Rockstone
Chartered Accountants

P.O Box BW 495, Borrowdale, Harare
+263 8644 282 305 | +263 77 227 5108 | +263 71 399 8223
www.rockstone.co.zw | info@rockstone.co.zw

INVESTOR PROTECTION FUND

FINANCIAL STATEMENTS

31 DECEMBER 2024

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Index

The reports and statements set out below comprise the financial statements presented to the stakeholders

Contents **Page (s)**

General Information

Nature of business	The Investor Protection Fund (the Fund or IPF) was established in 2013 in Zimbabwe by the Securities Act [Chapter 24:25] (Act), with the objective of compensating protected investors from losses suffered as a result of malpractice on the part of a contributor or in the event of a contributor becoming insolvent.
Board of Directors	Mrs Justice Vernanda Ziyambi (Retired) [Chairman] Mr Thomson Masvaure [Board Member] Mr Anymore Taruvinga [Board Member] Ms Thandiwe Shonhiwa [Board Member] Mrs Sandra Musevenzo [Board Member]
Registered Office	Investor Protection Fund c/o Minerva Risk Advisors 1 Kenilworth Road Newlands Harare
Fund Administrator	Minerva Risk Advisors 1 Kenilworth Road Newlands Harare
Financial statements	These financial statements were prepared under the direction and supervision of the Accounts Manager Courage Shoniwa, PAAB Registration number 0382
Custodian	Stanbic Custodial Services 59 Samora Machel Avenue Harare Chengetedzai Depository Company 4 Gloucester Close, Eastlea Harare
External Auditors	Rockstone Chartered Accountants 14155 Sauer Road Gunhill Harare Email: info@rockstone.co.zw Website: www.rockstone.co.zw
Bankers	Stanbic Bank Zimbabwe Limited 59 Samora Machel Avenue Harare
Asset Managers	Invesci Asset Management 41 Harare Drive Chisipite Harare ABC Asset Management 1 Endavour Crescent Mt Pleasant Business Park Mt Pleasant Harare Old Mutual Investment Group Mutual Gardens 100 The Chase West Emarald Hill Harare
Internal Auditors	Anoti Consultants (Private) Limited 17 Phillips Road Belgravia Harare

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Chairman's Report

Objectives of the Fund

The Investor Protection Fund (hereinafter called "the Fund") was established in terms of the Securities Act [Chapter 24:25] as amended by the Securities Amendment Act No. 2 of 2013, for the purpose of providing compensation to investors for losses suffered as a direct result of a licenced contributor being unable to meet its liabilities through insolvency or malpractice. Thus an investor will have recourse to the Fund where a licensed contributor is unable to pay its liabilities, in the event of (a) a contributor having insufficient assets to meet its liabilities or (b) insolvency declared by a competent court in Zimbabwe.

Board of Directors

The management of the Fund is vested in a Board of Directors, which is responsible for the administration and management of the Fund. The Board consists of six directors.

Service Providers

During the year, the Fund's investments continued to be under the management of three asset managers, ABC Asset Management, Invesci Asset Management and Old Mutual Investment Group. The assets are registered in the name of the Fund and are kept at Stanbic Custodial Services and Chengetedzai Depository Company. Accounting, administration and secretarial services of the Fund continued to be provided by Minerva Risk Advisors

Fund Performance

During the year, the Fund maintained its conservative investment strategy which focuses on capital preservation. Total income of the Fund was ZWG9 307 340 (2023: ZWG2 177 891) which included levy income of ZWG1 066 383 (2023: ZWG114 531), interest income of ZWG563 817 (2023: ZWG1 431), sundry income of ZWG4 111 544 (2023: ZWG719 593), foreign exchange gain ZWG3 152 672 (2023: ZWG1 329 877) and surplus on sale of shares of ZWG412 924 (2023: ZWG12 459).

Expenses for the year amounted to ZWG4 215 560 (2023. ZWG299 591) with the major expense items being asset management fees and administration costs.

Surplus for the year before fair value came in at ZWG5 091 780 (2023: ZWG1 878 300). The unrealized fair value gain of ZWG94 363 606 (2023: ZWG7 167 364) was split between property investments and equity investments at ZWG22 054 209 (2023: ZWG2 013 029) and ZWG72 309 397 (2023: ZWG5 154 335) respectively. The Fund recorded a surplus of ZWG99 455 386 (2023: ZWG9 045 664) on historical basis for the year ended 31 December 2024. The surplus resulted in an increase in the accumulated fund balance from ZWG10 252 021 as at 31 December 2023 to ZWG109 707 407 as at 31 December 2024.

Ziyambi

....

JUSTICE V. ZIYAMBI (RETD)
CHAIRMAN

Date of Approval: 17/07/2025

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Directors' Responsibility Statement and Approval

The Directors are responsible for the maintenance of adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Fund as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Fund and place considerable importance on maintaining a strong control environment. The Directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Fund and the Fund Administrator is required to maintain the highest ethical standards in ensuring the Fund's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Fund is on identifying, assessing, managing and monitoring all known forms of risk across the Fund. While operating risk cannot be fully eliminated, the Fund endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The Directors are satisfied that the Fund has or has access to adequate resources to continue in operational existence for the foreseeable future.

Financial Statements are prepared with the aim of complying with International Financial Reporting Standards (IFRS). The Directors assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of the financial statements on a going concern basis is still appropriate.

The external auditors are responsible for independently reviewing and reporting on the Fund's financial statements. The financial statements have been examined by the Fund's external auditors and their report is presented on pages 6 to 8.

The financial statements set out on pages 9 to 30, which have been prepared on the going concern basis, were approved by the Directors and were signed on their behalf by:

CHAIRMAN

DIRECTOR

Date of Approval: 17/07/2025

Rockstone

Rockstone Chartered Accountants
Registered Public Auditors
14155 Sauer Close, Gunhill
Borrowdale, Harare
Zimbabwe

Website: www.rockstone.co.zw
Email: info@rockstone.co.zw
Tel: +263 (0) 8644 282 305
Tel: +263 (0) 772 275 108
Tel: +263 (242) 720 095

REPORT OF THE INDEPENDENT AUDITORS

TO THE BOARD MEMBERS OF INVESTOR PROTECTION FUND

Opinion

We have audited the accompanying financial statements of Investor Protection Fund, set out on pages 9 to 30, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Investor Protection Fund as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Financial Statements section of our report. We are independent of Investor Protection Fund in accordance with the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Zimbabwe and we have fulfilled our other ethical responsibilities under these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There were no key audit matters that came to our attention during the audit.

Audit | Tax | Advisory

Other Information
The Directors are responsible for the other information. The other information comprises the Directors' Responsibility Statement and Approval as well as the Chairman's Report. The other information does not include the financial statements and our auditor's opinion thereon. Our opinion on the financial statement does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit 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 the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), the requirements of the Section 86B of the Securities Amendment Act, 2013, and for such internal control as 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, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing Investor Protection Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 judgment and maintain professional scepticism throughout the audit. We also identify and assess the risks of material misstatement of the 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.

We 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 Investor Protection Fund's internal control. We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We 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 Investor Protection Fund'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 Investor Protection Fund to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We obtain sufficient audit evidence regarding the financial information of Investor Protection Fund or business activities of Investor Protection Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of Investor Protection Fund's 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 legal and regulatory requirements

The financial statements have been prepared in compliance with the requirements of the Section 86B of the Securities Amendment Act, 2013 (the Act).

Rockstone

Rockstone Chartered Accountants
Engagement Partner: Pearce Janga
PAAB Practicing Certificate Number: 0609

Harare
Date: 17/07/25

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Statement of Financial Position

Figures in ZWG	Notes	Inflation Adjusted 2024	Inflation Adjusted 2023	Historical 2024	Historical 2023
ASSETS					
Non current assets					
Directly owned investment properties	14.3.2	24 250 592	33 185 653	24 250 592	2 196 383
		24 250 592	33 185 653	24 250 592	2 196 383
Currents assets					
Cash and cash equivalents	10.3	3 941 050	4 902 077	3 941 050	324 443
Trade and other receivables	13	1 636 818	1 325 820	1 636 818	87 748
		5 577 868	6 227 897	5 577 868	412 191
Investments					
Money market investments	11	2 018 239	1 562 141	2 018 239	103 390
Quoted investments	14.1	62 566 061	87 531 409	62 566 061	5 793 241
Unquoted investments	14.2	585 590	81 733	585 590	5 409
Unlisted commodities		141 353	931 797	141 353	61 671
Unit property investments	14.3.1	15 102 197	27 950 693	15 102 197	1 849 908
		80 413 440	118 057 773	80 413 440	7 813 619
TOTAL ASSETS		**110 241 900**	**157 471 323**	**110 241 900**	**10 422 193**
RESERVES AND LIABILITIES					
Reserves					
Non distributable reserves		-	-	-	-
Accumulated fund		109 672 936	154 900 150	109 707 407	10 252 021
		109 672 936	154 900 150	109 707 407	10 252 021
Non current liabilities					
Rent deposit		36 914	36 914	2 443	2 443
		36 914	36 914	2 443	2 443
Current liabilities					
Trade and other payables	12	532 050	2 534 259	532 050	167 729
		532 050	2 534 259	532 050	167 729
TOTAL RESERVES AND LIABILITIES		**110 241 900**	**157 471 323**	**110 241 900**	**10 422 193**

The financial statements and the notes thereto were approved by the Board of Directors and were signed on its behalf by:

Chairman

Date: 17/07/2025

Director

Date: 17/07/2025

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Statement of Profit or Loss and other Comprehensive Income

		Inflation Adjusted		Historical	
Figures in ZWG	Notes	2024	2023	2024	2023
Income					
Investor protection levies		1 500 449	3 233 088	1 066 383	114 531
Interest income	4	634 474	42 044	563 817	1 431
Sundry income	5	5 227 520	16 903 373	4 111 544	719 593
Foreign exchange gain		3 669 596	20 093 415	3 152 672	1 329 877
Surplus on sale of shares		534 284	252 348	412 924	12 459
		11 566 323	**40 524 268**	**9 307 340**	**2 177 891**
Expenditure					
Administration costs		1 224 902	1 678 452	869 801	73 819
Board fees	6	1 782 738	1 060 742	1 390 195	36 082
Asset management fees	7	736 655	1 542 711	561 444	56 008
Other expenditure	8	1 691 715	1 137 444	1 102 251	46 398
Loss on sale of of shares		-	351 025	-	19 836
Investor education and awareness campaign		78 647	439 418	46 148	23 021
Audit fees		128 025	620 516	128 025	27 519
Custodial fees	9	85 923	369 948	60 544	12 283
Bank charges		70 391	120 250	57 152	4 625
Monetary loss		3 873 989	7 459 616		
		9 672 985	14 780 122	4 215 560	299 591
Surplus for the year before fair value		**1 893 338**	**25 744 146**	**5 091 780**	**1 878 300**
(Decrease)/Increase in fair value of investments		(47 120 552)	41 567 808	94 363 606	7 167 364
(Deficit)/Surplus for the year		**(45 227 214)**	**67 311 954**	**99 455 386**	**9 045 664**

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Statement of Changes in Reserves

Figures in ZWG

Inflation adjusted	Accumulated funds	Total
Balance at 31 December 2022	87 588 196	87 588 196
Surplus for the year	67 311 954	67 311 954
Balance at 31 December 2023	154 900 150	154 900 150
Deficit for the year	(45 227 214)	(45 227 214)
Balance at 31 December 2024	**109 672 936**	**109 672 936**

Historical	Accumulated funds	Total
Balance at 31 December 2022	1 206 357	1 206 357
Surplus for the year	9 045 664	9 045 664
Balance at 31 December 2023	10 252 021	10 252 021
Surplus for the year	99 455 386	99 455 386
Balance at 31 December 2024	**109 707 407**	**109 707 407**

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Statement of Cash Flows

Figures in ZWG	Notes	Inflation Adjusted 2024	Inflation Adjusted 2023	Historical 2024	Historical 2023
CASH FLOWS FROM OPERATING ACTIVITIES					
(Deficit)/Surplus for the year		**(45 227 214)**	**67 311 954**	**99 455 386**	**9 045 664**
Adjustments for :					
Interest income	4	(634 474)	(42 044)	(563 817)	(1 431)
Dividends received	5	(4 182 585)	(3 376 700)	(3 361 563)	(140 330)
(Profit)/ loss on disposal of shares		(534 284)	98 678	(412 924)	7 377
Foreign exchange gain		(3 669 596)	(20 093 415)	(3 152 672)	(1 329 877)
Credit loss allowance		-	7 582	-	502
(Increase)/decrease in fair value of investments	14.4	47 120 552	(41 567 808)	(94 363 606)	(7 167 364)
		(7 127 601)	**2 338 247**	**(2 399 196)**	**414 541**
Working capital changes					
(Increase)/decrease in trade and other receivables		(310 998)	(981 097)	(1 549 070)	(83 399)
Increase/(decrease) in trade and other payables		(2 002 209)	1 997 695	364 321	160 339
Increase in rent deposit		-	17 029	-	2 169
Cash generated from operations		**(9 440 808)**	**3 371 874**	**(3 583 945)**	**493 650**
Net cash flows from operating activities		**(9 440 808)**	**3 371 874**	**(3 583 945)**	**493 650**
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	4	634 474	42 044	563 817	1 431
Dividends received	5	4 182 585	3 376 700	3 361 563	140 330
Purchase of shares/investments		(552 851)	(28 590 626)	(337 215)	(1 851 261)
Proceeds from sale of shares		545 977	4 721 027	459 715	184 417
Net cash flows from investing activities		**4 810 185**	**(20 450 855)**	**4 047 880**	**(1 525 083)**
Net increase in cash and cash equivalents		(4 630 623)	(17 078 981)	463 935	(1 031 433)
Effects of foreign exchange gain on cash and cash equivalents		3 669 596	20 093 415	3 152 672	1 329 877
Cash and cash equivalents at the beginning of the year		4 902 077	1 887 643	324 443	25 999
Cash and cash equivalents at the end of the year	10.3	**3 941 050**	**4 902 077**	**3 941 050**	**324 443**
Represented by:-					
Cash and cash equivalents	10	3 941 050	4 902 077	3 941 050	324 443

1. Incorporation and activities

The Fund was established by the Act of Parliament in terms of Section 86B of the Securities Amendment Act, 2013 (the Act).

The objective of the Fund as provided for in section 4 of the Securities Act (Chapter 24:25) is to provide high levels of investor protection by providing an additional layer of protection to investors and offer reimbursement for losses suffered as a direct result of participant firm becoming insolvent.

The management of the Fund is vested in a Board set up in terms of Section 86C of the Act, currently made up of six members. The Board has outsourced the investment management function to three professional asset managers, with the Board exercising oversight. Other professional services such as Fund administration services and custodial services are contracted out to professional service providers.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reports Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the Securities Act [Chapter 24:25].

2.1.1 Functional and presentation currency

On 5 April 2024, the Government of Zimbabwe through Statutory Instrument 60 of 2024, introduced a new currency, the Zimbabwe Gold (ZWG), to be the unit of account for transactions previously denominated in ZWL. Following the introduction of ZWG, the entity changed its functional and presentation currency from ZWL to ZWG effective 5 April 2024. The financial statements are presented in Zimbabwe Gold (ZWG), which is the Fund's functional and presentation currency.

2.1.2 IAS 29 Hyperinflationary Economies

The Public Accountants and Auditors Board through its pronouncement 01/2019 provided guidance to all entities that report based on the International Financial Reporting Standards (IFRSs) on the application of Financial Reporting in Hyperinflationary Economies Standard (IAS 29) in Zimbabwe. The pronouncement requires that entities that prepare and present financial statements for financial period ended on or after 1 July 2019 apply requirements of IAS 29 "Financial Reporting in Hyperinflationary Economies".

The historical amounts were restated at the end of the reporting period to reflect the general change in purchasing power of the reporting currency (ZWG). Professional judgment was used and appropriate adjustments were made to historical financial statements in preparing financial statements which are IAS 29 compliant.

2. Significant accounting policies (continued)
2.1 Basis of preparation (continued)
2.1.2 IAS 29 Hyperinflationary Economies (continued)

Sources of price index

The price indices provided by the Zimbabwe Statistical Office and reported on the Reserve Bank of Zimbabwe website as well as price indices provided by the Institute of Chartered Accountants were used to adjust the historical cost financial statements as shown below:

Period	Currency	Indices	Conversion factor
Dec-24	ZWG	166.30	1.00
Apr-24	ZWG	100.00	1.66
5 Apr-24	ZWL	596,950.30	1.00
Jan-24	ZWL	93215.80	6.40

3. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates.

Fair value estimation

The fair value of financial assets traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Fund is the current bid price.

The carrying value less impairment provision of trade receivables and trade payables are assumed to approximate their fair values.

Trade receivables, loans and other receivables.

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

---

3. Significant accounting policies

3.1 Financial instruments

Financial instruments held by the fund are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the Fund, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available on equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortized cost at fair value through other comprehensive income): or
- Designated at fair value through profit and loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit and loss.

Financial liabilities:

- Amortized cost; or
- Mandatorily at fair value through profit and loss. (this applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit and loss. (this classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit and loss).

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Fund are presented below.

3. Significant accounting policies

3.1 Financial instruments

Trade and other receivables

Classification

Trade and other receivables are subsequently measured at amortized cost. Applicable, Value Added Tax (VAT) and prepayments, are classified as financial assets subsequently measured at amortized cost.

They have been classified in this manner because their contractual terms give rise, on specified date to cash flows that are solely payments of principal and interest on the principal outstanding, and the Fund's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognized when the Fund becomes a part to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transactional costs, if any. They are subsequently measured at amortized cost. The amortized cost is the amount recognized on the receivables initially, minus principal repayments, plus cumulative amortization (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

- For receivables which contain a significant financing component, interest income calculated on trade receivables is dependent on the credit impaired. The gross carrying amount is the amortized cost before adjusting for a loss allowance.

- If a receivable is purchased or originated as credit-impaired, then the effective interest rate is applied to the amortized cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit impaired.

- If a receivable was not purchased but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortized cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the USD equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains and losses are recognized in the profit or loss in other operating gains (loses)

3. Significant accounting policies
3.1 Financial instruments

Impairment
The Fund measures the loss allowance for trade and other receivables at an amount equal to lifetime losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognized in the profit or loss with the corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operation expenses in profit or loss as a movement in credit loss allowance.

Write off policy
The Fund writes off a receivable when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Fund recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Credit risk
Details of credit risk are included in the trade and other receivables note.

De-recognition
Refer to the de-recognition section of the accounting policy for the policies related to de-recognition.
Any gains or losses arising on the de-recognition of trade and other receivables are included in profit or loss in the de-recognition gains (losses) on financial assets at amortized cost line item.

Trade and other payables
Classification
Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortized cost.

3. Significant accounting policies

3.1 Financial instruments

De-recognition

Financial assets

The fund derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognize the financial asset and also recognizes a colaterized borrowing for the proceeds received.

Financial liabilities

The Fund derecognizes financial liabilities when, and only when, the Fund obligations are discharged, cancelled or they are expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Reclassification

Financial assets

The Fund only reclassifies affected financial assets if there is any change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date.

The reclassification date is at the beginning of the first reporting period following the change in business models which necessitates reclassification.

Financial liabilities

Financial liabilities are not reclassified.

3.2 Taxation

Effective from 1 January 2014 the Investor Protection Fund was established as a separate legal entity from the Securities and Exchange Commission of Zimbabwe (the Commission). The Fund was up to that point exempt from corporate tax when it was a part of the Commission as the Commission is exempt from corporate tax. In terms of the letter dated 24 July 2019 from the Ministry of Finance and Economic Development, the Income Tax exemption that was granted to the Fund prior promulgation of the Securities Amendment Act still subsists, hence the Fund also as a separate legal entity is exempt for tax purposes.

3.3 Offset

If a legal enforceable right exists to set-off recognized amounts of the financial assets and liabilities, which are indeterminable monetary amounts and the Fund intends to settle on a net basis, the relevant financial assets and liabilities are offset.

3. Significant accounting policies
3.1 Financial instruments

Recognition and measurement
They are recognized when the Fund becomes a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortized cost using the effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future value cash payments that form an integral part of the financial liability.

If trade and other payables contain a significant financing component, and the effective interest methods results in the recognition of interest expense, then it is included in the profit or loss on finance costs. Trade and other payables expose the Fund to liquidity risk and possibly to interest rate risk.

Trade and other payables denominated in foreign currency
When trade payables are denominated in foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period.

Trade and other payables
Derecognition
Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents
Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Money market instruments
Money market instruments are measured at amortised cost using the effective interest rate method.

Quoted investments
Quoted investments are investments in shares trading on the stock exchange for trading purposes. These investments are recognized at fair value through profit and loss. The share values are determined in line with IFRS 13 level 1 Fair value measurement. Details of the fair valuation are on specific notes.

Unquoted investments
Unquoted investments are investments in shares that are not trading on Stock Exchange for trading purposes. The shares are recognized at fair value through profit and loss. The share values are determined in line with the IFRS 12 Level 2 Fair value measurement.

3. Significant accounting policies

3.4 Unclaimed shares

Unclaimed shares certificates are not assets of the Fund; however, the Fund does have a responsibility for their safe custody until the date of collection by the respective investors. They are accounted for as off statement of financial position items and are carried at the fair value of the underlying listed equity counters. The resultant dividends from the unclaimed share certificates are also not income for the Fund and are carried at amortized cost as an off statement of financial position item.

3.5 Investor protection income

Income comprises of levies for services rendered in the ordinary course of the Fund's activities. Income is measured by reference to the fair value of the consideration received or receivable by the Fund for services provided, excluding rebates and trade discounts.

In terms of the statutory Instruments 108 of 2014 every registered contributor is liable to pay contributions for the fund at the rate of 0.025% of total value of trades.

3.6 Investment properties

Investment property is recognized as an asset when, and only when, it is probable that the future economic benefits that are associated with the investments property will flow to the Fund, and the cost of the investment property can be measured reliably.

Property investments comprise of investments in property units and investment property. The investments are held to earn rentals or capital appreciation and are initially measured at cost, including transaction costs and subsequently at fair value with the gains and losses arising from changes in the fair value of the investments being recognized in profit or loss in the reporting period in which they arise. Rental income from the investments is accounted in profit or loss.

3.7 Provisions

A provision is recognized in the statement of financial position when the Fund has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of the money and, where appropriate, the risks specific to the liability.

3.8 Rental Income

Rental income arising from operating leases on investment properties is accounted for on straight line basis over the lease terms.

3.9 Interest income

Interest income from funds deposited is recognized on accrual basis.

3.10 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions. The Fund has related party relationships with its key management, the Fund Directors, Fund Secretaries, the Ministry of Finance and Economic Development and the Securities and Exchange Commission of Zimbabwe.

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Notes to Financial Statements

	Inflation Adjusted		Historical	
Figures in ZWG	2024	2023	2024	2023
4 Interest income				
Banc ABC Asset Management	425 084	41 698	372 381	1 419
Old Mutual Investment Group	51 432	-	38 558	-
Invesci	12 061	-	7 139	-
Stanbic Bank	145 897	346	145 739	12
Interest on money market investments	634 474	42 044	563 817	1 431
	634 474	**42 044**	**563 817**	**1 431**
5 Sundry income				
Dividends	4 182 585	3 376 700	3 361 563	140 330
Rentals	1 024 558	1 124 019	738 959	45 657
Credit loss allowance	8 511	-	563	-
Other income	11 866	12 402 654	10 459	533 606
	5 227 520	**16 903 373**	**4 111 544**	**719 593**
6 Board fees				
Board fees	**1 782 738**	**1 060 742**	**1 390 195**	**36 082**
7 Asset management fees				
ABC Asset Management	323 147	634 730	254 632	23 519
Old Mutual Investment Group	224 982	513 908	171 982	18 974
Invesci Asset Management	188 526	394 073	134 830	13 515
	736 655	**1 542 711**	**561 444**	**56 008**
8 Other expenditure				
Property expenses	144 886	73 099	86 170	1 754
Credit loss allowance	-	7 582	-	502
Subscriptions	9 079	-	5 459	-
Consultation fees	21 937	-	13 191	-
Other expenses	1 439 370	821 027	946 481	34 550
Intellego investment consultants fees	30 729	61 457	24 131	1 654
Procurement fees	45 715	174 279	26 819	7 938
	1 691 716	**1 137 444**	**1 102 251**	**46 398**
9 Custodial fees				
Stanbic Nominees (Private) Limited	5 220	70 619	3 078	2 075
Old Mutual Investment Group	18 065	4 734	15 349	168
Banc ABC Asset Management	13 567	-	11 296	-
Invesci	6 334	-	5 750	-
Chengetedzai Depository Company	42 737	294 595	25 071	10 040
	85 923	**369 948**	**60 544**	**12 283**

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Notes to Financial Statements

Figures in ZWG	Inflation adjusted 2024	Inflation adjusted 2023	Historical 2024	Historical 2023
10 Cash and cash equivalents				
10.1 Cash and Bank				
Stanbic Bank Zimbabwe Limited (main)	1 213 631	111 878	1 213 631	7 405
Nedbank Zimbabwe Limited	562 471	1 420 433	562 471	94 011
	1 776 102	**1 532 311**	**1 776 102**	**101 416**
10.2 Call accounts				
Old Mutual Investment Group call accounts	171 932	587 206	171 932	38 864
Banc ABC call accounts	1 091 326	1 091 944	1 091 326	72 270
Invesci Asset Management call accounts	901 690	1 690 614	901 690	111 893
	2 164 948	**3 369 764**	**2 164 948**	**223 028**
10.3 Cash and cash equivalents				
Cash and Bank	1 776 102	1 532 312	1 776 102	101 416
Call accounts	2 164 948	3 369 765	2 164 948	223 027
	3 941 050	**4 902 077**	**3 941 050**	**324 443**
11 Money market investments				
ABC Asset Management	253 266	-	253 266	-
Old Mutual Investment Group	1 764 973	1 562 141	1 764 973	103 390
	2 018 239	**1 562 141**	**2 018 239**	**103 390**
12 Trade and other payables				
Management fees and custodial fees outstanding	181 434	9 748	181 434	645
Unclaimed shares portfolio dividends deposited into IPF	-	15 807	-	1 046
Net inter-fund transfers	-	1 516 862	-	100 393
Levies without details	59 964	416 529	59 964	27 568
Money market payables	-	190 092	-	12 581
Audit fees provision	128 993	199 426	128 993	13 199
Other payables	161 659	185 795	161 659	12 297
	532 050	2 534 259	**532 050**	**167 729**
13 Trade and other receivables				
Levies outstanding.	-	654 660	-	43 328
Allowance for credit losses	-	(8 511)	-	(563)
	-	**646 149**	**-**	**42 765**
Rent receivable	10 577	9 228	10 577	610
Sale of shares	-	664 428	-	43 975
Other debtors	1 626 241	6 015	1 626 241	398
	1 636 818	**1 325 820**	**1 636 818**	**87 748**

Figures in ZWG

14 Consolidated position - investments

14.1 Quoted investments

	Inflation Adjusted			
	31-Dec-24		31-Dec-23	
Counter	Number of shares	Market value	Number of shares	Market Value
Afreximbank	54 750	3 813 663	54 750	5 759 963
ART	15 600	5 093	15 600	6 037
Axia Corporation Limited	-	-	920 526	2 684 723
Bindura Nickel Corporation Limite	920 526	2 089 852	1 432 235	592 243
British American Tobacco Zimbab	1 468 235	473 506	6 405	507 359
Caledonia	6 405	514 706	1 503	1 281 527
Cassava Smartech Zimbabwe	2 143	884 579	307 237	983 772
CBZ Holdings Limited	-	-	199 480	-
Cottco Holdings Ltd	662 138	545	272 464	3
Dairibord Holdings Limited	270 866	606 740	255 866	1 018 035
Delta Corporation Limited	900 692	12 609 752	1 022 965	21 982 673
DZL	-	-	21 500	-
Ecocash Holdings	923 453	276 574	324 959	-
Econet Wireless Zimbabwe Limited	952 505	3 203 791	1 074 342	5 425 944
Edgars Stores Limited	165 790	52 605	165 790	90 225
FBC Holdings Limited	337 107	3 430 846	483 907	1 890 735
First Capital	722 819	814 906	-	523 783
Hippo Valley Estates Limited	44 288	392 749	50 288	577 754
Innscor Africa Limited	834 634	10 012 522	722 093	11 556 783
Lafarge	1 000	58	1 000	869
Meikles Limited	100 823	353 052	100 823	760 222
Nampak Zimbabwe	311 395	404 814	1 034 214	555 456
National Foods Holdings Limited	21 392	965 793	21 392	1 129 608
Nedbank Group Ltd	3 840	1 483 246	3 840	1 652 784
NMBZ Limited Holdings	334 235	1 102 976	301 340	1 353 322
OK Zimbabwe Limited	1 089 715	577 549	2 191 876	1 436 461
Old Mutual Plc	74 697	1 304 276	74 697	1 936 437
Padenga Holdings Limited	670 791	4 188 409	855 829	5 365 984
PPC Limited	77 234	526 309	77 234	609 426
Proplastics Limited	35 101	52 002	35 101	129 047
Quilter PLC	30 965	1 518 721	33 296	1 498 090
Seedco Co Limited	264 346	686 794	305 167	1 700 345
Seedco International Limited	241 791	1 507 062	241 791	2 733 041
Simbisa Brands Limited	859 570	7 961 055	833 024	9 921 059
Tanganda	189 368	474 556	189 008	1 095 830
TSL Limited	112 925	250 976	106 425	751 117
ZBFH	4 000	25 984	4 000	20 752
		62 566 061		**87 531 409**

14.2 Unquoted investments

Astra	231 135	5 409	231 135	81 733
Esataf	164	580 181	-	-
		585 590		**81 733**

Figures in ZWG

14 Consolidated position - investments (continued)

14.1 Quoted investments (continued)

	Historical			
	31-Dec-24		31-Dec-23	
Counter	**Number of shares**	**Market value**	**Number of shares**	**Market value**
Afreximbank	54 750	3 813 663	54 750	381 221
ART	15 600	5 093	15 600	400
Axia Corporation Limited	-	-	920 526	177 688
Bindura Nickel Corporation Limited	920 526	2 089 852	1 432 235	39 197
British American Tobacco Zimbabwe	1 468 235	473 506	6 405	33 579
Caledonia	6 405	514 706	1 503	84 818
Cassava Smartech Zimbabwe	2 143	884 579	307 237	65 111
Cottco Holdings Ltd	662 138	545	272 464	-
Dairibord Holdings Limited	270 866	606 740	255 866	67 378
Delta Corporation Limited	900 692	12 609 752	1 022 965	1 454 917
DZL	-	-	21 500	-
Ecocash Holdings	923 453	276 574	324 959	-
Econet Wireless Zimbabwe Limited	952 505	3 203 791	1 074 342	359 115
Edgars Stores Limited	165 790	52 605	165 790	5 971
FBC Holdings Limited	337 107	3 430 846	483 907	125 138
First Capital	722 819	814 906	-	34 666
Hippo Valley Estates Limited	44 288	392 749	50 288	38 238
Innscor Africa Limited	834 634	10 012 522	722 093	764 882
Lafarge	1 000	58	1 000	58
Meikles Limited	100 823	353 052	100 823	50 315
Nampak Zimbabwe	311 395	404 814	1 034 214	36 763
National Foods Holdings Limited	21 392	965 793	21 392	74 763
Nedbank Group Ltd	3 840	1 483 246	3 840	109 389
NMBZ Limited Holdings	334 235	1 102 976	301 340	89 569
OK Zimbabwe Limited	1 089 715	577 549	2 191 876	95 072
Old Mutual Plc	74 697	1 304 276	74 697	128 163
Padenga Holdings Limited	670 791	4 188 409	855 829	355 146
PPC Limited	77 234	526 309	77 234	40 335
Proplastics Limited	35 101	52 002	35 101	8 541
Quilter PLC	30 965	1 518 721	33 296	99 151
Seedco Co Limited	264 346	686 794	305 167	112 537
Seedco International Limited	241 791	1 507 062	241 791	180 886
Simbisa Brands Limited	859 570	7 961 055	833 024	656 622
Tanganda	189 368	474 556	189 008	72 527
TSL Limited	112 925	250 976	106 425	49 712
ZBFH	4 000	25 984	4 000	1 373
		62 566 061		**5 793 241**

14.2 Unquoted investments

Astra	231 135	5 409	231 135	5 409
Esataf	164	580 181	-	-
		585 590		**5 409**

Investor Protection Fund

Financial Statements for the year ended 31 December 2024

Notes to the Financial Statements

Figures in ZWG

14 Consolidated Position - Investments (continued)

14.3 Property investments

14.3.1 Unit properties

	Inflation Adjusted				Historical			
	31-Dec-24		31-Dec-23		31-Dec-24		31-Dec-23	
ABC Asset Management	Units	Market Value	Units	Market Value	Units	Market Value	Units	Market Value
Brick and mortar property units	6 183	211 994	-	256 550	6 183	211 994	-	16 980
Willowvale Industrial	33 860	707 057	33 860	1 425 225	33 860	707 057	33 860	94 328
Motor City property units	34	4 318 567	34	8 704 993	34	4 318 567	34	576 137
Zimtile property	11 894	313 087	11 894	631 094	11 894	313 087	11 894	41 769
Mount Pleasant	5	1 377 874	5	2 659 213	5	1 377 874	5	175 999
Kingsmead Clusters	24 012	1 605 938	24 012	3 237 111	24 012	1 605 938	24 012	214 247
		8 534 517		**16 914 186**		**8 534 517**		**1 119 460**
Old Mutual Investment Group								
Real estate co-fund	327 828	6 567 680	327 828	11 036 507	327 828	6 567 680	327 828	730 448
Total unit properties		**15 102 197**		**27 950 693**		**15 102 197**		**1 849 908**
Reconciliation of carrying amount of unit properties								
Balance as at 1 January		27 950 692		13 870 008		1 849 908		191 032
Fair value gain		(12 848 495)		14 080 684		13 252 289		1 658 876
Balance as at 31 December		**15 102 197**		**27 950 692**		**15 102 197**		**1 849 908**

Investments in property units comprise of the units purchased from different properties. The fund purchases units in the properties from which it earns rental income which is proportional to the units held. Units in investment properties can be disposed at any time as there is no fixed renewal periods. Further information of investments in property units held by the fund are illustrated here above.

	Inflation Adjusted 31-Dec-24	Inflation Adjusted 31-Dec-23	Historical 31-Dec-24	Historical 31-Dec-23
14.3.2 Directly - owned properties	**24 250 592**	**33 185 654**	**24 250 592**	**2 196 383**
Balance as at 1 January	33 185 653	13 312 513	2 196 383	183 354
Fair value gain	(8 935 061)	19 873 140	22 054 209	2 013 029
Balance as at 31 December	**24 250 592**	**33 185 653**	**24 250 592**	**2 196 383**

Figures in ZWG

14 Consolidated position - Investments (continued)
14.3 Property investments (continued)

The Fund purchased 24 stands at Riverside in 2018 at a total cost of $816,344 and the stands were revalued by year end to ZWG8 771 492 (31 December 2023: ZWG1 267 989). The Fund also purchased Lot 92 Highlands Estate from the Securities Exchange of Zimbabwe (SECZ) for a purchase price of $356,805 in 2018. The property was being rented out to Display Wonderland beginning 1 March 2019, for a monthly rental fee of US$1200. The Highlands property was last revalued at ZWG15 479 100 (31 December 2023: ZWG928 394)

Valuation technique
The last fair valuations of the Riverside stands and the Highlands property were done by Dawn Property Consultants and Robert Root respectively.

Lot 92 Highlands Estate
The Highlands property was last revalued at ZWG15 479 100 as at 31 December 2024. The property was valued by considering the comparable market evidence that is available, and taking into account the general trends in the residential property market in the neighbouring suburbs.

Riverside Stands
The Riverside stands were last revalued at ZWG8 771 492 as at 31 December 2024 and the comparison method was used. The 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.

15 Related Party Disclosures
15.1 Ministry of Finance and Economic Development and other Regulators
There were no transactions directly with the Ministry of Finance and Economic Development during the year

15.2 Securities Exchange Commission of Zimbabwe

Transactions				
Procurement fees	45 715	174 279	26 819	7 939
Balances				
Procurement fees	84 675	38 960	29 398	2 579

15.3 Key Management personnel
Key management personnel responsible for the day to day management of the Fund. These individuals and the Board of the Fund are responsible for the operational and strategic decisions of the Fund.

Compensation of key management personnel of the Fund				
Fund Secretary fees	1 224 902	1 678 452	869 801	73 819
Board fees (note 6)	1 782 738	1 060 742	1 390 195	36 082
	3 007 640	**2 739 194**	**2 259 996**	**109 901**

There were no loans to Fund Directors during the year.

Figures in ZWG

16 **Risk management**

16.1 **Financial risk management**

The main risks arising from the Fund's financial instruments are market risk (which includes currency risk and interest risk), credit risk and liquidity risk. The Fund does not use derivative financial instruments for speculative purposes. The Board of directors has the overall responsibility for the establishment and oversight of the Fund's risk management framework. These policies are reviewed by management on a regular basis for adequacy in being able to manage any changes in risks arising from changes in the operating environment.

The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. Risk management is carried out by Directors. The Directors provide principles for overall risk management, as well as policies covering specific areas, such as market risk, interest risk, credit risk, and investment of excess liquidity.

Currency risk

In respect of monetary assets and liabilities denominated in foreign currencies, the Fund ensures that net exposure is kept to an acceptable level. This is achieved through all levies remitted and purchases being made in United States Dollars and Zimbabwe Gold, which is the Fund's functional currency.

Interest rate risk

The Fund manages this risk by financing its operations through accummulated funds as a result of which exposure to interest rate risk is minimal.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Fund's risk to liquidity is a result of the funds available to cover future commitments. The Fund manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The Fund only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. Independent rating is inapplicable so the Board assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

16.2 **Credit risk**

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Inflation Adjusted		Historical	
Carrying amount	**2024**	**2023**	**2024**	**2023**
Trade receivables	-	646 149	-	42 765
Cash and cash equivalents	3 941 050	4 902 077	3 941 050	324 443
Investments	2 018 239	1 562 141	2 018 239	103 390
	5 959 289	**7 110 367**	**5 959 289**	**470 598**

Figures in ZWG

16 Risk management (continued)

16.2 Credit risk (continued)

Impairment costs

The ageing of trade receivables at the reporting date was as follows:

	Inflation Adjusted			
	Gross 2024	Provision 2024	Gross 2023	Provision 2023
Not past due 0-30 days	-	-	238 326	3 098
Past due 31-120 days	-	-	14 423	187
More than 120 days	-	-	147 222	1 914
	-	-	**399 971**	**5 199**

	Historical Cost			
	Gross 2024	Provision 2024	Gross 2023	Provision 2023
Not past due 0-30 days	-	-	143 311	1 863
Past due 31-120 days	-	-	8 673	113
More than 120 days	-	-	88 528	1 151
	-	-	**240 512**	**3 127**

16.3 Liquidity risk

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Inflation Adjusted		Historical Cost	
	Carrying amount	Payable within 12 months	Carrying amount	Payable within 12 months
31 December 2024				
Trade and other payables	532 050	532 050	532 050	532 050
31 December 2023				
Trade and other payables	2 534 259	2 534 259	167 729	167 729

16.4 Exposure to currency risk

The Fund is exposed to currency risk related to certain bank accounts which are denominated in a foreign currency. The net carrying amounts, in Zimbabwe Gold, of cash and cash equivalents, are denominated in the following currencies. The amounts have been presented in Zimbabwe Gold by converting the foreign currency amount at the closing rate at the reporting date.

	Inflation Adjusted		Historical	
	2024	2023	2024	2023
Zimbabwe Gold amount				
US Dollar	3 046 966	1 420 433	3 046 966	94 011
Rand	-	-	-	-
	3 046 966	1 420 433	3 046 966	94 011

Figures in ZWG

16 Risk management (continued)

16.4 Exposure to currency risk (continued)

Impairment costs

The net carrying amounts, in foreign currency of the above exposure was as follows:

	Inflation Adjusted		Historical	
	2024	2023	2024	2023
Foreign currency amount				
US Dollar	118 106	233	118 106	15
Rand	-	-	-	-
	118 106	233	118 106	15
The following exchange rates were applied at reporting date:				
Zimbabwe Gold per unit of foreign currency:				
US Dollar	26	23	26	14
Rand	-	-	-	-

17 Unclaimed share portfolio

17.1 Ministry of Finance and Economic Development and other Regulators

The Investor Protection Fund, as legally set up seeks to protect public investors. In this regard, the custodian fees are paid by the Fund. The assets currently within the unclaimed share portfolio do not form part of the Fund's assets. The role of the Fund is to pay the custodial fees and provide general oversight of the unclaimed share portfolio. Custodial fees paid for unclaimed shares are disclosed on note 9.

The Commission directed all Stockbrokers to surrender any unclaimed share certificates to appointed custodians these being Old Mutual Custodial Services and CBZ Custodial Services. The Fund began the process of dematerialization in 2016 and completed the process in 2019, whereby the individual physical securities were converted to electronic format.

The table below shows the reconciliation of unclaimed shares after completion of the dematerialization process:

17.2 Reconciliation of unclaimed share certificates	2024	2023
Market value		
Portfolio valuation opening balance	55 370 629	5 636 972
Portfolio valuation closing balance	55 370 629	55 370 629

17.3 Dividends from unclaimed shares

During the year the Fund received dividends from various entities for unclaimed shares. The Fund handed over cash received as dividends from the unclaimed share portfolio to three asset managers. The total dividend received during the year is as below:

Dividend received	-	1 046

17.4 Number of share certificates	Share certificates	
Opening balance	50	50
Certificates collected	-	-
Closing balance	**50**	**50**

Figures in ZWG

17 Unclaimed share portfolio (continued)

17.5 Dematerialisation of share certificates

	Share certificates 2024	Share certificates 2023
Share certificates dematerialised successfully	19 956	19 956
Share certificates not yet dematerialised	74	74
Total share certicates as at 31 December	**20 030**	**20 030**

18 Assessment of non-trading shares

The following equity investments have become non-trading shares on the ZSE:

	Share certificates	
Non trading shares	996	996

19 Going concern

The financial statements have been prepared on the basis of accounting policies aplicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Fund to remain as a going concern is dependant on a number of factors. The most significant of these is that the Directors continue to procure funding for the ongoing operations of the Fund.

20 Subsequent events

There were no significant subsequent events after the reporting date that warranted disclosure.