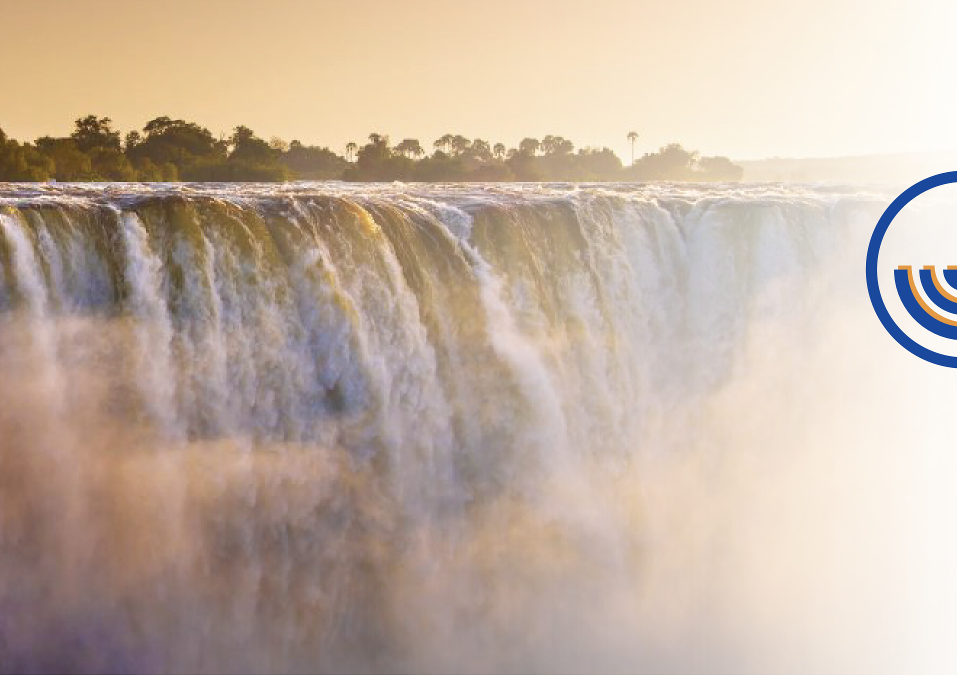

TIME BANK

TIME BANK OF ZIMBABWE LIMITED

(Registered Commercial Bank)

Audited Financial Statements

For the year ended 31 December 2024

Statement Of Financial Position

As at 31 December 2024

	Note	AUDITED December 2024 ZWG	December 2023 ZWG
ASSETS			
Cash and cash equivalents	3	328 354	2 817 458
Other receivables	4	325 348	54 259
Loans and advances	5	977 030	2 668 310
Investment property	6	187 684 087	115 552 052
Intangible assets	7	1 246 246	1 401 801
Property and equipment	10	463 614	1 193 757
Total assets		**191 024 678**	**123 687 639**
LIABILITIES			
Deposits from related parties	10	1 092 626	-
Trade and other payables	8	8 689 562	2 343 261
Related party payables	9	29 249 555	35 874 547
Related party loans	9	12 361 648	1 537 127
Deferred tax liability	18	1 190 157	71 837
Total liabilities		**52 583 547**	**39 826 772**
EQUITY			
Share capital	13	1 384 124	1 384 124
Share premium	13	65 871 467	65 871 467
Retained income	13	40 546 739	16 605 276
Total equity		**107 802 330**	**83 860 867**
Shareholders loans		**30 638 800**	**-**
Total shareholders funds		**138 441 130**	**83 860 867**
Total equity and liabilities		**191 024 678**	**123 687 639**

The financial statements were approved by the board of directors and are signed on its behalf by:

T. Bhatasara
Acting Chairperson

C. W. T. Tande
Managing Director

Statement of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 December 2024

	Note	December 2024 ZWG	December 2023 ZWG
Interest income	14	166 985	21 961
Interest and similar expense		(3 466 410)	(4 933 912)
Net interest expense		(3 299 425)	(4 911 952)
Other income	15	170 468 641	87 143 224
Charge for impairment	5.2	(52 508)	(79 263)
Net operating income		167 116 708	82 152 010
Operating expenses		(73 510 501)	(106 306 126)
Monetary position		(66 511 901)	(67 829 935)
Proft/(loss) before tax	16	27 094 306	(91 984 051)
Taxation	17-18	(1 118 319)	(484 298)
Profit/(loss) for the year		**25 975 987**	**(92 468 349)**
Other comprehensive income			
Total comprehensive income for year		**25 975 987**	**(92 468 349)**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement Of Changes In Equity

For The Year Ended 31 December 2024

	SHARE CAPITAL ZWG	SHARE PREMIUM ZWG	RETAINED EARNINGS ZWG	TOTAL EQUITY ZWG
Balance at 1 January 2024	1 384 124	65 871 467	16 605 276	83 860 867
Profit for the year	-	-	25 975 987	25 975 987
Prior period adjustments			(2 034 524) -	(2 034 524)
Balance at 31 December 2024	**1 384 124**	**65 871 467**	**40 546 739**	**107 802 331**
AUDITED Restated*				
Balance at 1 January 2023	1 384 124	65 871 467	109 073 626	176 329 217
Profit for the year	-	-	(92 468 349)	(92 468 349)
Balance at 31 December 2023	**1 384 124**	**65 871 467**	**16 605 276**	**83 860 867**

Statement Of Cashflows

For The Year Ended 31 December 2024

	Note	AUDITED December 2024 ZWG	December 2023 ZWG
Cash Flows from Operating Activities			
Comprehensive income/(loss) for the year		25 975 987	(92 468 349)
Adjustment for:			
Depreciation & amortisation	7 & 10	903 924	358 214
Unrealised exchange loss/(gain)		61 694 408	47 781 897
Change in provisions		595 938	-
Net monetary position	6	66 511 901	67 829 935
Impairment/ (Fair Value Gain) on investment property		(169 995 784)	(86 453 123)
Prior period adjustments **(see note 11)**		2 034 524	-
Cash flows before working capital changes		**(12 279 102)**	**(62 951 426)**
(Increase)/decrease in receivables		(271 088)	32 650
Decrease/(increase) in loans and advances to customers		1 691 280	2 747 573
(Decrease)/increase in related party payables		24 013 808	21 428 050
Increase/(decrease) in related party loans		10 824 521	(2 055 589)
Increase/(decrease) in income tax payables		1 118 319	4 176 160
Increase/(decrease) in other payables		6 346 301	1 523 884
Cash generated from operating activities		43 723 141	27 852 728
Dividend paid		-	-
Net cash generated from operating activities		31 444 039	(35 098 699)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	10	(18 225)	-
Acquisition of investment property		-	(1 019 255)
Net cash utilised in investing activities		(18 225)	(1 019 255)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in reserves		-	-
Net cash utilised in financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		31 425 814	(36 117 954)
Cash and cash equivalents at the beginning of the year		2 817 458	3 465 051
Effects of exchange rates on cash and cash equivalents		(33 914 918)	35 470 361
Cash and cash equivalents at the end of the year		328 354	2 817 458
Cash and cash equivalents comprise:			
Cash on hand		6 638	128 722
Foreign bank balances		274 091	178 916
Local bank balances		47 625	2 509 821
Total cash and cash equivalents		**328 354**	**2 817 458**

NOTES

Notes to the Financial Statements
For The Year Ended 31 December 2024

1 Company profile and principal activities

1.1 The Bank's principal activities include the provision of commercial banking services/products, treasury services and other financial services.

1.2 The financial statements herein are presented in Zimbabwe Gold (ZWG) which was adopted as the functional and presentation currency of the bank with effect from the 5th of April 2024.

2 Summary of significant accounting policies

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

2.1 Basis of preparation and presentation

The Bank's financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Zimbabwe Companies Act, [Chapter 24:03], Banking Act [Chapter 24:20] and the relevant Statutory Instruments ("SI") SI62/96 and SI 33/99. The financial statements have been prepared from statutory records that are maintained under the historical cost convention as modified by the fair valuation of available for sale financial assets, investment property and property and equipment.

2.2 Discontinuance of the use of IAS 29 (Financial Reporting in Hyperinflationary Economies)

The bank assessed the economic performance after the introduction of the Zimbabw eGold (ZWG) currency on 5 April 2024 (Statutory Instrument 60 of 2024) as per the IASA 29 indicators and determined that the current economic environment is not hyper inflationary. Therefore IAS 29 was not applied in preparing these financial statements.

(a) Restatement of Prior Financial Periods

The bank restated the comparative financial statements for June 2023 and December 2023 using the Total Consumption Poverty Line (TCPL) to estimate the Zimbabwe Consumer Price Index ("CPI") as the general price index and used the monthly indices to inflation to adjust the historical figures.

The CPI'S are as follows

Date	CPI	Factor
Dec-21	3977.5	230.352
Jun-22	8,707.35	105.2244
Dec-22	13672.91	67.0103
Jun-23	42710.72	21.4519
Dec-23	140252.59	6.5327
Mar-24	916225.5	1.0000

The main guidelines for the restatement are as follows:

Monetary assets and liabilities are not restated because they are already expressed in terms of the current monetary unit at the statement of financial position date. Monetary items are money held, assets and liabilities to be recovered or paid at the nominal value recorded at the original cost.
Non-monetary assets carried at cost (excluding items of PPE and Investment Property), liabilities, and the components of shareholders' equity are restated by applying the relevant conversion factors reflecting the increase in the CPI from the date of change in functional currency from US$ to ZWL$ in 2018.
All items in the statement of profit or loss and other comprehensive income are restated by applying the respective monthly factors.

The effect of general inflation on the net monetary position is included in the statement of profit or loss and other comprehensive income as effects of inflation adjustments.
Share capital and share premium were restated from the date of change in functional currency from US$ to ZWL$ in 2018.

(b) Conversion of Corresponding Figures for Prior Financial Periods

The bank converted the corresponding figures for prior financial periods from ZWL$ to ZWG using a swap rate of ZWG1:ZWL$2,498.72 determined by the closing interbank exchange rate and the price of gold as at 5 April 2024.

2.3 Foreign currency translation

(a) Functional and presentation currency

As as result of Statory Instrument 30 of 2024 which introduce the Zimbabwe Gold (ZWG) currency the bank re-evaluated its functional currency in accordance with IAS21 (The Effects of Changes in Foreign Currency Rates). The bank concluded that the functional currency has changed to ZWG with effect from 5 April 2024. Therefore, items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Zimbabwe Gold (ZWG), which is the Bank's functional presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'dealing profits and exchange income'.
Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2.4 Cash and bank balances

Cash and bank balances comprise cash in hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities of three months or less and cash balances with the Central Bank, including statutory reserves.

2.5 Financial instruments

2.5.1 Classification - Financial assets

The Bank classifies its financial assets in the following categories: assets measured at amortised cost, assets measured at fair value through other comprehensive income (FVOCI) and assets measured at fair value through profit and loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition, the bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified into one of these categories on initial recognition.

Business model assessment
The Bank will make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way that the business is managed and information is provided to management. The information that will be considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and those that are managed and whose performance is evaluated on a fair value basis will be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest.
For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank will consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- terms that limit the Bank's claim to cash flows from specified assets - e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money - e.g., periodic reset of interest rate

Interest rates on certain retail loans made by the bank are based on standard variable rates (SVR) that are set at the discretion of the bank. SVRs are generally based on a central bank rate in a particular jurisdiction and also include a discretionary spread. In these cases, the Bank will assess whether the discretionary feature is consistent with the SPPI criterion by considering a number of factors, including whether:

- the borrowers are able to repay the loans without significant penalties
- the market competition ensures that interest rates are consistent between banks; and
- any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

All of the bank's retail loans and certain fixed-rate corporate loans contain prepayment features.
A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is treated as consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual paramount, the prepayment amount substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is insignificant on initial recognition.

2.5.2 Financial guarantee contracts and loan commitments
Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- the amount of the loss allowance; and
- the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the bank are measured as the amount of the loss allowance. The bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument. For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the bank cannot separately identify the expected credit losses on the undrawn commitment from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.5.3 Impairment - Financial assets, loan commitments and financial guarantee contracts
The impairment model applies to the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables; and
- loan commitments and financial guarantee contracts issued.

No impairment loss is recognised under equity investments.
IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The bank will recognise loss allowances at an amount equal to lifetime ECLs, except in the following cases, for which the amount recognised will be 12-month ECLs:

- debt investment securities that are determined to have low credit risk at the reporting date. The Bank considers a debt security to have low credit risk when its credit risk is equivalent to the globally understood definition of 'investment-grade'; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for loss receivables will always be measured at an amount equal to lifetime ECLs.
The impairment requirements of IFRS 9 are complex and require management judgements, estimates and assumptions, particularly in the following areas:

- assessing whether the credit risk of an instrument has increased significantly since initial recognition; and
- incorporating forward-looking information into the measurement of ECLs.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the bank if the commitment is drawn down and the cash flows that the bank expects to receive; and
- financial guarantee contracts: the present value of the expected payments to reimburse the holder less any amounts that the bank expects to recover.

Definition of default

The bank will consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the bank in full, without recourse by the bank to actions such as realising security (if any is held); or
- the borrower is more than 90 days past due on any material credit obligation to the bank. Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

In assessing whether a borrower is in default, the bank will consider indicators that are:

- qualitative: e.g., breaches of covenant;
- quantitative: e.g., overdue status and non-payment of another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Inputs into assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Significant increase in credit risk
Under IFRS 9, when determining whether the credit risk (i.e., risk of default) on a financial instrument has increased significantly since initial recognition, the Bank will consider reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Bank's historical experience, expert credit assessment and forward-looking information.

The bank will primarily identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated on initial recognition of the exposure.

Assessing whether credit risk has increased significantly since initial recognition of a financial instrument requires identifying the date of initial recognition of the instrument. For certain revolving facilities (e.g., credit cards and overdrafts), the date when the facility was first entered into could be a long time ago. Modifying the contractual terms of a financial instrument may also affect this assessment.

Credit risk grades
The bank will allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The Bank will use these grades in identifying significant increases in credit risk under IFRS 9. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates e.g., the difference in the risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.
Each exposure will be allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

2.5.4 Derecognition other than on a modification
Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

i. the Bank transfers substantially all the risks and rewards of ownership, or
ii. the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Bank:

i. has no obligation to make payments unless it collects equivalent amounts from the assets;
ii. is prohibited from selling or pledging the assets; and
iii. has an obligation to remit any cash it collects from the assets without material delay.

2.5.5 Classification - financial liabilities
Il financial liabilities are measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designated and effective hedging instruments), other liabilheld for trading, and liabilities that an entity designates to be measured at fair value through profit or loss.

Under IFRS 9 fair value changes will generally be presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability will be presented in OCI; and
- After initial recognition, the bank cannot reclassify any financial liability.

2.5.6 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires).
The exchange between the bank and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated, changes in the type of interest rate, new conversion features attached to the instrument and change in the covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.6 Other receivables

Other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.
Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.7 Investment property

Investment property is property held either to earn rentals or for capital appreciation or for both. Investment property is stated at its cost at the reporting date.

2.8 Property and equipment

Recognition and measurement
Items of property and equipment, except owned premises, are measured at cost less accumulated depreciation and impairment losses.
Costs include expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the cost of dismantling the asset and removing items and restoring site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs
The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing of property and equipment is recognised in profit or loss as incurred. Subsequent costs can also be recognised as separate assets.

Owned premises

Land is not depreciated. Owned premises are shown at revalued amounts, based on periodic but at least triennial valuation less accumulated depreciation.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it excethe balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Impairment of property and equipment
The carrying amounts of the Bank's items of property, equipment, furniture and fittings are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.
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.

Owner occupied properties, equipment and furniture are depreciated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives of the assets presently are as follows:

Assessment of useful lives and residual values

Leasehold improvements	3 years
Computer equipment	5 years
Motor vehicles	5 years
Furniture and fittings	10 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Depreciation

In calculating the depreciation charge the entity reduces the depreciable amount of an asset by its residual value where it is deemed to be significant. The continuous reassessment of residual values typically leads to a reduction in depreciation charges and depreciation charges cease when the residual value is greater than or equal to the carrying value of the asset until its residual value subsequently decreases to an amount below the asset's carrying amount.

Leased assets: lessee

Leases in terms of which the Bank assumes substantially all risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Disposals

Gains and losses on disposals are determined by comparing the proceeds, with the carrying amount and are recognised in the statement of comprehensive income.

2.9 Intangible assets

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life is five to ten years. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if necessary. There have been no changes in the estimated useful lives from those applied in the previous financial year.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.11 Customer deposits

Customer deposits are recognised initially at fair value, net of transaction costs incurred. Deposits are subsequent shown at amortised costs using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income.

2 . 1 2

Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events; 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 small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave.

2.13 Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or customers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.14 Current and deferred income tax
The income tax expense for the period comprises current and deferred income tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Financial guarantees

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guaranteed liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable). Financial guarantees are reported under customer liabilities for acceptances.

2.16 Related parties

Related party transactions and outstanding balances with key management personnel and other entities in the Bank are disclosed.

2.17 Revenue recognition

Revenue is derived substantially from the business of banking and related activities and comprises net interest income and non-interest revenue.

2.17.1 Net interest income

Interest income and expenses are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial assets or liability to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently. Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Net interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments on financial instruments are reported under other income.

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

2.17.2 Non-interest income
Non-interest income includes dividends from investments, net revenue from foreign exchange and securities trading and net gains on the realisation or revaluation of investment banking assets. All such commissions and fees including service fees, investment management fees, placement and syndication fees are recognised as the related services are performed.

2.17.3 Dividend income
Dividend income is recognised when the right to receive income is established. Usually this is at the ex-dividend date for equity securities. Dividends are reflected as a component of non-interest income based on the underlying classification of the equity instruments.

2.18 Employee benefits

2.18.1 Defined contribution retirement plans

The company participates in a defined contribution retirement plan for some of its employees. The pension fund is funded by payments from the employees and by the relevant entity's contributions taking into account the recommendations of independent qualified actuaries. The entity's contributions are expensed as incurred. This fund is held and managed independently in terms of the Zimbabwean law. Sufficient information is not available to account for the plan as a defined benefit plan and hence the plan is accounted for as a defined contribution plan.

2.18.2 Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee voluntarily accepts redundancy in exchange of these benefits. The company recognises termination benefit expenses when it is demonstrably committed to either terminate employment of current employees according to a detailed formal plan without possibility of withdrawal from such or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due for more than twelve months after end of reporting period are discounted to present value.

2.18.3 Bonuses

The company recognises a liability and an expense for bonuses based on a formula that takes into account basic salaries and bonus points that accrue at the rate of one point per month.

2.18.4 Annual and long service leave

Employee entitlements to annual and long service leave are recognised when they accrue to employees. An accrual is made for the liability for annual and long service leave as a result of services rendered by employees up to the end of each reporting period. The amounts accrued are recognised as an expense when incurred.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Bank's results and financial situation due to their materiality.

2.19 Impairment of loans and advances

The Bank reviews its loan portfolios to assess impairment at least monthly. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Bank makes judgements as to whether there is measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. Management uses estimates based on historical loss experience for assets with credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. For specific impairment the expected cash flows are discounted using the original effective interest rate when the loan was granted.

2.20 Impairment of available-for-sale financial assets

The Bank determines that available-for-sale financial assets are impaired when there has been a significant or prolonged decline in the fair value below its costs. This determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

2.21 Income taxes

The Bank is subject to income tax in Zimbabwe. Significant judgement is required in determining the income tax payable. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Bank recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from amounts that were initially recognised, such differences will impact the income and deferred income tax provisions in the period in which such determination is made.

2.22 Financial risk management

Financial risk factors

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance.

The Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up to date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice. Risk management is carried out by the Board Risk Management Committee under the policies approved by the Board. In addition, the Risk Management and Internal Audit departments are responsible for the independent review of risk management and the control environment. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

Credit risk

The Bank takes on exposure to credit risk, which is the risk that a counter-party will cause a financial loss for the Bank by failing to discharge an obligation. Credit risk is one of the most important risks for the Bank's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and advances, and investment activities that bring debt securities and other bills into the Bank's asset portfolio. (There is also credit risk in off-statement of financial position financial instruments, such as loan commitments.) The Bank's Credit Committee is responsible for credit risk management within the Bank and it reports to the Board.

Loans and advances

In measuring credit risk of loans and advances to customers and to banks at a counterparty level, the Bank reflects three components:

i. The 'probability of default' by the client or counterparty on its contractual obligations;
ii. Current exposures to the counterparty and its likely future development, from which the Bank derive the 'exposure at default'; and
iii. The likely recovery ratio on the defaulted obligations (the 'loss given default').

These credit risk measurements, which reflect expected loss (the 'expected loss model') and are required by the Basel Committee on Banking Regulations and the Supervisory Practices (the Basel Committee), are embedded in the bank's daily operational management. The operational measurements can be compared with impairment allowances required under IFRS 9 which are based on losses that have been incurred at the reporting date (the 'incurred loss model') rather than expected losses.

(i) The bank assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparty. They have been developed internally and combine statistical analysis with credit officer's judgment and are validated, where appropriate, by comparison with externally available data. Clients of the bank are segmented into five rating classes. The bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are kept under review and upgraded as necessary. The bank regularly validates the performance of the rating and their predictive power with regard to default events.

AUDITED

			December 2024 ZWG	December 2023 ZWG
3	**Cash & Cash Equivalents**			
	Cash on hand		6 638	128 722
	Cash at bank:	**Balances with foreign banks**	274 091	178 916
		Balances with local banks	47 625	2 509 821
			328 354	2 817 458
4	**Other Receivables**			
	Prepaid expenses (refer to note 4.1)		325 348	48 566
	Accrued Revenue		-	5 694
			325 348	54 259
4.1	**Prepaid expenses**			
	Balance at the beginning of the year		48 566	8 473
	Prepaid Expenses		325 348	48 566
	Amount expensed in the current year		(48 566)	(8 473)
	Balance at the end of the year		325 348	48 566
5	**Loans and Advances**			
			2 668 310	-
	Gross amount		(2 992 855)	2 747 573
	Loans (repaid) / advanced in the current year		164 857	-
	Interest capitalised		1 191 802	-
	Effects of foreign exchange		(55 084)	(79 263)
	Allowance for expected credit loss			
			977 030	2 668 310
	Loans and advances to customers are analysed as follows:			
	Individuals- Gross Amount		813 566	80 042
	Mortgage loans- Gross Amount		218 548	2 667 532
	Allowance for expected credit loss		(55 084)	(79 263)
			977 030	2 668 310
5.1	**Maturity Analysis**			
	Up to 6 months		977 030	-
	Up to 1 year		-	2 668 310
	1-5 years		-	-
			977 030	2 668 310

N.B
For low-risk financial assets, loans and advances, the commitment is no greater than the outstanding balance/limit at any point in time. Thus, for loans and advances, it is assumed, for the sake of simplicity, that the EAD is the total outstanding balance as at the month of provisioning, plus any approved limits not used.

		December 2024 ZWG	December 2023 ZWG
5.2	**ECL Analysis**		-
	Stage 1- ECL		
	Net balance at the beginning of period	2 576	
	Charge for the period	52 508	2 576
	Monetary loss	-	76 687
	Net balance at the end of period	55 084	79 263

		December 2024 ZWG	December 2023 ZWG
6	**Investment Property**		
	Balance at the beginning of the year	115 552 052	203 024 430
	Additions	-	2 251 613
	Fair value adjustments	169 995 784	(86 453 123)
	Disposal- Equity Properties (see note 11.3)	(97 863 749)	-
		-	(3 270 868)
	Balance at the end of the year	187 684 087	115 552 052

Investment property held as at 31 December comprises of:

a. A certain piece of land in District of Harare called Stand No 2021 of Lot 3 of Bannockburn, measuring 30,192 sqm. The investment property is valued at market price.

b. A certain piece of land in District of Harare called Stand No 2095 of Lot 3 of Bannockburn, measuring 34,774 sqm. The investment property is valued at market price.

c. An amount of ZWG 169 995 784 (historical) being fair value adjustment to the property mentioned in item (a) and (b) above, has been included in the statement of profit or loss.

7	**Intangible Assets** **T24 Core Banking System & Website**	December 2024 ZWG	December 2023 ZWG
	Opening net book amount	1 401 801	1 402 710
	Additions	-	-
	Amortisation charge to profit and loss	(128 095)	(748)
	Impairment charge to profit or loss	(27 460)	(161)
	Effects of foreign exchange		-
	Closing net book amount	1 246 246	1 401 801
	Cost/ valuation	1 555 714	1 555 714
	Accumulated amortisation	(281 848)	(153 753)
	Accumulated impairment	(27 621)	(161)
	Net book amount	1 246 246	1 401 801

		December 2024 ZWG	December 2023 ZWG
8	**Trade and other payables**		
	Trade	6 648 848	1 428 583
	Accrued expenses	9 029	-
	Audit fees provision	386 978	399 966
	Banking licence provision	128 993	79 801
	Other	1 515 715	434 911
		8 689 562	2 343 261

9 **Related party transactions**
Time Bank is a subsidiary of Christa Capital (Pty) Ltd of Botswana. Christa Capital (Pty) Ltd has a 99.6% of the issued shares in Time Bank.

Related parties refer to companies with common direct or indirect shareholders and/or directors. Parties are also considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

The following are year-end related party balances arising from working capital financing decisions:

	Related party payables Company	**Relationship**	**Nature of transaction**	December 2024 ZWG	December 2023 ZWG
9.1	TBIC Investment P/L	Shareholder	Loan	7 834 465	3 622 182
	Equity Properties Loan	Fellow Subsidiary	Loan	21 415 090	31 855 785
	Key shareholders/management deposits	Shareholders/Staff	Payables	-	396 580
				29 249 555	35 874 547
	TBIC Investment P/L No 2 Acc	Shareholder	Loan	30 638 800	-
				30 638 800	-
9.2	**Related party loans**				
	Christa Capital (Pty) Limited	Shareholder	Loan	12 361 648	1 537 127
				12 361 648	1 537 127
9.3	**Related deposits**				
	Key shareholders/management deposits	Shareholder/ Staff	Deposits	367 026	
	TBIC Investments P/L	Shareholder	Savings deposits	725 600	-
				1 092 626	-

10 **Property and equipment**
Historical

Year ended 31 December 2024	Computer equipment ZWG	Furniture and Equipment ZWG	Leasehold Improvements ZWG	Office Equipment ZWG	Total ZWG
Opening carrying amount	229 581	290 509	654 976	18 691	1 193 757
Additions	18 225	-	-	-	18 225
Disposals	-	-	-	-	-
Accumulated depreciation on assets disposed	-	-	-	-	-
Depreciation	(57 431)	(31 411)	(654 976)	(4 551)	(748 368)
Closing carrying amount	190 375	259 098	-	14 141	463 615
At 31 December 2024					
Cost or valuation	288 673	314 111	1 966 894	22 754	2 592 432
Accumulated depreciation	(98 298)	(55 013)	(1 966 894)	(8 613)	(2 128 818)
Closing carrying amount	190 375	259 098	-	14 141	463 614
Restated*					
Year ended 31 December 2023					
Opening carrying amount	235 729	293 271	922 654	19 043	1 470 696
Disposals	(111)	-	-	-	(111)
Accumulated depreciation on assets disposed	76	-	-	-	76
Depreciation	(6 112)	(2 762)	(348 080)	(352)	(357 305)
Closing carrying amount	229 581	290 509	574 574	18 691	1 113 356
At 31 December 2023					
Cost or valuation	270 448	314 111	1 966 894	22 754	2 574 207
Accumulated depreciation	(40 867)	(23 602)	(1 311 918)	(4 062)	(1 380 450)
Closing carrying amount	229 581	290 509	654 976	18 691	1 193 757

		December 2024 ZWG	December 2023 ZWG
11	**Prior period adjustment**		
	Temenos recurring licence fees 2022 & 2023	1 066 379	-
	NSSA	4 307	-
	Leasehold improvements- depreciation	963 838	
		2 034 524	-
12	**Income Tax Liability**	-	66 968
	Opening balance	-	(66 968)
	Payment	-	-
	Current year charge	-	-
13	**Equity and reserves**		
13.1	**Share capital**		
	a) Authorised- 40 000 000 ordinary shares at ZWG$ 0.041293 par value	1 651 700	1 651 700
	b) 33 500 000 issued and fully paid ordinary shares	(1 384 124)	(1 384 124)
	c) 6 500 000 unissued ordinary shares	**267 575**	**267 575**

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Companies and Other Business Entities Act (Chapter 24:31), and the Articles and Memorandum of Association of the Company.

		December 2024 ZWG	December 2023 ZWG
13.2	**Issued and fully paid ordinary shares**		
	Opening balance	1 384 124	1 384 124
	Shares issued during the year		-
	Closing balance	**1 384 124**	**1 384 124**
13.3	**Share premium**		
	Opening balance	65 871 467	65 871 467
	Ordinary share issue at a premium during the year	-	-
	Closing balance	**65 871 467**	**65 871 467**
13.4	**Retained income**		
	Opening balance	16 605 276	109 073 626
	Prior period adjustments **(see note 11)**	(2 034 524)	-
	Movement during the year	25 975 987	(92 468 349)
	Closing balance	**40 546 739**	**16 605 276**
13.5	**Capital Adequacy**		
	Ordinary share capital	1 384 124	1 384 124
	Share premium	65 871 467	65 871 467
	Total reserves	40 546 739	16 605 276
	IFRS capital	**107 802 331**	**83 860 867**
	Revaluation reserves	-	-
	Tier 1 Capital	107 802 331	83 860 867
	Shareholder's loan	30 638 800	-
	Tier 2 Capital		
		30 638 800	-
	Total Capital Base	**138 441 131**	**83 860 867**
	Credit risk weighted assets	732 773	1 548 713
	Operational risk equivalent assets	189 719 294	116 174 928
	Market risk equivalent assets	-	-
	Total risk weighted assets	**190 452 067**	**117 723 640**
	Tier 1 capital ratio	56.60%	71.24%
	Tier 2 capital ratio	16.09%	
	Capital adequacy ratio	**72.69%**	**71.24%**

In line with the permanent Settlement Agreement on limited banking activities between RBZ and Time Bank, currently, the capital of Time Bank is ZWG138 441 083 (US$5 366 245) with an option to increase the capital to US$30 Million as a Tier 1 Commercial Bank.
The current minimum capital requirements for Commercial Banks are set at Tier 1, USD 30 000 000 (ZWG 773 955 000); Tier 2, USD 20 000 000 (ZWG 515 970 000) and Tier 3, USD 5 000 000 (ZWG 128 992 500).

		December 2024 ZWG	December 2023 ZWG
14	**Interest income**	2 128	5 502
	Bank interest received	164 857	16 458
	Loans and advances to customers		
		166 985	21 961
15	**Other income**		
	Dividends received	465 214	644 168
	Non-funded income- Fair value adjustments on investment property (refer to note 6)	169 995 784	86 453 123
	Establishment fees	-	38 995
	Other income- payables written off	-	6 938
	Other income- Salary adjustments	7 643	-
		170 468 641	87 143 224
16	**Profit before tax**		
	Included in loss before tax are the following expenses:	6 328 582	52 620 014
	Administration costs	386 978	529 644
	Audit fees	128 993	\
	Foreign exchange loss	61 694 408	47 781 897
	Depreciation and amortisation	876 464	358 214
	Other staff costs	717 878	855 537
	Directors' remuneration (refer note 16.1)	2 127 636	1 917 946
	Staff costs (refer to note 16.2)	1 249 564	2 242 875
		73 510 501	106 306 126
	Directors' emoluments		
	The aggregate amount of emoluments paid or accrued to directors:		
	AIDS levy	20 007	12 863
	Directors' fees	596 834	424 188
	Pay As You Earn	548 852	464 168
	Salaries and wages	895 251	970 805
	Nssa	66 691	45 921
		2 127 636	1 917 946
	Staff costs		
	AIDS levy		
	Pay As You Earn	11 750	21 534
	Salaries and allowances	322 342	696 252
	Nssa	876 304	1 456 208
		39 168	68 882
		1 249 564	2 242 875
17	**Income tax**		
17.1	**Tax reconciliation**		
	Profit / (Loss) before tax	27 094 306	(91 984 051)
	National tax thereon at a rate of 25.75%	6 976 784	(22 738 458)
	Tax effect on:		
	Non taxable/deductible items	(8 599 578)	(2 825)
		(1 622 794)	(22 741 283)

18 Deferred tax

The gross movement on deferred income tax account is as follows:	Deferred tax asset ZWG	Deferred tax liability ZWG	Total ZWG
As at 1 January 2023	-	(70 637)	(70 637)
Amount charged to statement of profit or loss	-	(1 200)	(1 200)
As at 31 December 2023	-	(71 837)	(71 837)
As at 1 January 2024	-	(71 837)	(71 837)
Amount charged to statement of profit or loss	-	(1 118 319)	(1 118 319)
As at 31 December 2024	-	(1 190 157)	(1 190 157)

The Bank recognised the tax liability of ZWG 966 607.

19 Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Board Asset and Liability Management Committee (ALCO) and the Board Risk and Compliance Committee which are responsible for defining the Bank's risk regime, developing policies and monitoring implmentation.

19.1 Fair values and risk management - accounting classification and fair values

	CARRYING AMOUNT				FAIR VALUE			
	Designated as "FVTPL" ZWG	Classified as "AMCO" ZWG	Designated as "FVTOCI" ZWG	TOTAL ZWG	LEVEL 1 ZWG	LEVEL 2 ZWG	LEVEL 3 ZWG	TOTAL ZWG
31 December, 2024								
Financial assets measured at fair value								
Financial assets	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Cash and cash equivalents	-	328 354	-	328 354	-	-	-	-
Other receivables	-	325 348	-	325 348	-	-	-	-
Loans and advances	-	977 030	-	977 030	-	-	-	-
Total	-	**1 630 732**	-	**1 630 732**	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	8 689 562	-	8 689 562	-	-	-	-
Related party payables	-	29 249 555	-	29 249 555	-	-	-	-
Related party loans	-	12 361 648	-	12 361 648	-	-	-	-
Total	-	**50 300 765**	-	**50 300 765**	-	-	-	-
31 December, 2023								
Financial assets not measured at fair value								
Financial assets	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Cash and cash equivalents	-	2 817 458	-	2 817 458	-	-	-	-
Other receivables	-	54 259	-	54 259	-	-	-	-
Loans and advances	-	2 668 310	-	2 668 310	-	-	-	-
Total	-	**5 540 028**	-	**5 540 028**	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	2 343 261	-	2 343 261	-	-	-	-
Related party payables	-	35 874 547	-	35 874 547				
Related party loans	-	1 537 127	-	1 537 127				
Total	-	**39 754 935**	-	**39 754 935**				

19.2 Interest rate risk

It arises from the possibility that changes in interest rates will affect the current and future cash flows of the Bank's interest bearing instruments. The Bank employs several methods that enable it to identify, measure and monitor interest rate risk. Margin analysis, interest rate repricing gaps and sensitivity analysis are employed on a regular basis to

19.2.1 Interest rate gap analysis

	UP TO 1 MONTH ZWG	2 TO 6 MONTHS ZWG	7 TO 12 MONTHS ZWG	ABOVE 12 MONTHS ZWG	NON INTEREST ZWG	CARRYING AMOUNT ZWG
31 December, 2024						
Financial assets by type						
Cash	-	-	-	-	6 638	6 638
Local bank accounts	47 625	-	-	-	-	47 625
Foreign bank accounts	274 091	-	-	-	-	274 091
Other recievables	325 348	-	-	-	-	325 348
Loans and advances	-	977 030	-	-	-	977 030
Investment property	-				187 684 087	187 684 087
Intangible assets	-	-	-	-	1 246 246	1 246 246
Property and equipment	-	-	-	-	463 614	463 614
Total assets	**647 064**	**977 030**	**-**	**-**	**189 400 584**	**191 024 678**
Financial liabilities by type						
Deposits from related parties	1 092 626	-	-	-	-	1 092 626
Trade and other payables	5 029 905	1 260 254	1 528 593	870 809	-	8 689 562
Related party payables	789 452	2 745 968	3 469 692	9 904 157	12 340 286	29 249 555
Related party loans					12 361 648	12 361 648
Other liabilities	-	-	-	-	1 190 157	1 190 157
Equity and reserves	-	-	-	-	138 441 131	138 441 131
Total liabilities	**6 911 983**	**4 006 223**	**4 998 285**	**10 774 967**	**164 333 221**	**191 024 679**
Sensitivity gap	(6 264 919)	(3 029 192)	(4 998 285)	(10 774 967)	25 067 363	-
Cumulative gap	(6 264 919)	(9 294 112)	(14 292 397)	(25 067 364)	-	-
31 December, 2023						
Financial assets by type						
Cash	-	-	-	-	128 722	128 722
Local bank accounts	2 509 821	-	-	-	-	2 509 821
Foreign bank accounts	178 916	-	-	-	-	178 916
Other receivables	-	-	-	-	54 259	54 259
Loans and advances	-	168 013	2 500 297	-	-	2 668 310
Investment property	-	-	-	-	115 552 052	115 552 052
Intangible assets	-	-	-	-	1 401 801	1 401 801
Property and equipment	-	-	-	-	1 193 757	1 193 757
Total assets	**2,688,736.46**	**168,013.0400**	**2 500 297**	**-**	**118 330 592**	**123 687 638**
Financial liabilities by type						
Deposits from related parties	-	-	-	-	-	-
Trade and other payables	1 184 284	327 250	585 765	245 963	-	2 343 261
Related party payables	10 689 062	6 888 671	8 496 990	9 799 823	-	35 874 547
Related party loans	-	-	-	1 537 127	-	1 537 127
Other liabilities	-	-	-	-	71 837	71 837
Equity and reserves	-	-	-	-	83 860 867	83 860 867
Total liabilities	**11 873 345**	**7 215 921**	**9 082 755**	**11 582 913**	**83 932 704**	**123 687 639**
Sensitivity gap	(9 184 609)	(7 047 908)	(6 582 458)	(11 582 913)	34 397 887	-
Cumulative gap	**(9 184 609)**	**(16 232 517)**	**(22 814 974)**	**(34 397 888)**	**-**	**-**

18.4 Credit risk

Loans and advances to customers Expected credit losses

	MAXIMUM CREDIT RISK EXPOSURE				EXPECTED CREDIT LOSS CHARGE			
	STAGE1 ZWG	STAGE2 ZWG	STAGE3 ZWG	TOTAL ZWG	STAGE1 ZWG	STAGE2 ZWG	STAGE3 ZWG	Total ZWG
30 June 2024								
SMEs	1 347 117	-	-	1 347 117	6 629	-	-	6 629
Retail	-	-	-	-	-	-	-	-
Total	**1 347 117**	-	-	**1 347 117**	**6 629**	-	-	**6 629**
Other assets								
RBZ receivables	-	-	-	-	-			-
Other receivables	2 055	-	-	2 055	-	-		-
Total	2 055	-	-	2 055	-			-
						-	-	
Total	**1 349 172**	-	-	**1 349 172**	**6 629**	-	-	**6 629**

19 Legacy Asset and Debt- contingent

Time Bank informs users of these financial statements that there is a material amount that the bank has excluded from its financial statements for the year June 2023, involving a sum of US$20 Million for which Time Bank's claim has not yet been confirmed.

The Government of Zimbabwe (GoZ) enacted the Finance Act 2021, under which GoZ undertook to give to companies including banks, financial relief called "Blocked Funds". In terms of such relief GoZ undertook to take over all the foreign currency liabilities of banks and companies amounting to a total of US$ 3.3 billion which existed before 22 February 2019, provided such banks and companies paid the Zimbabwean Dollar (ZWL$) equivalent of such foreign currency liabilities at an exchange rate of 1:1 between the US$ and ZWL$. Under the Blocked Funds the process of the takeover of the foreign currency liabilities of companies including banks resulted in a foreign currency liability which existed before 22 February 2019 also known as "Legacy Debt" and a matching asset called "Legacy Asset" being recorded in the books of companies. Such Legacy Asset is a financial claim on Government.

In this regard Time Bank has both a Legacy Debt of US$20 Million to the foreign shareholder which arose from dividends declared in 2018 but remained unpaid due to foreign currency shortages in Zimbabwe on one hand, and on the other hand a Legacy Asset of US$20 Million. Such Legacy Debt or Legacy Asset is supposed to be taken over by GoZ as Blocked Funds in terms of the Finance Act of 2021 provided Time Bank pays the ZWL$20 Million as the equivalent of US$20 Million at an exchange rate of 1:1 between US$ and ZWL$.

Time Bank has appealed to the Public Debt Management Office (PDMO) in the Ministry of Finance, Economic Development & Investment Promotion for the Blocked Funds in terms of the Finance Act of 2021 and currently awaits the determination of such an appeal. Until such claim or legacy asset has been confirmed, Time Bank in its financial statements has excluded both the Legacy Debt of US$ 20 Million and the Legacy Asset of US$20 Million.

20 Going Concern

The board undertakes regular assessments of whether the Bank is a going concern taking into consideration the prevailing economic conditions and all necessary information about future risks and uncertainties.
The board expects the Bank to continue as a going concern for the foreseeable future. Hence the going concern assumption has therefore been applied in the preparation of the financial statements.

The Bank made a profit of ZWG 4 876 765 before taxation for the year ended 30 June 2024 (a restated and converted to ZWG loss of ZWG 18 176 in June 2023).

In terms of its business model Time Bank is currently conducting limited banking activities and is not taking deposits from the public. However, the bank expects to carry out more profitable banking activities in the 2nd half of the year 2023 and thereafter.

The financial statements of the Bank have been prepared on a going concern basis and therefore we have not included any adjustments relating to the recoverability and reclassification of recorded assets, or to the amounts of the said assets, and also we have not included any reclassification of liabilities that may be necessary should the Bank be unable to continue as a going concern.

Directors would like to make users of these financial statements aware of the complexities and challenges of our historical experience and how it impacted on the Banks's capacity to resume banking operations fully in the last 19 and 1/2 years as stated below in Note 22.

21 Re-Opening of Time Bank in Phases

(a) Time Bank re-opened on 27 October 2022, after about 18 years of unlawful closure in 2004 and cancellation of its banking licence by statutory authorities in 2006. Time Bank's licence was re-instated by the Court in 2009. However Time Bank could not operate immediately thereafter because of the inability of the Former Curator to handover back to the directors of Time Bank, the assets and records of Time Bank which were under the control of the statutory authorities during the period of Time Bank's cancellation of licence or closure. In 2015 Time Bank and Reserve Bank (RBZ), signed a settlement agreement under which they agreed:
(i) On an incomplete Handover/Takeover of the said outstanding assets and records.
(ii) That RBZ would refund Time Bank the amount of US$10 Million including interest which had been taken by RBZ before cancellation of Time Bank's licence.
(iii) That Time Bank can re-open in phases until 31 December 2024 and thereafter Time Bank will be fully re-established.

(b) In 2022 RBZ authorised Time Bank to re-open in phases in line with the Settlement Agreement, following a pre-opening inspection of Time Bank by RBZ.

(c) Directors would like to make users of these financial statements aware of the complexities and challenges of our historical experience and how it impacted on the Banks's capacity to resume banking operations fully in the last 19 and 1/2 years.

23 Board and Board Committee Meetings attendance- (JANUARY 2024 TO DECEMBER 2024)

	Credit	Loans Review	Risk Management	Digital & IT	Audit	Main Board
Meetings held	2	2	2	2	2	2
Dr D. B. Ndlela	2	-	2	-	-	1
C. W. T. Tande	2	-	-	2	-	2
K. Kapaso	-	2	2	-	-	2
A. I. Lawson	-	2	1	-	2	2
T. Bhatasara	2	-	-	2	-	2
S. Mapfirakupa	-	2	2	-	2	2
E. Chalimba	-	2	-	2	2	2