879	2,375,890
Provisions	11	244,147	44,052	244,147	24,748
Lease liability	5	31,899	154,727	31,899	86,926
Taxation Payable	9.1	66,188	7,087	66,188	3,981
5% Preference Shares		2,312	2,312	1,299	1,299
Total liabilities		**1,339,560**	**4,820,807**	**1,338,547**	**2,621,393**
Total equity and liabilities		**14,922,208**	**6,435,705**	**14,854,698**	**3,615,565**

Signed on behalf of the Board by:

.... 31/03/25 ....
Executive Director Date

.... 31/03/25 ....
Executive Director Date

MORGAN & CO (PRIVATE) LIMITED
RESTATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		Inflation adjusted		Historical Cost	
		2024	2023	2024	2023
	Note	ZWG	ZWG	ZWG	ZWG
Revenue		**14,405,588**	**7,790,310**	**9,266,717**	**4,376,579**
Net Brokerage commission		13,852,175	6,688,164	8,673,126	3,757,396
Dividends Received		-	36,140		20,303
Other income	**12**	553,413	1,066,006	593,592	598,880
Total Expenditure		**(11,691,098)**	**(20,688,122)**	**(7,648,782)**	**(11,622,541)**
Administrative expenses	**13**	7,275,609	17,835,815	5,717,507	10,020,121
Staff Costs	**14**	4,415,489	2,852,307	1,931,275	1,602,420
Foreign exchange loss		(88,073)	(444,291)	(542,891)	(249,602)
Fair value gain/(loss)	**15**	404,810	2,494,012	260,937	1,401,130
Operating loss before interest and tax		**3,031,226**	**(10,848,092)**	**1,335,981**	**(6,094,434)**
Finance Costs	**16**	(31,052)	(86,598)	(15,806)	(48,650)
Loss after interest		**3,000,174**	**(10,934,690)**	**1,320,175**	**(6,143,084)**
Net Monetary Gain		(3,890,655)	20,047,387	(1,627,659)	11,349,502
Taxation	**9.1**	170,435.45	(3,790)	141,669.07	(2,129)
Profit/(loss) for the year		**(720,045)**	**9,108,907**	**(165,816)**	**5,204,289**
Total Comprehensive Income		**(720,045)**	**9,108,907**	**(165,816)**	**5,204,289**

MORGAN & CO (PRIVATE) LIMITED
RESTATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

Inflation adjusted	**Share capital**	**Capital contribution**	**Treasury shares**	**Revaluation reserve**	**Retained earnings**	**Total**
	ZWG	**ZWG**	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Restated Balance as at 01 January 2023	**4,055**	**-**	**104**	**59,724**	**(6,360,347)**	**(6,296,464)**
Prior year adjustment	-		-	-	(1,197,544)	(1,197,544)
Loss for the year	-		-	-	9,108,907	9,108,907
Balance as at 31 December 2023	**4,055**	**-**	**104**	**59,724**	**1,551,016**	**1,614,899**
Shareholder capital injection	-	12,687,795	-	-	-	12,687,795
Loss for the year	-	-	-	-	(720,045)	(720,045)
Balance as at 31 December 2024	**4,055**	**12,687,795**	**104**	**59,724**	**830,970**	**13,582,648**

Historical cost	**Share capital**	**Capital contribution**	**Treasury shares**	**Revaluation reserve**	**Retained earnings**	**Total**
	ZWG	**ZWG**	**ZWG**	**ZWG**	**ZWG**	**ZWG**
Balance as at 01 January 2023	**2,278**	**-**	**58**	**33,553**	**(3,573,229)**	**(3,537,339)**
Prior year adjustment	-	-	-	-	(672,778)	**(672,778)**
Loss for the year	-		-	-	5,204,289	**5,204,289**
Balance as at 31 December 2023	**2,278**	**-**	**58**	**33,553**	**958,283**	**994,172**
Shareholder capital injection	-	12,687,795	-	-	-	**12,687,795**
Loss for the year	-		-	-	(165,816)	**(165,816)**
Balance as at 31 December 2024	**2,278**	**12,687,795**	**58**	**33,553**	**792,467**	**13,516,151**

MORGAN & CO (PRIVATE) LIMITED

RESTATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

		Inflation adjusted		Historical Cost	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
	Note				
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before interest and tax		**3,000,174**	**(10,934,690)**	**1,320,175**	**(6,143,084)**
Adjustments for:					
Fair value Adjustment	**15**	404,810	(2,494,012)	(260,937)	(1,401,130)
Gains on disposal		(62,180)		(39,605)	-
Prior year adjustment		-	(1,197,544)	-	(672,778)
Depreciation charge for the year	**4**	59,458	26,412	36,842	14,838
Leave pay provisions	**14**	240,357	42,478	240,357	23,864
Foreign exchange loss		41,203	446,873	75,279	251,053
Operating profit/(loss) before working capital changes		**3,683,822**	**(14,110,483)**	**1,372,110**	**(7,927,237)**
Working capital changes					
Increase in trade and other receivables		188,517	(34,144,757)	(230,367)	(19,182,448)
Increase in trade and other payables		(3,317,205)	127,429,667	(1,466,966)	71,589,701
Net cash flow from operating activities		**555,134**	**79,174,427**	**(325,223)**	**44,480,015**
Taxation paid		(28,613)	(21,124)	(18,225)	(11,867)
Net cash flow from operating activities		**526,521**	**79,153,304**	**(343,447)**	**44,468,148**
CASH FLOWS FROM INVESTING ACTIVITIES					
Disposal of furniture and fittings		-	17,603	-	9,889
Acquisition of Trade Investments		(778,310)	(215,812)	297,065	(121,243)
Disposal of Trade Investments		(454,380)	-	(173,428)	-
Net cash flow from investing activities		**(1,232,690)**	**(198,209)**	**123,638**	**(111,353)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Lease payments	**5.2**	(384,925)	(205,450)	(252,763)	(115,421)
Net cash outflow from financing activities		**(384,925)**	**(205,450)**	**(252,763)**	**(115,421)**
Net Increase In Cash and Cash Equivalents		**(1,091,095)**	**78,749,645**	**(472,573)**	**44,241,373**
Effects of IAS 29 on Cash and Cash Equivalents		**1,924,283**	**(78,437,309)**	**1,445,198**	**(44,065,904)**
Cash and cash equivalents at the beginning of the year		**331,689**	**19,353**	**186,342**	**10,873**
Cash and cash equivalents at the end of the year		**1,164,878**	**331,689**	**1,158,966**	**186,342**
Represented by:		**1,164,878**	**331,689**	**1,158,966**	**186,342**
Cash at bank	**9**	1,161,922	331,689	1,161,922	186,342
Bank overdraft	**12**	2,956	-	(2,956)	-

1. General information

1.1 Nature of business

The company is incorporated in Zimbabwe (Registration number: 24765/2007), its main business is buying and selling of shares on behalf of its clients on the Zimbabwe Stock Exchange and Victoria Falls Securities Exchange.

1.2 Currency

The company's functional and presentation currency is the Zimbabwe gold (ZWG$).

2. Accounting policies

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) and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements.

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 Morgan & Co Pvt Ltd 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 gold 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 Directors concluded that Morgan & Co Pvt Ltd's functional currency remains the Zimbabwe gold (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 2498.7242

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 ZWL$ inflation rates and Consumer Price Index (CPI) effective February 2023, Morgan & Co Ptv Ltd 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. Morgan & Co Ptv Ltd 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.

2.1.3 Net monetary gain/(loss) on historical financial statements

The historical financial statements show a net monetary gain/(loss). This arose from the currency conversion from Zimbabwean Dollar (ZWL) to the Zimbabwe gold (ZWG). The measurement of the ZWL for conversion was restated by applying the index on 5 April 2024. Refer to Note 2.1.2 above.

2.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

2.2.1 Commission received

Revenue from commission is recognised when the service has been rendered and the deal is complete.

2.2.2 Proprietary Trading

This is revenue generated from trading in own portfolio of investments.

2.2.3. Dividends Received

This is dividends received from shares held in own portfolio of investments.

2.2.4 Interest received

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

2.3 Financial instruments

2.3.1 Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

2.3.2 Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. Available-for-sale financial assets are subsequently carried at fair value and where it is difficult to estimate fair value, unquoted equity investments are measured at cost. Changes in the fair value are recognised in other comprehensive income and accumulated in the available for sale reserve; exchange differences on corporate bonds denominated in a foreign currency and interest calculated using effective interest rate method is recognised in profit or loss. Where there is significant or prolonged decline in the fair value of an available for sale financial asset (which constitute objective evidence of impairment), the full amount of impairment, including any amount previously recognised in other comprehensive income, is recognised in profit or loss. Purchases and sales of available for sale financial assets are recognised on settlement date with any changes in fair value between trade date and settlement date being recognised in the available for sale reserve.

On sale, the cumulative gain or loss recognised in other comprehensive income is reclassified from available for sale reserve to profit or loss.

2.3.3 Financial liabilities

The company's financial liabilities comprise trade and other payables and related party payables. Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.3.4 Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where they have been transferred and the company has also transferred substantially all risks and rewards of ownership. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the financial assets are derecognized or impaired, as well as through the amortization process.

2.3.5 Impairment of financial assets

A financial asset is deemed to be impaired when its carrying amount is greater than its estimated receivable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements.

2.3.6 Fair value measurement hierarchy

IFRS 7 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement (see note 3). The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

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

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the financial asset or financial liability is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short term highly liquid investments readily convertible to known amounts of cash with original maturities of three months or less.

2.5 Employee Benefits

Short term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Post Employment Benefits

Contributions to defined contribution pension schemes are charged to profit or loss in the year to which they relate.

2.6 Property & Equipment

Equipment is initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amounts or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the entity and the costs can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the period in which they are incurred. Subsequent to initial measurement, motor vehicles and equipment is measured at cost less accumulated depreciation and accumulated impairment losses. Their useful lives and residual values are assessed annually. Annual depreciation is charged proportionately over the remaining useful life of an asset where its carrying amount is higher than its residual value. If the carrying amount is lower than the residual value, no depreciation is charged. The Company acquires its equipment with the intention to use them for their entire useful lives. Hence their residual values were assessed as $ nil.

Subject to the above equipment are depreciated on a straight-line basis over the remaining useful lives as follows:

- Computer equipment 5 years
- Office equipment 5 years
- Furniture and fittings 5 years
- Motor Vehicles 5 years
- Leasehold improvements 3 years

i) Impairment of equipment

The carrying amount of equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Any impairment loss is recognized through profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

ii) Derecognition of equipment

An item of equipment is derecognized upon disposal or when no future economic benefits are expected from use or disposal.

2.7 Income tax

i) Current tax

Current tax assets and liabilities for the current and prior periods 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 the statement of financial position date.

ii) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except: Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that reversal of the temporal differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and 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 credits and unused tax losses can be utilized except: "where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures. Deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Unrecognised deferred income tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same taxable entity and the same taxation authority. Deferred capital gains tax arises on the revalued property. The capital gains tax liability is computed on the revaluation adjustment based on rates ruling on the reporting date.

2.8. Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. The standard supersedes IAS 17 and is effective for annual periods that begins on or after 1 January 2019.

Lessor Accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term. Initially direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. Income for leases is disclosed under revenue in profit or loss.

Finance leases – Lessor

Initially a lessor shall recognise the net investment in the lease, the lessor shall use the interest rate implicit in the lease including initial direct cost to measure the net investment in the lease.

Subsequently a lessor shall recognise finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Lessee Accounting

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting and is replaced by a model where right of use asset and a corresponding liability have to be recognised for all leases by lessees except for short term leases and leases of low value assets.

The right of use asset is initially measured at cost (subject to certain exceptions) and subsequently measured at cost less accumulated depreciation, impairment losses and adjusted for any measurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date.

Subsequently the lease liability is adjusted for interest and lease payments, impacts of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as under IFRS 16 model the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

2.9 Provisions

Provisions and contingencies

Provisions are recognised when:

- Morgan & Co has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- Has a detailed formal plan for the restructuring, identifying at least:
- the business or part of a business concerned,
- the principal locations affected,
- the location, function, and approximate number of employees who will be compensated for terminating their services,
- the expenditures that will be undertaken; and when the plan will be implemented, and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

2.10 CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates.

Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments include:

(a) Trade and other receivables

The company assesses its trade and other receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of profit or loss, the company makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

(b) Impairment testing equipment

The company is required to test, on an annual basis, whether an asset has suffered any impairment. Impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. The determination of value in use requires the estimation of future cash flows and of a discount rate.

(c) Residual values and useful lives

The company is required to assess residual values and the remaining useful lives of its equipment on an annual basis. This affects the amount of depreciation that is recognized in the statement of income and expenditure. Management assessed residual values at nil for all assets as it intends to use the assets until the end of their economic useful lives.

4 **Property and Equipment**

Inflation adjusted	**LEASEHOLD** ZWG	**OFFICE & COMPUTER EQUIPMENT** ZWG	**FURNITURE & FITTINGS** ZWG	**LOW VALUE ASSETS** ZWG	**MOTOR VEHICLE** ZWG	**TOTAL** ZWG
Carrying amount 01 January 2023	**-**	**150,798**	**72,356**	**427**	**50,594**	**274,176**
Cost	557	179,070	88,851	581	60,287	**329,346**
Accumulated depreciation	(557)	(28,272)	(16,495)	(154)	(9,692)	**(55,170)**
Disposal	-	-	(17,603)	-	-	**(17,603)**
Charge for the year	-	(35,814)	(14,250)	(116)	(12,057)	**(62,237)**
Carrying amount 31 December 2023	**-**	**114,984**	**40,504**	**311**	**38,537**	**194,336**
Cost	557	179,070	71,248	581	60,287	**311,743**
Accumulated depreciation	(557)	(64,086)	(30,744)	(270)	(21,749)	**(117,407)**
Charge for the year	-	(31,589)	(6,284)	(102)	(10,635)	**(48,610)**
Carrying amount 31 December 2024	**-**	**83,395**	**34,219**	**208**	**27,902**	**145,725**
Cost	557	179,070	71,248	581	60,287	**311,743**
Accumulated depreciation	(557)	(95,675)	(37,029)	(372)	(32,384)	**(166,017)**

Histocal cost	**LEASEHOLD** ZWG	**OFFICE & COMPUTER EQUIPMENT** ZWG	**FURNITURE & FITTINGS** ZWG	**LOW VALUE ASSETS** ZWG	**MOTOR VEHICLE** ZWG	**TOTAL** ZWG
Carrying amount 01 January 2023	**-**	**84,718**	**40,650**	**240**	**28,424**	**154,031**
Cost	313	100,601	49,916	326	33,869	**185,026**
Accumulated depreciation	(313)	(15,883)	(9,267)	(86)	(5,445)	**(30,994)**
Disposal	-	-	(9,889)	-	-	**(9,889)**
Charge for the year	-	(20,120)	(8,005)	(65)	(6,774)	**(34,965)**
Carrying amount 31 December 2023	**-**	**64,598**	**22,755**	**175**	**21,650**	**109,177**
Cost	313	100,601	40,027	326	33,869	**175,136**
Accumulated depreciation	(313)	(36,004)	(17,272)	(152)	(12,219)	**(65,959)**
Charge for the year		(20,120)	(4,003)	(65)	(6,774)	**(30,962)**
Carrying amount 31 December 2024	**-**	**44,477**	**18,752**	**109**	**14,876**	**78,215**
Cost	313	100,601	40,027	326	33,869	**175,136**
Accumulated depreciation	(313)	(56,124)	(21,275)	(217)	(18,993)	**(96,921)**

	Inflation adjusted		Historical Cost	
	2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated

5 Lease

The company leases buildings under finance lease expiring in three years.

5.1 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 3 years.

	2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
Right of Use Asset at Cost				
Opening Balance	29,834	13,508	16,761	7,589
Lease modification	-	16,326	-	9,172
	29,834	**29,834**	**16,761**	**16,761**
Depreciation				
Opening Balance	18,496	9,943	10,391	5,586
Charge for the year	10,848	8,553	5,880	4,805
	29,344	**18,496**	**16,271**	**10,391**
Carrying Amount	**490**	**11,338**	**490**	**6,370**

5.2 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 35% which was the interest rate implicit in the lease.

	2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
Lease liability assumed	344,569	70,108	193,578	39,386
Adjustment for change in lease agreement		-		-
Finance cost	31,052	33,038	15,806	18,560
Lease payments	(384,925)	(205,450)	(252,763)	(115,421)
Foreign exchange loss	41,203	446,873	75,279	251,053
Carrying amount	**31,899**	**344,569**	**31,899**	**193,578**
Current Portion	31,899	154,727	31,899	86,926
Non Current Portion	-	189,842	-	106,653
Total lease liability	**31,899**	**344,569**	**31,899**	**193,578**

		Inflation adjusted		Historical Cost	
		2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
6	**Trade and other receivables**				
	Trade receivables	417,819	527,793	417,819	296,513
	Other Receivables				
	Prepayments	141,992	196,155	141,992	110,199
	Custodial	160,989	-	160,989	-
	Receivables Control	46,596	231,965	46,596	130,317
		349,577	**428,120**	**349,577**	**240,517**
	Total financial assets other than cash and cash equivalents classified as loans and receivables	**767,396**	**955,913**	**767,396**	**537,030**

The carrying value of trade and other receivables approximates the fair value.

	Up to 3 months	767,396	955,913	767,396	537,030
		767,396	**955,913**	**767,396**	**537,030**

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

7	**Investments**				
	Listed equity securities	**158,879**	**4,942,430**	**158,879**	**2,776,646**
	Reconciliation of Listed Equity Securities				
	Opening balance	4,942,430	2,232,607	2,776,646	1,254,273
	Purchases	778,310	215,812	297,065	121,243
	Disposals	(454,380)	-	(173,428)	-
	Effects of currency changes	(5,512,291)	-	(3,002,341)	-
	Fair value (loss)/gain on available for sale financial assets	404,810	2,494,012	260,937	1,401,130
	Closing balance - Available for sale investments	**158,879**	**4,942,430**	**158,879**	**2,776,646**
8	**Cash and cash equivalents**	**1,161,922**	**331,689**	**1,161,922**	**186,342**
	Cash and cash equivalents comprises the following:				
	Cash at bank	1,161,922	331,689	1,161,922	186,342
9	**Deferred Tax**				
	Property and Equipment	20,267	(4,112)	20,267	(2,310)
	Fair value adjustment	-	31,745	-	17,834
	Leave pay provision	62,868	11,343	62,868	6,373
	Closing deferred tax liability	**83,135**	**38,976**	**83,135**	**21,897**
	Deferred tax liability at the beginning of the year	38,976	42,766	21,897	24,026
	Current year tax	**44,158**	**(3,790)**	**61,238**	**(2,129)**
9.1	**Taxation**				
	Income tax expense				
	Current taxation	126,277	-	80,431	-
	Deferred tax	44,158	(3,790)	61,238	(2,129)
	Tax expense	**170,435**	**(3,790)**	**141,669**	**(2,129)**

		Inflation adjusted		Historical Cost	
		2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
9.2	**Reconciliation of income tax charge**				
	Profit/ (loss) from continuing operations	3,031,226	(50,865)	1,335,981	(28,576)
	Tax at the Zimbabwe Tax rate (25.75%)	780,541	(12,574)	344,015	(7,064)
	Tax effect of amounts which are not deductible	1,267,007	317,945	807,011	178,621
	Tax effect of amounts which are not taxable	-	(617,787)	-	(347,071)
	Capital allowances	(31)		(20)	
	Movement in temporary differences	44,158	(3,790)	61,238	(2,129)
	Assessed loss	(316,206)	-	(177,644)	-
	Monetory adjustments	(1,380,545)	-	(878,773)	-
	(Assessed loss)/income tax expense	**394,924**	**(316,206)**	**155,827**	**(177,644)**
9.3	**Tax Payable**				
	Opening Balance	7,087	664,448	3,981	373,285
	Current year charge	126,277	-	80,431	-
	Monetory adjustments	(38,563)	(636,238)	(24,563)	(357,437)
	Tax paid	(28,613)	(21,124)	(18,225)	(11,867)
	Closing Balance	**66,188**	**7,087**	**66,188**	**3,981**
10	**Trade and other Payables**	**911,879**	**4,229,084**	**911,879**	**2,375,890**
	Trade payables	327,320	134,594	327,320	75,614
	Levies Payable	117,139	1,013,439	117,139	569,348
	Salaries control	89,827	139,931	89,827	78,613
	Sundry payables	122,596	1,424,988	122,596	800,555
	Other payables	252,041	1,516,133	252,041	851,760
	Bank overdraft	2,956	-	2,956	-
11	**Provisions**	**244,147**	**44,052**	**244,147**	**24,748**
	Leave pay provision	244,147	44,052	244,147	24,748
12	**Other Income**	**553,413**	**1,066,006**	**593,592**	**598,880**
	Interest income	-	1,074	-	604
	Advisory fees	491,233	-	553,986	-
	Gain on disposal	62,180	-	39,605	-
	Decrease in provision for legal fees	-	1,064,931	-	598,276

		Inflation adjusted		Historical Cost	
		2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
13	**Administrative expenses**	**7,275,609**	**17,835,815**	**5,717,507**	**10,020,121**
	Audit Fees	357,972	347,251	165,196	195,085
	Depreciation - Property & Equipment	48,610	290	30,962	163
	Depreciation - Right of Use	10,848	26,122	5,880	14,675
	Marketing and Promotional	13,784	209,281	4,833	117,573
	Business development	213,958	372,777	344,193	209,425
	IT Service Level	21,576	26,502	15,575	14,889
	Consultancy Services	2,264,239	7,544,064	1,561,258	4,238,238
	Funeral Employer	61,136	93,011	38,997	52,254
	Staff Training	111,004	123,110	65,629	69,163
	General expenses	-	253,999	-	142,696
	Legal fees	-	1,348,430	-	757,545
	Parking Fees	1,754	5,245	1,087	2,947
	Repairs and maintenance	58,355	108,515	252,612	60,964
	Security Alarm Rental	74,619	251,672	36,978	141,388
	Subscriptions	155,471	674,672	296,529	379,029
	Subscriptions - Affilitations	35,245	51,200	12,357	28,764
	Telecommunication Costs	804,182	1,021,142	653,983	573,675
	Licences	496,065	512,716	390,741	288,043
	Cleaning Costs	43,637	73,588	26,402	41,342
	Staff Welfare	47,875	73,836	22,220	41,481
	Fuel & Oils	80,632	44,999	45,432	25,280
	Uniforms	1,423	6,257	778	3,515
	Printing and Stationery	72,204	245,742	256,287	138,057
	Entertainment	-	4,080	-	2,292
	Transport and Courier	1,455	9,332	795	5,243
	Bank Charges	197,678	198,975	125,656	111,783
	IMT Tax	130,170	190,817	79,566	107,201
	Electricity & Water	82,577	105,410	55,104	59,219
	Travel and Accommodation	41,461	787,273	22,416	442,288
	Insurance	45,942	137,912	27,265	77,479
	Trading Facility	1,366,525	1,907,252	873,411	1,071,490
	Motor Vehicle licenses	9,904	24,244	6,838	13,620
	Fees and commission	48,222	7,096	39,030	3,987
	Trading loss	-	11,095	-	6,233
	Rentals	29,987	18,618	26,768	10,460
	Recruitment Costs	-	181,240	-	101,820
	ETF Establishment Costs	-	233,840	-	131,371
	Teas & Refreshments	347,099	604,213	232,730	339,445

		Inflation adjusted		Historical Cost	
		2024 ZWG	2023 ZWG Restated	2024 ZWG	2023 ZWG Restated
14	**Staff costs**	**4,415,489**	**2,852,307**	**1,931,275**	**1,602,420**
	Salaries	3,607,811	2,339,920	1,346,937	1,314,562
	Medical Aid	461,671	329,246	277,952	184,969
	Lunch Subsidy	-	6,167	-	3,465
	WCIF	23,585	28,730	13,787	16,141
	NSSA	48,543	70,584	31,721	39,654
	Manpower development fund	22,509	23,690	13,787	13,309
	Standards Development Levy	11,012	11,492	6,735	6,456
	Leave Pay provision	240,357	42,478	240,357	23,864
15	**Other Gains or Losses**	**404,810**	**2,494,012**	**260,937**	**1,401,130**
	Net fair value gains/(losses) on financial assets at fair value through profit or loss	404,810	2,494,012	260,937	1,401,130
16	**Finance Costs**	**31,052**	**86,598**	**15,806**	**48,650**
	Interest on reedemable preference shares	-	39	-	22
	Lease finance cost	31,052	86,558	15,806	48,628

17 Related party information

Related parties	Nature of relationship	Status
Morgan & Co International (Pvt) Ltd	Subsidiary	Active
Mr D Muchengi	Director	Active
Mr L Nyamazana	Director	Active

17.1 Balances with related parties

	2024	2023
Payables		
Morgan & Co International (Pvt) Ltd	133,962	800,555

17.2 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.

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

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		Historical Cost	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Cash and cash equivalents	1,161,922	331,689	1,161,922	186,342
Trade and other receivables	767,396	955,913	767,396	537,030
Financial Assets at Fair Value Through Profit/Loss	158,879	739	158,879	415
Total financial assets	**2,088,198**	**1,288,341**	**2,088,198**	**723,787**
Financial liabilities				
Trade and other payables	911,879	4,229,084	911,879	2,375,890
Total financial liabilities	**911,879**	**4,229,084**	**911,879**	**2,375,890**

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.

18 Financial risk management (Cont'd)

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.

	TOTAL	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Over 2 years
	ZWG	ZWG	ZWG	ZWG	ZWG
At 31 December 2023					
Trade and other payables	**444,459**	**293,529**	**150,930**	**-**	**-**

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.

19 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 4.5% of basic salary per employee per month.

	Inflation Adjusted		Historical Cost	
	2024	**2023**	**2024**	**2024**
	ZWG	**ZWG**	**ZWG**	**ZWG**
Contributions for the year	48,543	70,584	31,721	39,654

20 Environmental, Social and Governance Policy

20.1 Policy

This Environmental, Social and Governance ("ESG") Policy outlines Morgan & Co (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. Morgan & Co (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 Morgan & Co (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.

20.2 Objectives

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.

20.3 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.

20.4 ESG as Part of Morgan & Co (Private) Limited.

Morgan & Co (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 Morgan & Co (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.

20.5 Reporting and Transparency

Morgan & Co (Private) Limited partners integrate ESG factors into its internal reporting.

20.6 Scope and Responsibilities

Senior professionals within Morgan & Co (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.

20.7 Authority

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

21 Capital Adequacy

Morgan & Co (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 ZWG13,014,132 *(see Adjusted liquid capital table)* against minimum requirements of ZWG4,492,555.79 *(see Total requirement table)* resulting in a surplus of ZWG8,521,576.37

Total Requirements	**ZWG**
13 Weeks Operational Expenditure	2,682,893.95
Counterparty risk requirement (Sum of Receivables due more than 30 days and Payables due more than 7 days)	12,561.73
Position Risk Requirement (Sum of Haircuts applied on Proprietary positions -40% listed equity, 10% investment property and 40% bank/corporate debt)	1,797,100.11
TOTAL	**4,492,555.79**

Adjusted Liquid Capital	**ZWG**
Ordinary share capital	2,278
Preference share capital	58
Share premium account	12,687,795
Audited retained earnings or accumulated losses	792,467
Owners' equity	**13,482,598**
Total capital resources (a)	**13,482,598**
Less intangible assets + Guarantees provided (b)	**(390,741)**
Licenses, softwares	(390,741)
Available capital resources (c) = (a-b)	**13,091,858**
Less Illiquid assets (d)	**(77,725)**
Fixed Assets, net of related secured loans	(77,725)
Adjusted Liquid Capital (c-d)	**13,014,132**

22 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.

23 Money Laundering or Terrorist Financing 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.

24 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.

25 Trust Accounts

The Directors confirm that the Trust accounts have been maintained in accordance with the requirements of Part IV of the Securities and Exchange Act [Chapter 24:25] and Section 40 of Statutory Instrument 100 of 2010 and that all transactions have been properly accounted for. The independent assessment by the company's auditors has confirmed that the company's Trust account balances were as follows:

Bank	Balance ZWG	Balance USD
CBZ Custodial Account	165,453	57,571
ZB Custodial Account	22,907	-

26 Going Concern

The ability of Morgan & Co (Pvt) Ltd to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations of the entity. The Directors have assessed the entity's forecasts and projections, taking into account reasonably possible changes in trading performance. The Directors have a reasonable expectation that Morgan & Co (Pvt) Ltd has adequate resources as well as support from the shareholders to continue in operational existence for the foreseeable future. Morgan & Co (Pvt) Ltd therefore continues to adopt the going concern basis in preparing its financial statements.

27 Events After the Reporting Date

Subsequent events are events that occur after a company's year-end period but before the release of the financial statements. There were no subsequent events.