

MMC Capital Advisory (Private) Limited
Special Purpose Financial Statements
31 December 2024

The Special Purpose Financial Statements denominated in ZWG have been prepared for use by the Shareholders of MMC Capital Advisory (Private) Limited. Consequently, the Special Purpose Financial Statements and related Auditor's report may not be suitable for any other purpose.

NATURE OF BUSINESS:

MMC Capital Advisory (Private) Limited core operations involve advisory services.

DIRECTORS:

Mapokotera E. Mr	Chairman
Chirume I. W. Mr	Principal Director
Nyamaka K. Mr	Non-Executive Director
Mavingire W. Mr	Non-Executive Director

SECRETARY:

Tawuyanango T. Ms

REGISTERED OFFICE:

22 Arundel Road
Alexandra Park
Harare

BANKERS:

FBC Bank
Borrowdale Branch
Harare

AUDITORS:

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

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

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


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

The Directors have assessed the ability of MMC Capital Advisory (Private) Limited to continue as a going concern and believe that the preparation of these Special purpose financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the 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 Special purpose financial statements are prepared with the aim of complying fully with the Monetary Policy Statement (MPS) of 6 February 2025.

The 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 that the Company's business practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Directors have been addressed and the Directors confirm that the system of accounting and internal control is operating in a satisfactory manner.

The Company's financial statements which are set out on pages 6 to 21 were, in accordance with their responsibilities, approved by the Board of Directors on31 March..... 2025 and are signed on its behalf by:



Mapokotera E.
Chairman

CHIRUME I.W.

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Chirume I. W
Principal Director

INDEPENDENT AUDITORS' REPORT

To the members of MMC Capital Advisory (Private) Limited

Report on the Audit of the Special Purpose Annual Financial Statements

Opinion

We have audited the Special Purpose annual financial statements of MMC Capital Advisory (Private) Limited set out on pages 6 to 21 which comprise of the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and the notes to the financial statements, including a summary of the Company's significant accounting policies.

In our opinion, the Special Purpose financial statements of MMC Capital Advisory (Private) Limited as at 31 December 2024, is prepared, in all material respects, in accordance with the financial reporting provisions established by the Monetary Policy Statement (MPS) of 6 February 2025.

We are the auditors of MMC Capital Advisory (Private) Limited and rendered our opinion of the underlying financial statements that were used to prepare the Special Purpose financial statements on 31 December 2024. Our opinion thereon was the annual financial statements present fairly, in all material respects, the financial position of MMC Capital Advisory (Private) Limited as at 31 December 2024, its financial performance and cash flows for the year then

ended in accordance with International Financial Reporting Standards (IFRSs) and the Companies and Other Business Entities Act [Chapter 24:31]

Basis for Opinion

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

Emphasis of matter

We draw attention to **Note 1.3** of the Special Purpose financial report, which describes the basis of accounting. The Special Purpose financial report is prepared to assist the Company to meet the requirements of the Monetary Policy Statement (MPS) of 6 February 2025. Our opinion is not modified in this respect of this matter.

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

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Report Standards (IFRSs) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31], and for such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors 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.

The Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose 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 judgement 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, 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 entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Company'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 other legal and regulatory requirements

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

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

Edmore Chimhowa
Partner

Registered Public Auditor (PAAB No: 0470)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

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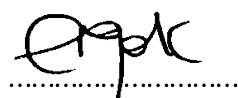
HARARE

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

	Note	2024 ZWG	2023 ZWG
Revenue	2	3 977 075	-
Other income	3	348 048	-
Total net income		4 325 123	-
Administrative costs	4	(647 859)	(6 961)
Profit/(loss) before tax		3 677 264	(6 961)
Income tax expense	5	(964 732)	-
PROFIT/(LOSS) FOR THE YEAR		2 712 532	(6 961)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		2 712 532	(6 961)

**Statement of financial position
as at 31 December 2024**

		2024	2023
	Note	ZWG	ZWG
ASSETS			
Non-current assets			
Equipment	7	342 968	-
Investment in equity instruments	6	798 834	-
		<u>1 141 802</u>	<u>-</u>
Current assets			
Trade receivables	8	554 298	-
Related party receivables	14	333 662	-
Cash and cash equivalents	9	2 303 121	44 602
		<u>3 191 081</u>	<u>44 602</u>
Total assets		<u><u>4 332 883</u></u>	<u><u>44 602</u></u>
EQUITY, RESERVES AND LIABILITIES			
Capital and reserves			
Share capital	10	51 563	51 563
Retained earnings / Accumulated loss		<u>2 705 571</u>	<u>(6 961)</u>
		<u>2 757 134</u>	<u>44 602</u>
Non-current liabilities			
Deferred tax liability	5.3	<u>14 889</u>	<u>-</u>
Current liabilities			
Trade and other payables	11	589 026	-
Provisions	12	21 991	-
Tax payable		<u>949 843</u>	<u>-</u>
		<u>1 560 860</u>	<u>-</u>
Total equity and liabilities		<u><u>4 332 883</u></u>	<u><u>44 602</u></u>



Mapokotera E.
Chairman

CHIRUME I.W

Chirume I.W.
Principal Director

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

	Share capital ZWG	Retained earnings ZWG	Total ZWG
Balance at 1 January 2023	51 563	-	51 563
Total comprehensive loss for the year	-	(6 961)	(6 961)
Balance at 31 December 2023	<u>51 563</u>	<u>(6 961)</u>	<u>44 602</u>
Balance at 1 January 2024	51 563	(6 961)	44 602
Total comprehensive income for the year	-	2 712 532	2 712 532
Balance at 31 December 2024	<u>51 563</u>	<u>2 705 571</u>	<u>2 757 134</u>

Statement of cash flows
for the year ended 31 December 2024

		2024 ZWG	2023 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Profit/(loss) before income tax		3 677 264	(6 961)
Adjustment for non-cash items:			
Depreciation	7	11 447	-
Operating cash flows before changes in working capital		3 688 711	(6 961)
Net effect of working capital changes	13	(276 943)	-
Cash generated from/(utilised in) operations		3 411 768	(6 961)
Net cash generated from /(utilised in) operating activities		3 411 768	(6 961)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment	7	(354 415)	-
Purchase of investment in equity instruments	6	(798 834)	-
Net cash utilised in investing activities		(1 153 249)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Shareholder capital injection		-	51 563
Net cash generated from financing activities		-	51 563
Net increase in cash and cash equivalents		2 258 519	44 602
Cash and cash equivalents at the beginning of the year		44 602	-
Cash and cash equivalents at the end of the year	9	2 303 121	44 602

**Notes to the financial statements
for the year ended 31 December 2024**

1 General information

1.1 Nature of business and incorporation

MMC Capital Advisory (Private) Limited is a specialist corporate advisory firm licensed by the Securities and Exchange Company of Zimbabwe. The entity provides a wide range of corporate advisory services targeting corporates looking to position for growth and profitability through financial and strategic solutions. Its registered office and principle place of business is 22 Arundel Road, Alexandra Park, Harare.

1.2 Functional and presentation currency

The functional currency of the Company is the United States Dollar (USD) and these financial statements are presented in Zimbabwe Gold (ZWG) in compliance to the Monetary Policy Statement of 6 February 2025 by the Governor of the Reserve Bank of Zimbabwe.

Accounting Policies

1.3 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs). The principal accounting policies adopted in the preparation of financial statements are set out below.

On February 6, 2025, the Reserve Bank of Zimbabwe (RBZ) Governor, Dr. John Mushayavanhu, announced a requirement for all entities to adopt the Zimbabwean Dollar (ZWG) as the common presentation currency for financial reporting. This mandate is effective immediately and applies to the audited financial statements for the period ending December 31, 2024. The guidance for presentation and reporting currencies is based on IAS 1 (Presentation of Financial Statements) and IAS 21 (The Effects of Changes in Foreign Exchange Rates).

Compliance with the Monetary Policy Statement

The Monetary Policy Statement (MPS) issued on 6 February 2025 mandates the presentation of financial statements in ZWG. In compliance with this requirement, the entity has applied the guidance in IAS 21 (paragraphs 38–43). The entity's functional currency (USD) has been translated into ZWG using the RBZ's official exchange rates. All amounts have been translated at the closing rate on the date of the most recent statement of financial position (December 31, 2024), as required by IAS 21.

1.4 Changes in accounting policy and interpretations

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the financial statements of the company. The company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

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

1.4 Changes in accounting policy and interpretations (continued)

1.4.1 Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

The amendments are effective for reporting periods beginning on or after 1 January 2024.

1.4.2 Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify the guidance in IAS 8 by:

Aligning the definition of “material” across the standards and to clarify certain aspects of the definition.

The new definition states that, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity”.

The amendments are effective for reporting periods beginning on or after 1 January 2024.

1.4.3 Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a single transaction

In specific circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. There had been some diversity in practice as to whether the exemption applied to transactions such as leases and decommissioning obligations. These are transactions where entities recognise both an asset and a liability. The amendments require an entity to recognise deferred tax on certain transactions (e.g. leases and decommissioning liabilities) that give rise to equal amounts of taxable and deductible temporary differences on initial recognition. The amendments clarify that the initial recognition exemption set out in IAS 12 -Income Taxes does not apply and entities are required to recognise deferred tax on these transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The amendments are effective for reporting periods beginning on or after 1 January 2024.

1.4.4 Amendments to IAS 21 - Lack of exchangeability

The amendments introduce a two-step approach:

Assessing exchangeability: A company determines whether a currency is exchangeable into another currency.

Estimating exchange rate: If not, the exchange rate is estimated to reflect the rate at which an orderly transaction would take place between market participants under prevailing economic conditions.

The amendments are effective for reporting periods beginning on or after 1 January 2025.

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

1.4.5 Amendments to IFRS S1 and IFRS S2

IFRS S1 requires entities to disclose sustainability-related risks and opportunities affecting cash flows, financing, or capital costs across timeframes. It provides guidelines for preparing these disclosures to support resource allocation decisions.

The amendments are effective for reporting periods beginning on or after 1 January 2025.

1.5 Revenue recognition

Revenue from the fees earned for providing investment advisory and portfolio management services is measured at the fair value of the consideration received or receivable and represent amounts receivable for services provided in the normal course of the business net of discount and value added tax. Revenue is recognised as follows:

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

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

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

1.5.1 Rendering of services

Fees are recognised when the service has been provided to a third party and all the formalities have been completed.

1.6 Equipment

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

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

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

1.6 Equipment (continued)

Property and equipment are depreciated on a straight line basis at rates estimated to write-off the cost or valuation of such assets over their expected useful lives at the following rates per annum:

Network and Communication	20%
Computer equipment	20%
Office furniture and fittings	10%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in capital reserves relating to that asset are transferred to retained earnings.

1.7 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less allowance for credit losses. - Allowance for credit losses is recognised as soon as the financial asset is recognised when the debtor is expected to default.

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the reporting date.

1.9 Trade payables

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

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

1.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds net of transaction costs and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

1.11 Current and deferred income tax

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

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

1.12 Provisions

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

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

1.13 Employee benefits

National Social Security

The scheme was promulgated under the National Social Security Act of 1989. The Company's obligation under the scheme is limited to specific contributions as legislated from time to time, which are presently three per cent of pensionable emoluments.

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

	2024 ZWG	2023 ZWG
2 Revenue		
Advisory and sponsorship fees	<u>3 977 075</u>	<u>-</u>
3 Other income		
Consulting fees	<u>348 048</u>	<u>-</u>
4 Profit before tax		
Profit before tax has been arrived at after charging the following:		
Bank charges	35 656	6 961
Cleaning	1 109	-
Computer expenses	4 821	-
Consultancy fees	41 895	-
Depreciation	11 447	-
Donations	11 602	-
External travel	47 540	-
Premises repairs and maintenance	5 182	-
Promotions and gifts	18 047	-
Rent	386 848	-
Staff costs	<u>4.1 83 712</u>	<u>-</u>
	<u>647 859</u>	<u>6 961</u>
4.1 Staff costs		
Salaries	58 498	-
Zimbabwe Manpower Development Fund	593	-
Workers' Compensation Insurance Fund	722	-
Standard Development Levy	284	-
National Social Security Authority	1 624	-
Leave pay provision	<u>21 991</u>	<u>-</u>
	<u>83 712</u>	<u>-</u>

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

		2024 ZWG	2023 ZWG
5 Income tax			
5.1 Zimbabwe normal tax			
Current		949 843	-
Deferred	5.3	14 889	-
		<u>964 732</u>	<u>-</u>
5.2 Reconciliation of tax charge			
Profit before tax		3 677 264	-
Tax at statutory rate of 25.75%		946 895	-
Tax effect of:			
Other non deductible items		17 837	-
		<u>964 732</u>	<u>-</u>
5.3 Deferred tax			
Opening balance at 1 January 2024		-	-
Charge to profit and loss		(14 889)	-
Closing balance at 31 December 2024		<u>(14 889)</u>	<u>-</u>
6 Investment in equity instruments			
At 1 January		-	-
Additions		798 834	-
Disposals		-	-
Fair value gains and losses		-	-
As at 31 December		<u>798 834</u>	<u>-</u>

These comprise of quoted investments owned by the Company. These are designated at fair value through profit and loss.

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

7 Equipment

	Computer equipment ZWG	Network and Communications ZWG	Office Furniture ZWG	Total ZWG
Year ended 31 December 2024				
Opening carrying amount	-	-	-	-
Additions	17 995	314 532	21 888	354 415
Current year depreciation	(490)	(10 493)	(464)	(11 447)
Closing carrying amount	17 505	304 039	21 424	342 968
As at 31 December 2024				
Cost	17 995	314 532	21 888	354 415
Accumulated depreciation	(490)	(10 493)	(464)	(11 447)
Closing carrying amount	17 505	304 039	21 424	342 968

8 Trade receivables

Trade Receivables	554 298	-
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No provision for expected credit losses (ECL) has been recognized for trade receivables. The Company's trade receivables are due from a single customer with a history of timely payments and no evidence of credit impairment. Given the customer's strong financial position and the absence of any indicators of default, management has determined that the risk of non-payment is remote. The assessment aligns with [IFRS 9 / applicable accounting standards], which require ECL provisions only when there is a significant increase in credit risk or objective evidence of impairment. Should any credit concerns arise in the future, a provision will be recognized accordingly.

9 Cash and cash equivalents

Cash at bank	2 303 121	44 602
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10 Share capital

10.1 Authorised:

20 000 ordinary shares at USD 0.10 each	51 563	51 563
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10.2 Issued and fully paid:

20 000 ordinary shares at USD 0.10 each	51 563	51 563
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Notes to the financial statements
for the year ended 31 December 2024 (continued)

	2024 ZWG	2023 ZWG
11 Trade and other payables		
Trade payables	141 797	-
Other payables	447 229	-
	<u>589 026</u>	<u>-</u>
12 Provisions		
Carrying amount as at 1 January 2024	-	-
Increase in provisions	21 991	-
Carrying amount as at 31 December 2024	<u>21 991</u>	<u>-</u>
13 Net effect of working capital changes		
Increase in related party receivables	(333 662)	-
Increase in trade and other receivables	(554 298)	-
Increase in trade and other payables	589 026	-
Increase in provisions	21 991	-
	<u>(276 943)</u>	<u>-</u>

14 Related party transactions

Related party transactions include transactions between MMC Stockbrokers (Private) Limited and its fellow subsidiaries as well as key management personnel.

Related party relationships

Related party	Nature of relationship	Nature of transactions
Mapokotera E.	Shareholder and Chairman	Salary, benefits and loans
Chirume I.	Shareholder and Principal Director	Salary, benefits and loans
MMC Stockbrokers	Common shareholding	Administrative expenses
Executive Directors	Shareholders	Employee benefits

Transactions with key management personnel

Employee compensation:

Employee benefits	<u>83 712</u>	<u>-</u>
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Related party receivables

MMC Stockbrokers (Private) Limited	<u>333 662</u>	<u>-</u>
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**Notes to the financial statements
for the year ended 31 December 2024 (continued)**

15 Risk management in general

The company's risk management is coordinated in close cooperation with the board of directors, and focuses on actively securing the company's short to medium-term cash flows by minimizing the exposure to financial risks.

The company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the company is exposed are listed below:

- a) Credit risk;
- b) Liquidity risk.

MMC Capital Advisory (Private) Limited is exposed to risks that arise from its use of financial instruments. This note describes MMC Capital Advisory (Private) Limited' objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented in this note to the financial statements.

There have been no substantive changes in MMC Capital Advisory (Private) Limited'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 and cash equivalents; and
- c) Trade and other payables.

General objectives, policies and processes

The Directors have overall responsibility for the determination of MMC Capital Advisory (Private) Limited's risk management objectives and policies. The company's board also reviews the risk management policies and processes and report its findings to the executive management.

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

15 Risk management in general (continued)

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

	At amortised cost	
	2024	2023
	ZWG	ZWG
Financial assets		
Investment in equity instruments	798 834	-
Cash and cash equivalents	2 303 121	44 602
Trade and other receivables	333 662	-
	<u>3 435 617</u>	<u>44 602</u>
Financial liabilities		
Trade and other payables	<u>589 026</u>	<u>-</u>
Credit risk		

Financial assets which potentially subject MMC Capital Advisory (Private) Limited to concentrations of credit risk consist principally of cash and cash equivalents and trade and other receivables. Trade and other receivables are presented net of allowances for credit losses. Credit risk in respect to trade and other receivables is limited due to the large number of customers comprising MMC Capital Advisory (Private) Limited' customer base. Accordingly, the company has no significant concentration of credit risk. The company's cash and cash equivalents are placed with high quality financial institutions.

Quantitative disclosures of the risk exposure in relation to financial assets are set below:

	2024		2023	
	Carrying value	Maximum exposure	Carrying value	Maximum exposure
	ZWG	ZWG	ZWG	ZWG
Financial assets				
Investment in equity instruments	798 834	798 834	-	-
Cash and cash equivalents	2 303 121	2 303 121	44 602	44 602
Trade and other receivables	333 662	333 662	-	-
	<u>3 435 617</u>	<u>3 435 617</u>	<u>44 602</u>	<u>44 602</u>

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

15 Risk management in general (continued)

Liquidity risk

This is the risk of insufficient liquid funds being available to cover commitments. In order to mitigate any liquidity risk that MMC Capital Advisory (Private) Limited faces, the company's policy has been to maintain substantial unutilised facilities throughout the year ended 31 December 2024. The liquidity risk exposure in relation to financial liabilities are set out below:

Financial liabilities

	Up to 3		Between 3 and 12		Between 1 year		Total	Total
	months		and 2 years					
	2024	2023	2024	2023	2024	2023	2024	2023
	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG	ZWG
Trade payables	-	-	589 026	-	-	-	589 026	-

16 Contingent liabilities

No contingent liabilities existed as at the reporting date.

17 Capital commitments

The company does not have any capital commitments and hence, no such provisions are included in these financial statements as at 31 December 2024.

18 Going Concern Assumption

The directors have assessed the ability of the company to continue as a going concern and believe that the preparation of these inflation adjusted annual financial statements on a going concern basis is still

19 Events after reporting period

There were no material events, after the statement of financial position date that have a bearing on the understanding of these financial statements.