



**Old Mutual Unit Trusts Gross Bond Fund
Financial Statements in Liquidation
for the year ended 31 December 2024**

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
FINANCIAL STATEMENTS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

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Note : Unless stated otherwise ,all the financial amounts are presented in Zimbabwe Gold (ZWG\$).

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
FINANCIAL STATEMENT IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

GENERAL INFORMATION

NATURE OF BUSINESS

Old Mutual Unit Trusts Gross Bond Fund ("the Fund") aims to generate income through investments in credit worthy bonds with an average investment maturity period of two to three years. The Fund is suitable for investors targeting low to medium risk exposure, requiring relative capital security. Gross Bond fund has two possible sources of return which are interest income derived from the interest earned on debt instruments held by the funds and capital growth arises from movement in the prices of tradable bonds held by the funds. Gross bond fund is tax exempt to institutions and persons aged 55 years or more.

FUND MANAGER REGISTERED OFFICE

Mutual Gardens
100 The Chase (West)
Emerald Hill
Harare
Zimbabwe

POSTAL ADDRESS

PO Box 70
Harare
Zimbabwe

REGISTRATION NUMBER

39156/2008

ATTORNEYS

Name of law firm

Dube, Manikai & Hwacha Legal Practitioners
Gill, Godlonton & Gerrans Legal Practitioners
Kantor & Immerman

Address

6th Floor Goldbridge, Eastgate Complex, Sam Nujoma Street/Robert Mugabe
Beverly Court, 100 Nelson Mandela Avenue, Harare
McDonald House, John Landa Nkomo Avenue, Harare, Zimbabwe

TRUSTEES REGISTERED OFFICE

Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare
Zimbabwe

BANKERS

Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare
Zimbabwe

AUDITORS

Axcantium
West Block, Borrowdale Office Park, Borrowdale Road,
Borrowdale
Harare
Zimbabwe

PREPERATION SUPERVISED BY

Faith Mundeta
PAAB Registration number: 0710

A full list of partners and directors is available on request

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
THE FUND MANAGER'S STATEMENT OF RESPONSIBILITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Fund Manager, Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG), has pleasure in presenting the financial statements of the Old Mutual Unit Trusts Gross Bond Fund ("the Fund") for the period ended 31 December 2024. The Fund is an investment vehicle for various clients whose funds are pooled together.

The objectives of the Fund are:

- To provide investors with an investment that provides regular income for tax exempt individuals and institutions; and
- To provide a medium risk profile investing in interest bearing investments.

Responsibility

The Fund Manager is responsible for the preparation, integrity, objectivity and fair presentation of the inflation adjusted financial statements in liquidation of the Fund, comprising the statement of financial position in liquidation as at 31 December 2024, the statement of comprehensive income in liquidation, cash flows in liquidation, changes in net assets of unit holders in liquidation and the notes to the financial statements in liquidation for the year then ended, which include a summary of material accounting policies and other explanatory notes, in accordance with the liquidation basis of accounting and the requirements of the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed, that fairly present the state of affairs of the Fund at the end of each financial period.

The OMIG Board set standards, and management implements systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded, and the risk of error, fraud or loss is reduced in a cost-effective manner, as well as making appropriate accounting estimates. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authority within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Compliance with legislation

These financial statements in liquidation, which have been prepared on an inflation adjusted basis, are based on the application of inflation indices on underlying accounting records which were maintained on the historical cost convention (except for fair value measurement where applicable) agree with the underlying books and records. The financial statements in liquidation have been properly prepared in accordance with the accounting policies set out in note 2 and comply with the disclosure requirements of the Collective Investments Schemes Act (Chapter 24:19).

Basis of Preparation

These financial statements in liquidation have been prepared in accordance with the liquidation basis of accounting, as the entity is in the process of liquidation. Under this basis, assets are measured at their estimated net realisable values, representing the amounts expected to be collected upon sale or disposal. Liabilities are recognized at their estimated settlement amounts, considering any costs associated with liquidation.

The financial statements in liquidation do not reflect the entity's ability to continue as a going concern but rather its expected financial position and results as it winds down operations. The preparation of these financial statements in liquidation requires management to make significant judgments and estimates regarding the realisation of assets, settlement of liabilities, and associated liquidation expenses. Actual results may differ from these estimates.

The operating results and financial position of the Fund are set out in the statement of comprehensive income in liquidation, statement of financial position in liquidation, statement of changes in net assets of unit holders in liquidation, statement of cash flows in liquidation and the accompanying notes.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
THE FUND MANAGER'S STATEMENT OF RESPONSIBILITY (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Financial highlights

The operating results and financial position of the Fund are set out in the statement of comprehensive income, statement of financial position, statement of changes in net assets of unit holders, statement of cash flows and the accompanying notes.

The Fund recorded an inflation adjusted net loss attributable to unit holders of ZWG\$97 for the year (2023: net loss of ZWG16,193).

Going concern

The Fund Manager has assessed the ability of the Fund to continue operating as a going concern and concluded that the fund is no longer a going concern and has changed the basis of preparation to liquidation basis. Having assessed the Fund's ability to continue operating as a going concern, the Fund Manager is aware that the Fund is not a going concern in the current year following the intention to close the Fund in 2024. The Funds' operations were ceased on 29 February 2024 and it is not a going concern. The financial statements have accordingly been prepared on a liquidation basis which recognises that the company will be liquidated in the near future.

Additional detail on using this basis is provided in note 2.2

Fund Manager's responsibilities for the financial statements in liquidation

The OMIG Audit, Risk and Compliance Committee (ARCC), together with the Group Internal Audit, play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

Based on the above, the Fund Manager is satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the period under review.

The Fund will consistently adopt appropriate and recognised basis of accounting. The financial statements in liquidation have been prepared on a liquidation basis, recognising assets at their estimated net realisable values and liabilities at their expected settlement amounts. These statements in liquidation are derived from statutory records initially maintained under the historical cost convention, except for financial assets and liabilities, which are measured at fair value in accordance with applicable accounting standards.

The Fund Manager has assessed the Fund's ability to continue as a going concern under note 2.2 and concluded the fund is no longer a going concern as management approved a plan to liquidate the fund.

The Fund Manager has ensured that the Fund has complied with the laws and regulations in all material respects.

It is the responsibility of the independent auditors to report on the financial statements in liquidation. Their report to the participants of the Fund is set out on pages 5 -8.

Approval of the annual financial statements in liquidation

The Fund Manager's statement of responsibility and the financial statements in liquidation were approved on 28 March 2025 and are signed by:


.....
Fund Manager

28 March 2025

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
THE TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustee's responsibilities for the financial statements in liquidation

Stanbic Investor Services Zimbabwe is the Trustees for the Old Mutual Unit Trusts Gross Bond Fund ("the Fund") in terms of the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed.

In terms of the Fund, the Trustees are persons who hold the assets of the scheme in trust for the participants. It is the duty of the Trustee to take reasonable care to ensure that the Fund is managed by the Fund Manager in accordance with the Collective Investment Schemes Act (Chapter 24:19) and the Trust Deed, in relation to the pricing of, and dealings in, units in the Fund, the application of income of the Fund, and the investments applicable to the Fund.

The Trustees are required to satisfy themselves on reasonable grounds and on a continuing basis that the Fund Manager has maintained and is maintaining sufficient financial records. The Trustees take into their custody or under their control, all the capital property of the Trust and hold it in trust for the unit holders in accordance with the Trust Deed and, hence, the Trustees along with the Fund Manager, are responsible for taking all reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

Under the Collective Investment Schemes Act (24:19), the Trustees are required to keep accurate accounts and records. Pursuant to the Trust Deed, this duty is devolved to the Fund Manager who is required to keep, in accordance with the requirements of the law proper, books of accounts and records showing all transactions effected on behalf of the Fund and arrange for the audit and delivery of financial statements to the Trustees. The Trustees may accept and shall not be bound to verify the financial statements produced by or on behalf of the Fund Manager unless the Trustees have actual notice of any irregularity.

Conclusion

Having carried out such procedures as we consider necessary to discharge our responsibilities as the Trustees of the Fund, based on the information available to us and the explanations provided, we report that in all material aspects the Fund, acting through the Fund Manager:

- (i) kept, in accordance with the requirements of the law proper, books of accounts and records showing all transactions effected on behalf of the Fund and arranged for the audit and delivery of financial statements to the Trustee in accordance with the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed; and
- (ii) has observed the investment and restrictions of the scheme.


Trustees
Stanbic Investor Services Zimbabwe
59 Samora Machel Avenue
Harare

28 March 2025

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS IN LIQUIDATION**

Opinion

We have audited the inflation adjusted financial statements of Old Mutual Unit Trusts Gross Bond Fund in liquidation ("the Fund") set out on pages 8 to 27 which comprise the inflation adjusted statement of financial position in liquidation as at 31 December 2024, and the inflation adjusted statement of profit or loss in liquidation, inflation adjusted statement of changes in net assets attributable to unit holders in liquidation, and inflation adjusted statement of cash flows in liquidation for the year then ended, and the notes to the inflation adjusted financial statements in liquidation, including material accounting policy information.

In our opinion, the accompanying inflation adjusted financial statements present fairly, in all material respects, the inflation adjusted financial position of the Fund as at 31 December 2024, and its inflation adjusted financial performance and its inflation adjusted cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed.

Basis of 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 Inflation Adjusted Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of inflation adjusted financial statements in Zimbabwe. We have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 11 of the financial statements, which indicates that the Trustee and the Fund Manager approved a plan of liquidation on 24 February 2024. The fund was therefore closed on 29 February 2024. Our opinion is not modified in respect of this matter.

Other Information

The Fund Manager is responsible for the other information. The other information comprises the Fund Manager's statement of responsibility, Trustees' report, Anti-Money laundering (AML) risk, the analysis of unit holder balances at year end, the foreign currency denominated balances and transactions, and the historical financial information as required by the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the inflation adjusted financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the inflation adjusted financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the inflation adjusted financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS BOND FUND
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS IN LIQUIDATION**

Responsibilities of the Fund Manager for the Inflation Adjusted Financial Statements in liquidation.

The Fund Manager is responsible for the preparation and fair presentation of the inflation adjusted financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Collective Investments Schemes Act (Chapter 24:19), the Trust Deed and for such internal control as the Fund Manager determines it necessary to enable the preparation of inflation adjusted financial statements in liquidation that are free from material misstatement, whether due to fraud or error.

In preparing the inflation adjusted financial statements in liquidation, the Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund Manager either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so. The fund is not a going concern, and this has been updated per note 15.

Our objectives are to obtain reasonable assurance about whether the inflation adjusted financial statements in liquidation 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 inflation adjusted financial statements in liquidation.

Auditor's Responsibilities for the Audit of the Inflation Adjusted 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 inflation adjusted 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager'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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the inflation adjusted 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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted financial statements, including the disclosures, and whether the inflation adjusted financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF OLD MUTUAL UNIT TRUSTS BOND FUND
REPORT ON THE AUDIT OF THE INFLATION ADJUSTED FINANCIAL STATEMENTS IN LIQUIDATION**

Auditor's Responsibilities for the Audit of the Inflation Adjusted Financial Statements (continued)

From the matters communicated with the Fund Manager, we determine those matters that were of most significance in the audit of the inflation adjusted 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 MATTERS

The financial statements in liquidation of the Fund are properly drawn up in accordance with the requirements of the Collective Investments Schemes Act (Chapter 24:19).

Axcentium

**Axcentium
Chartered Accountants (Zimbabwe)
Per. Rumbidzayimambo Ndebele
Partner
PAAB Practice Certificate Number 0631
Harare
Zimbabwe**

Date: 31 March 2025

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
STATEMENT OF COMPREHENSIVE INCOME IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024

		Audited Inflation Adjusted	**Restated Audited Inflation Adjusted	Unaudited *Historical	**Restated Unaudited *Historical
	Note	2024 ZWG\$	2023 ZWG\$	2024 ZWG\$	2023 ZWG\$
Investment income		616	11 917	616	1 531
Interest income	3.1	-	9 567	-	1 160
Expected credit loss reversal		-	7	-	1
Other income	3.2	616	2 343	616	370
Operating expenses		(235)	(1 636)	(94)	(179)
Management fees		-	(193)	-	(24)
Trustee's fees		-	(39)	-	(5)
Audit fees		(2)	(608)	(1)	(76)
Other expenses		(233)	(796)	(93)	(74)
Net income before monetary loss		381	10 281	522	1 352
Loss on net monetary position		(478)	(16 822)	-	-
Net loss/ income attributable to unit holders		(97)	(6 541)	522	1 352
Other comprehensive income		-	-	-	-
Total net loss/ income attributable to unit holders		(97)	(6 541)	522	1 352

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

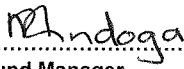
**Prior period comparatives have been restated as a result of the change in presentation currency from the ZWL to the ZWG. The change is explained fully under the basis for preparation (note 2.2).


OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
STATEMENT OF FINANCIAL POSITION IN LIQUIDATION
AS AT 31 DECEMBER 2024

	Note	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	**Restated Audited Inflation Adjusted 2022 ZWG\$	Unaudited *Historical 2024 ZWG\$	**Restated Unaudited *Historical 2023 ZWG\$	**Restated Unaudited *Historical 2022 ZWG\$
ASSETS							
Cash and cash equivalents	4	428	2 502	11 336	428	395	373
Money market investments	5.1	-	-	37 684	-	-	1 240
Other receivables		-	-	188	-	-	6
Total assets		428	2 502	49 208	428	395	1 619
LIABILITIES							
Accounts payable	6	-	119	31 466	-	19	1 035
Intercompany payable	7.2	245	1 551	7 675	245	245	253
Total liabilities		245	1 670	39 141	245	264	1 288
Net assets		183	832	10 067	183	131	331
Net assets attributable to unit holders		183	832	10 067	183	131	331
Total net assets attributable to unit holders		183	832	10 067	183	131	331

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

**Prior period comparatives have been restated as a result of the change in presentation currency from the ZWL to the ZWG. The change is explained fully under the basis for preparation (note 2.2). Furthermore, a third balance sheet has been presented as required by IAS 1.


.....
Fund Manager


.....
Trustee

28 March 2025

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024

Audited Inflation Adjusted					
31 December 2024	Notes	Units in Issue ZWG\$	Undistributed Income ZWG\$	Total ZWG\$	
Opening net assets attributable to Unit Holders		13 511 837	(13 511 005)	832	
Net(Loss) attributable to unit holders		-	(97)	(97)	
Year to date Issue of Units	10	2 086	-	2 086	
Year to date Redemption of Units	10	(2 638)	-	(2 638)	
Closing Net assets Attributable to Unit Holders		<u>13 511 285</u>	<u>(13 511 102)</u>	<u>183</u>	
**Restated Audited Inflation Adjusted					
31 December 2023					
Opening net assets attributable to Unit Holders		13 504 879	(13 494 812)	10 067	
Net(Loss) attributable to unit holders		-	(6 541)	(6 541)	
Distribution to unit holders		-	(9 652)	(9 652)	
Year to date Issue of Units	10	29 215	-	29 215	
Year to date Redemption of Units	10	(22 257)	-	(22 257)	
Closing Net assets Attributable to Unit Holders		<u>13 511 837</u>	<u>(13 511 005)</u>	<u>832</u>	

** Prior period comparatives have been restated as a result of the change in presentation currency from the ZWL to the ZWG. The change is explained fully under the basis for preparation (note 2.2)

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
STATEMENT OF CHANGES IN NET ASSETS OF UNIT HOLDERS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024

*Historical Unaudited

31 December 2024	Notes	Units in Issue ZWG\$	Undistributed (loss)/income ZWG\$	Total ZWG\$
Opening net assets attributable to Unit Holders		470	(339)	131
Net Income attributable to unit holders		-	522	522
Year to date Issue of Units	10	468	-	468
Year to date Redemption of Units	10	(938)	-	(938)
Closing Net assets Attributable to unit holders		-	183	183

**Restated Unaudited Historical

31 December 2023	Notes	Units in Issue ZWG\$	Undistributed (loss)/income ZWG\$	Total ZWG\$
Opening net assets attributable to Unit Holders		924	(593)	331
Net Income attributable to unit holders		-	1 352	1 352
Distribution to unit holders		-	(1 098)	(1 098)
Year to date Issue of Units	10	1 777	-	1 777
Year to date Redemption of Units	10	(2 231)	-	(2 231)
Closing Net assets Attributable to unit holders		470	(339)	131

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

**Prior period comparatives have been restated as a result of the change in presentation currency from the ZWL to the ZWG. The change is explained fully under the basis for preparation (note 2.2).

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
STATEMENT OF CASH FLOWS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024

	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	*Unaudited Historical 2024 ZWG\$	**Restated *Unaudited Historical 2023 ZWG\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss)/ income	(97)	(6 541)	522	1 352
Adjustment for non-cash items:				
Expected Credit losses movement	-	(34)	-	(1)
Interest earned	-	(9 567)	-	(1 160)
Changes in working capital				
(Decrease)/ increase in accounts	(1 424)	(37 472)	(19)	(1 023)
Management fees	(2)	(230)	-	(7)
Audit fees	-	(12 920)	-	(425)
Trustee's fees	-	(47)	-	(1)
Distribution accrued	(118)	(18 381)	(19)	(590)
Intercompany payable	(1 304)	(5 894)	-	-
(Increase)/decrease in accounts receivable	-	188	-	6
Interest Received	-	28 013	-	1 767
Cash (utilised in)/generated from operating activities	(1 521)	(25 413)	503	941
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	(37 047)	-	(5 322)
Sale of investments	-	56 318	-	5 956
Net cash inflow from investing activities	5.2	19 271	-	634
CASH FLOWS FROM FINANCING ACTIVITIES				
Net inflows from issue of units by unit holders	2 086	29 215	468	1777
Net outflows from redemption of units	(2 638)	(22 257)	(938)	(2 231)
Distribution paid to unit holders	-	(9 652)	-	(1 099)
Net cash outflow from financing activities	(552)	(2 694)	(470)	(1 553)
Net increase/(decrease) in cash and cash equivalents	(2 073)	(8 836)	33	22
Cash and cash equivalents at beginning of year	2 502	11 336	395	373
Cash and cash equivalents at end of year	429	2 500	428	395

*The historic amounts are shown as supplementary information. The historic information does not comply with International Financial Reporting Standards in that it has not taken account of the requirements of International Accounting Standard 29: Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on the historic financial information.

** Prior period comparatives have been restated as a result of the change in presentation currency from the ZWL to the ZWG. The change is explained fully under the basis for preparation (note 2.2)

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION**

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

1.1 Reporting entity

The Old Mutual Unit Trusts Gross Bond Fund is registered and domiciled in Zimbabwe. The Fund commenced trading in August 2019. The main objective of the fund is to pool unitised funds and invest in interest bearing investments, short term Bond instruments such as treasury bills, banker's acceptances and negotiable certificates of deposits with an investment horizon limited to 3 years.

1.2 Fund objectives

The objectives of the Fund are:

- A. To provide investors with an investment that provides regular income for tax exempt individuals and institutions; and
- B. To provide a medium risk profile investing in interest bearing investments.

1.3 Fund Managers

The Fund Manager is Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG). OMIG is a subsidiary of Old Mutual Zimbabwe Limited (OMZIL)

1.4 Risk factor

This is a moderate risk Fund. The Fund value fluctuates in line with interest rate fluctuations. The diversification of counterparties in the portfolio minimizes fund risks.

1.5 Fund administration

Collective investment schemes invest in financial assets. The Fund is exposed to a mix of financial risks resulting predominantly from the instruments in which it invests in. Financial risk is limited by the regulatory environment. The Collective Investment Schemes Act (Chapter 24:19) has strict and specific regulations as to what instruments may and may not be held. The Fund is also governed by a Trust Deed, which commits it to a specific investment objective. The Trust Deed's investment objective is further refined into an investment mandate which requires the Fund Manager to manage the Fund in accordance with the specified mandate. As far as possible, compliance limits are built into the daily pricing systems and processes of the Fund Manager and are checked and reported on daily.

The Securities and Exchange Commission of Zimbabwe approves the creation of the Fund and reviews compliance by the Fund Manager at least annually.

Regular checks are performed by the independent trustee as well as the compliance function of the Fund Manager to ensure compliance with investment mandates and limitations specified in the Trust Deed and the regulations determined under the Collective Investments Scheme Act (Chapter 24:19). The Trustee is the custodian of units in issue and is also responsible for the record keeping of scrip as well as Bond deal confirmations as required by the Collective Investment Schemes Act (Chapter 24:19).

Further, the Trustee is responsible for maintaining the Fund capital account and executing investments as directed by the Fund Manager.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The financial statements in liquidation have been prepared using the liquidation basis of accounting, as required for entities undergoing dissolution. These statements comply with the provisions of the Collective Investments Schemes Act (Chapter 24:19) and the Trust Deed and reflect the net realisable values of assets and the estimated settlement amounts of liabilities.

The basis of preparation is consistent with the Fund Manager's responsibility and the Auditor's report has been issued on this basis.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. MATERIAL ACCOUNTING POLICIES (continued)

2.2 Basis of preparation

The financial statements in liquidation provide information about the financial position, results of operations and changes in the financial position of the fund. They are based on the statutory records that are maintained under the historical cost convention and restated to take into account the effects of inflation in accordance with the International Accounting Standard 29 (IAS 29) "Financial Reporting in Hyperinflationary Economies".

On 5 April 2024 the Government of Zimbabwe through the Monetary Policy Statement and SI 60 introduced a new currency Zimbabwe Gold (ZWG) to replace the ZWL which was the functional currency applicable to prior periods. In line with guidance from the authorities a conversion ratio of 1:2498.7242 was applied between the ZWL and the ZWG. No conversion ratios for periods prior to 05 April were made available. For ease of implementation for purposes of accounting and financial reporting, the conversion ratio of 1:2498.7242 has also been applied to the comparative 2023 financial information as well as to January, February and March 2024 financial information.

The Fund Manager has assessed the ability of the Fund to continue operating as a going concern and believe that the preparation of financial statements in liquidation using the going concern assumption is no longer appropriate. The financial statements in liquidation have been prepared on a liquidation basis. The Fund has been operating as a closed fund since 1 March 2023. As a result of changes in the composition of the Index, and migration of some companies that traditionally made up the top ten, the Fund Manager approved a plan that could have a material effect on the future of the Fund. On the 12th of December 2024 an Extraordinary General Meeting (EGM) was held where a resolution to terminate and delist the fund and distribute all assets to the current unit holders was passed.

The financial statements in liquidation have accordingly been prepared on a liquidation basis which recognises that the Fund will be liquidated in the near future. The liquidation basis requires an assessment on whether to write assets down to their recoverable amounts, recognising a liability for contractual commitments that may have become onerous as a consequence of the decision to cease trading.

The Fund's Assets and liabilities are financial and short term in nature and were carried at fair value and upon change of basis of accounting the carrying amount of the assets and liabilities approximated the net realisable value.

Since 2019 Zimbabwe has met the key indicators of being a hyperinflationary economy as described under IAS 29. The inflation adjusted financial statements in liquidation represent the principal financial statements in liquidation of the Fund. Historical cost financial statements in liquidation have been presented as supplementary information to the restated financial statements in liquidation.

IAS 29 requires that the financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures for previous periods be restated in the same terms. Whilst in previous years the restatement of the historical cost numbers was based on the conversion factors derived from the ZWL\$ consumer price index (CPI) issued by the Zimbabwe National Statistics Agency (ZIMSTAT), publication of the ZWL\$ CPI was stopped in January 2023 upon the introduction of Statutory Instrument (SI) 27 of 2023 on the 3rd of March 2023 and is, therefore, no longer available for use in restating financial statements under IAS 29. SI 27 announced that the official inflation rate would be a blended rate which measures inflation based on a weighted average of price movements in Zimbabwean dollars and United States dollars over a given period of time. This instrument serves to recalibrate inflation reports to reflect the dual currency nature of incomes and prices in the Zimbabwe economy.

Given that the functional currency of the Fund is the ZWG\$, a blended inflation rate is not ideal in the preparation of restated financial statements under IAS 29 as it incorporates the inflation movements of the USD (USD transactions currently account for more than 80% of the transactions in the economy according to the RBZ) which is not subject to hyperinflation. It is also the Fund Manager's assessment that the use of conversion factors based on a blended CPI would not achieve compliance with IAS 29.

The restatement of the historical cost numbers is based on the conversion factors derived from the consumer price index (CPI) issued by the Zimbabwe Statistical Office (Zimstats). The Fund is using the movements in the Poverty Datum Line (PDL) (alternatively called the Total Consumption Poverty Line (TCPL) which is also published by ZIMSTAT, which measures the amount required to purchase both non-food and food items for a family at the poverty line. By analysing the correlation between the movement in PDL and the officially published ZWL CPI from January 2021 to December 2022, the Fund Manager observed a strong relationship with a correlation coefficient of 0.99. While IAS 29 provides for the use of exchange rate movements as a proxy for inflation where a general price index is not available, we did not observe a strong relationship between ZWL CPI and the exchange rate movements over the previous two financial reporting periods. The Fund Manager

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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FOR THE YEAR ENDED 31 DECEMBER 2024**

2. MATERIAL ACCOUNTING POLICIES (continued)

2.2 Basis of preparation (continued)

believes the CPI best represents average price movements in the economy during 2024 and have thus applied it in preparation of these Financial Statements. Consequently, the estimated CPI after February 2023 has been derived by adjusting the last published ZWL CPI (published in January 2023) by the monthly movement of the PDL. Effective 5 April 2024, ZIMSTAT started publishing the ZWG CPI which were used to in the preparation of inflation adjusted financial statements. These financial statements have been prepared on the inflation-adjusted basis as the ZWG currency is considered a hyperinflationary currency. The indices and conversion factors used to restate the accompanying Financial Statements as at 31 December 2024 are given below.

Dates	Indices	Conversion Factors
31/12/2024	166.30	1
31/12/2023	26.30	6.324
31/12/2022	5.47	30.391

2.3 Assessment of Zimbabwe as a Hyperinflationary economy

The main procedures applied for the above-mentioned restatement are as follows:

- i. All corresponding figures as of and for the year ended 31 December 2023 are restated by applying the change in the index from 31 December 2023 to 31 December 2024.
- ii. Monetary assets and liabilities that are carried at amounts current at balance sheet date are not re-stated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- iii. Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date and components of shareholders equity are restated by applying the change in the index from the date of the transaction or if applicable from the date of their most recent revaluation to 31 December 2024. An impairment loss is recognised in profit or loss if the remeasured amount of a non-monetary item exceeds its estimated recoverable amount.
- iv. Profit or loss items/transactions, except fair value gains or losses on equities, are restated by applying the change in the index from the date of the transaction to 31 December 2024. Fair value gains or losses on equities are a difference of the restated opening balance plus additions and disposals restated and the fair value at the end of the year.
- v. The effect of inflation on the net monetary position of the entity is included in the income statement as loss or gain on monetary position.
- vi. All items in the cash flow statement are expressed in terms of the measuring unit current at the balance sheet date.

2.4 Revenue

The Fund has adopted IFRS 15. The core principle of the standard is that revenue recognised reflects the consideration to which the Fund is entitled in exchange for the transfer of promised services to the customer. It incorporates a five-step model to determine the amount and timing of revenue recognition. Revenue comprises of interest income. Revenue is accounted for in accordance with the particular accounting policies as set out below.

2.4.1 Interest income

Interest income is recognised in the income statement using the effective interest rate method taking into account the expected timing and amount of cash flows. Interest income include the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
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2. MATERIAL ACCOUNTING POLICIES (continued)

2.5 Taxation

The Fund is exempt from paying income tax per the Collective Investment Schemes Act (Chapter 24:19).

2.6 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.7 Functional currency

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRSs). IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC) adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC).

The Zimbabwe government gazetted Statutory Instrument 185 (S.I. 185) of 2020 on 24 July 2020. The regulation requires sellers of goods and services to display, quote and offer prices in both the Zimbabwean dollar and foreign currency at the ruling auction exchange rate. Therefore, in accordance with International Accounting Standard ("IAS") 21, The Effects of Changes in Foreign Exchange Rates, entities need to assess whether the functional currency has changed. The Fund's assessment was based on weighting the volume of the local currency business against the foreign currency business. There were no foreign currency transactions recorded for the Fund for the years ending 31 December 2023 and 31 December 2024. Resultantly, the Fund's functional currency remains the ZWG\$.

2.8 Management fees

Management fees are calculated based on the rate approved by the Fund Manager and the unitholders. In 2024 management fees were calculated using a rate of 1.7175% per annum from January to December 2024 (2023: fee rate was 1.7175% per annum) based on fund value under management, with the accrual being done daily and payment effected on a monthly basis.

2.8.1 Trustees' fees

Trustees' fees are calculated using a rate of 0.5% per annum based on fund value under management, with the accrual being done daily and payment effected on a monthly basis.

2.9 Investments

This Fund invests in bonds, money market instruments, fixed deposits and other interest-bearing securities in public and private sectors.

Money market instruments - These investments seek to maximise interest income, preserve the Fund's capital and provide immediate liquidity. This is achieved by investing in money market instruments with a maturity of less than one period while the average maturity of the underlying assets may not exceed 365 days. The investments are typically characterised as short-term, highly liquid vehicles.

Bond investments - These investments seek to maximise interest income, preserve the Fund's capital and provide immediate liquidity. This is achieved by investing in money market instruments with a maturity at least one period while the average maturity of the underlying assets may not exceed 5 periods. The investments are typically characterised as long-term.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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2. MATERIAL ACCOUNTING POLICIES (continued)

2.10 Net assets attributable to unit holders

A unit in the Fund has a fixed value of ZWG\$1. Units are redeemable at the unit holders' option and are therefore classified as financial liabilities. Based on Fund performance, monthly distributions are done to unit holders. Distributions are done after

deducting operating expenses from income generated. Distributions to unit holders are made on a pro-rata basis. Unit holders have the option to re-invest or get their distributions in cash.

When a unit holder deposits money, units of an equivalent value of the deposit are created in the unit holders' name. When a unit holder redeems, units with an equivalent value of the redemption are liquidated. All units issued by the Fund provide the unit holder with the right to redemption for cash. In accordance with IAS 32 such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the Trust Deed the Fund is contractually obliged to distribute all distributable income.

2.11 Financial instruments

Recognition and de-recognition of financial instruments

A financial instrument is recognised when, and only when, the Fund becomes a party to the contractual provisions of the particular instrument.

The Fund de-recognises a financial asset when and only when:

- The contractual rights to the cash flows arising from the financial asset have expired or been forfeited by the Fund; or
- It transfers the financial asset including substantially all the risks and rewards of ownership of the asset; or
- It transfers the financial asset neither retaining nor transferring substantially all the risks and rewards of ownership of the asset but no longer retains control of the asset

A financial liability is de-recognised when and only when the liability is extinguished, that is, when the obligation specified in the contract is discharged, cancelled or has expired.

The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

All purchases and sales of financial assets carried at fair value through profit and loss that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognised at trade date, which is the date that the Fund commits to purchase or sell the asset.

Classification of financial instruments

The classification of financial assets under IFRS 9 is based on whether the financial assets are equity instruments, debt instruments held or derivative assets. Equity instruments and derivative assets are mandatorily categorised as financial assets at FVTPL. The classification and measurement of debt instruments is dependent on the business model in which the financial asset is managed and its contractual cash flow characteristics. An analysis of the Fund's balance sheet, showing the categorisation of financial instruments held at amortised cost is set out in note 9.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets classified as held for trading and those that the Fund has elected to designate as at fair value through profit or loss.

Financial assets at fair value through profit or loss are initially recognised at fair value excluding transaction costs directly attributable to their acquisition which are recognised immediately in the income statement. After initial recognition financial assets at fair value through profit or loss are measured at fair value with resulting fair value gains or losses adjustment being recognised directly in the statement of profit or loss.

Financial assets that the Fund has elected to designate at fair value through profit or loss are those where this designation either eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise when using

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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2. MATERIAL ACCOUNTING POLICIES (continued)

a different measurement basis or those that are managed, evaluated and reported on using a fair value basis in accordance with a documented risk management and/or investment strategy.

All related fair value gains and losses are included in investment income. Interest earned whilst holding financial assets at fair value through profit or loss is included in interest income. Dividends received are included in dividend income.

Financial assets held at amortised cost

Financial assets held at amortised cost comprise financial assets held to collect only contractual cashflows that are solely payments of the principal amount and interest.

If there is objective evidence that an impairment loss on investments held at amortised cost has been incurred, the amount of the loss is measured as the difference between asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through use of an allowance account. The impairment loss is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprises balances with banks and are carried at amortised cost. For the purposes of the cashflow statements, cash and cash equivalents balances with less than 90 days maturity from the date of acquisition including cash and balances with banks but excluding cash and cash equivalents instruments held for investing purposes.

Financial liabilities

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process in terms of finance cost.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income and expense items are offset only to the extent that their related instruments have been offset in the statement of financial position.

2.12 Impairment of financial assets

The expected credit losses allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects an entity's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, an entity should also consider observable market information about the credit risk of the particular financial instrument or similar financial instruments. In the absence of sufficient depth of data, management apply expert judgment within a governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

Estimates regarding credit risk parameters and the impact of forward-looking information used in the calculation of the ECL loss amount should be reviewed at each reporting date and updated if necessary.

**OLD MUTUAL UNIT TRUSTS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
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2. MATERIAL ACCOUNTING POLICIES (continued)

2.12 Impairment of financial assets(continued)

The ECL loss amount depends on the specific stage where the financial instrument has been allocated to within the ECL model:

- Stage 1: At initial recognition a financial instrument is allocated into stage 1, except for purchased or originated credit impaired financial instruments.
- Stage 2: A financial instrument is allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial instrument.
- Stage 3: A financial instrument is allocated to stage 3 if the financial instrument is in default or is considered to be credit impaired.

Under IFRS 9, impairment loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Fund Manager's assessment

The Fund Manager measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Financial assets where credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Fund Manager has elected to apply the IFRS 9 simplified approach in measuring expected credit losses. This uses a provision matrix when determining the lifetime expected loss allowance for all trade receivables, contract assets and lease receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund Manager considers quantitative and qualitative information, based on the Fund Manager's historical experience, credit assessment and including forward-looking information. The Fund Manager's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the credit score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment at a financial instrument level. These primary and secondary risk drivers are included by the Fund Manager as part of the ongoing credit risk management.

When making a quantitative assessment, the Fund Manager uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date.

A rebuttable assumption is that the credit risk since initial recognition has increased significantly if a financial instrument is 30 days past due on any payments or is one payment in arrears. It is not anticipated that this assumption will be rebutted. The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund Manager is exposed to credit risk. The ECL calculation of a financial instrument takes into account both the contractual and available behavioural repayment patterns over the relevant estimation period. A financial asset is in default when the financial asset is credit-impaired or if the Basel definition of default is met. Where applicable, the rebuttable presumption that default does not occur later than when a financial asset is 90 days past due, is applied.

**OLD MUTUAL UNIT TRUSTS BOND FUND
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2. MATERIAL ACCOUNTING POLICIES (continued)

2.12 Impairment of financial assets (continued)

Assets carried at amortised cost.

If there is objective evidence that an impairment loss on loans or receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between asset's carrying amount and the present value of estimated future cash flows (excluding credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through use of an allowance account. The impairment loss is recognised in statement of comprehensive income.

The Fund first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	Unaudited Historical 2024 ZWG\$	**Restated Unaudited Historical 2023 ZWG\$
3.1 INTEREST INCOME				
Money market investments	-	9 567	-	1 160
	<u>-</u>	<u>9 567</u>	<u>-</u>	<u>1 160</u>
3.2 OTHER INCOME				
Interest on current account	1	7	1	1
Prior period payables written off	-	2 336	-	369
Bank charges reversal	615	-	615	-
	<u>616</u>	<u>2 343</u>	<u>616</u>	<u>370</u>
4 CASH AND CASH EQUIVALENTS				
Current deposits with banks	428	2 502	428	396
	<u>428</u>	<u>2 502</u>	<u>428</u>	<u>396</u>
Included in cash and cash equivalents are balances with banks. These balances are used for transacting on a daily basis.				
5 INVESTMENTS				
5.1 MONEY MARKET INVESTMENTS				
	Note			
Bankers Acceptances		-	-	-
Old Mutual money market investments		-	-	-
Investments at cost		-	-	-
Interest receivable		-	-	-
Total money market investments		<u>-</u>	<u>-</u>	<u>-</u>
Impairment of financial assets	5.3	-	-	-
Net money market investments		<u>-</u>	<u>-</u>	<u>-</u>
5.2 NET PURCHASE OF INVESTMENTS				
Opening Balance Investments	-	37 684	-	1 240
Add Provision for Expected Credit Loss	-	34	-	1
Less Accrued Interest	-	(18 446)	-	(607)
Opening Balance Investments at Cost	<u>-</u>	<u>19 271</u>	<u>-</u>	<u>634</u>
Purchase of investments	-	37 047	-	5 322
Sale of investments	-	(56 318)	-	(5 956)
Net investment sales	<u>-</u>	<u>(19 271)</u>	<u>-</u>	<u>(634)</u>
Closing Balance Investments at cost	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accrued Interest	-	-	-	-
Impairment of financial assets	-	-	-	-
Net investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	Unaudited Historical 2024 ZWG\$	**Restated Unaudited Historical 2023 ZWG\$
6	ACCOUNTS PAYABLE			
Distribution accrued	-	119	-	19
	<u>-</u>	<u>119</u>	<u>-</u>	<u>19</u>

7 RELATED PARTY DISCLOSURES

Parties are 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 operational decisions.

The Fund has related party relationships with its Fund Manager and Trustee.

Transactions and balances are reflected below.

	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	Unaudited Historical 2024 ZWG\$	**Restated Unaudited Historical 2023 ZWG\$
7.1	Transactions with related parties			
Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG) Management fees	-	(193)	-	(24)
Stanbic Investor Services Zimbabwe Trustee's fees	-	(39)	-	(5)
	<u>-</u>	<u>(232)</u>	<u>-</u>	<u>(29)</u>
7.2	Balances due to:			
Old Mutual Investment Group Zimbabwe (Private) Limited (OMIG)				
Fund Management services rendered	-	2	-	-
Intercompany payable	245	1 549	245	245
Intercompany payables	<u>245</u>	<u>1 551</u>	<u>245</u>	<u>245</u>

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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8 EXPENSE RATIO

The ratio compares all the expenses of the Fund to the value of the assets of the fund on an average basis. The expense ratio as at period end on inflation adjusted was 54.96% (2023: 33.11%). The expense ratio as at period end based on historical amounts was 21.97% (2023: 48.17%).

9 FINANCIAL RISK MANAGEMENT

9.1 Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Fund's earnings and the value of its assets, liabilities and capital. Interest rate risk represents the sensitivity of a fixed income security or interest carrying asset to change in interest rate. This risk is controlled by careful monitoring of the level of interest bearing investments against the market returns.

9.1.1 Sensitivity analysis

A 10% increase/(decrease) in the interest rates as at 31 December 2024 would have resulted in an increase/(decrease) of ZWG\$0 (Restated ZWG\$0), 2023: ZWG\$116 (Restated ZWG\$957) reported Fund's profit and an increase/(decrease) in the statement of financial position size by ZWG\$0 (Restated ZWG\$0), 2023: ZWG\$116 (Restated ZWG\$957).

9.2 Credit risk

Credit risk associated with trading and investing activities on behalf of clients is managed through the Fund's market risk management process. The risk that counterparties to financial instruments might default on their obligations is monitored on an ongoing basis. To manage the level of credit risk, the Fund Manager deals with counterparties considered to be of good credit standing, and when appropriate, obtains collateral.

	Audited Inflation Adjusted 2024 ZWG\$	**Restated Audited Inflation Adjusted 2023 ZWG\$	Unaudited Historical 2024 ZWG\$	**Restated Unaudited Historical 2023 ZWG\$
Cash and cash equivalents	428	2 502	428	396
Total	<u>428</u>	<u>2 502</u>	<u>428</u>	<u>396</u>

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
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9 FINANCIAL RISK MANAGEMENT (continued)

9.3 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

9.4 Fair values of financial assets and liabilities

Determination of fair value

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 'Financial Instruments: Disclosures'

- Level 1 - quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.
- Level 2 - valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.
- Level 3 - valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid / offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs. In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable inputs may be attributable to observable inputs.

Consequently, the effect of uncertainty in determining unobservable inputs will generally be restricted to uncertainty about the overall fair value of the asset or liability being measured.

All financial instruments, regardless of their IFRS 9 categorisation, are initially recorded at fair value. The fair value of a financial instrument on initial recognition is normally the transaction price, that is, the fair value of the consideration given or received.

In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only observable data.

9.5 Fair values of financial assets and liabilities

Subsequent to initial recognition, the fair values of financial instruments measured at fair value that are quoted in active markets are based on bid prices for assets, which in certain circumstances includes using quotations from independent third parties such as brokers and pricing services, and offer prices for liabilities. When quoted prices are not available, fair values are determined by using valuation techniques that refer as far as possible to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. A number of factors such as bid-offer spread, credit profile, servicing costs and model uncertainty are taken into account, as appropriate, when values are calculated using a valuation technique. Changes in the assumptions used in such valuations could impact the reported value of such instruments.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

9 FINANCIAL RISK MANAGEMENT (continued)

9.5 Fair values of financial assets and liabilities (continued)

In general, none of the carrying amounts of financial assets and liabilities carried at amortised cost have a fair value significantly different to their carrying amounts. Such assets and liabilities are primarily comprised of variable-rate financial assets and liabilities that reprice as interest rates change, short-term deposits or current assets.

Favourable and unfavourable changes are determined on the basis of changes in the value of the financial asset or liability as a result of varying the levels of the unobservable parameter using statistical techniques. When parameters are not amenable to statistical analysis, quantification of uncertainty is judgmental. When the fair value of a financial asset or liability is affected by more than one unobservable assumption, the figures shown reflect the most favourable or most unfavourable change from varying the assumptions individually.

9.6 Analysis of instruments at amortised cost

	Audited Inflation Adjusted
At 31 December 2024	
Financial assets measured at amortised cost	ZWG\$
Money market investments	-
Total financial assets measured at amortised cost	-
	<hr style="border-top: 3px double black;"/>
	Audited Inflation Adjusted
At 31 December 2023	
Financial assets measured at amortised cost	ZWG\$
Money market investments	-
Total financial assets measured at amortised cost	-
	<hr style="border-top: 3px double black;"/>
	Unaudited Historical
At 31 December 2024	
Financial assets measured at amortised cost	ZWG\$
Money market investments	-
Total financial assets measured at amortised cost	-
	<hr style="border-top: 3px double black;"/>
	Unaudited Historical
At 31 December 2023	
Financial assets measured at amortised cost	ZWG\$
Money market investments	-
Total financial assets measured at amortised cost	-
	<hr style="border-top: 3px double black;"/>

The cost plus accrued interest approximate amortised cost given the short-term nature of the money market investments.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
NOTES TO THE FINANCIAL STATEMENTS IN LIQUIDATION
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10 UNITS IN ISSUE

	Inflation Adjusted ZWG\$	Historical ZWG\$
Opening Issued units 1 January 2023 <i>924 units/Average price ZWG\$1</i>	13 504 879	924
Issued in 2023 <i>1 777 units/Average price ZWG\$1 each</i>	29 215	-
Redemption of units 2023 <i>2 231 units/Average price ZWG\$1 each</i>	(22 257)	(2 231)
Closing Issued units 31 December 2023 <i>470 units/ Average price ZWG\$1</i>	13 511 837	470
Opening Issued units 1 January 2024 <i>470 units/Average price ZWG\$1</i>	13 511 837	470
Issued in 2024 <i>468 units/Average price ZWG\$ 1 each</i>	2 086	468
Redemption of units 2024 <i>938 units/Average price ZWG\$1 each</i>	(2 638)	(938)
Closing Issued units 31 December 2024 <i>0 units/ Average price ZWG\$1</i>	13 511 285	-
Undistributed loss	(13 511 102)	183
Closing Net assets Attributable to Unit Holders	183	183

11 GOING CONCERN

The Fund Manager and Trustee have assessed the appropriateness of the use of the going concern basis in the preparation of the financial statements. The Fund is not going concern as of 31 December 2024 as disclosed in note 2.2. The Fund Manager executed the approved plan before year end and fully completed the plan by 29 February 2024. The fund ceased trading on 29 February 2024.

12 SUBSEQUENT EVENTS

On the 6th of February 2025 in its monetary policy statement, the Reserve Bank of Zimbabwe (RBZ) mandated for the adoption of the Zimbabwe Gold currency (ZWG) as the reporting currency for all entities operating in Zimbabwe. This pronouncement is effective as at 31 December 2024 and therefore represents a non-adjusting subsequent event which does not affect the position reported as at 31 December 2024 since the fund's functional currency has always been the ZWG\$.

**OLD MUTUAL UNIT TRUSTS GROSS BOND FUND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

A. ANALYSIS OF UNIT HOLDER BALANCES AT 31 DECEMBER 2024-(INFLATION ADJUSTED)

Category	Number of client accounts	Market value	Price (ZWG cents)	Number of units
0 to 5 000	-	-	100.00	-
5 001 to 10 000	-	-	100.00	-
10 001 to 20 000	-	-	100.00	-
20 001 to 50 000	-	-	100.00	-
50 001 to 100 000	-	-	100.00	-
100 001 to 250 000	-	-	100.00	-
250 001 to 500 000	-	-	100.00	-
500 001 to 1 000 000	-	-	100.00	-
1 000 001 to 5 000 000	-	-	100.00	-
Greater than 5 000 001	-	-	100.00	-
Total	-	-	-	-

ANALYSIS OF UNIT HOLDER BALANCES AT 31 DECEMBER 2023-(INFLATION ADJUSTED)

Category	Number of client accounts	Market value	Price (ZWG cents)	Number of units
0 to 2	2	2	100.00	2
3 to 4	-	-	100.00	-
5 to 8	-	-	100.00	-
9 to 20	-	-	100.00	-
21 to 40	-	-	100.00	-
41 to 100	-	-	100.00	-
101 to 200	-	-	100.00	-
201 to 400	-	-	100.00	-
401 to 2000	1	468	100.00	468
Greater than 2001	-	-	100.00	-
Total	3	470	-	470

B. ANTI-MONEY LAUNDERING (AML) RISK

The Fund assessed its AML/CFT risk for 2024 (Institutional Risk Assessment) in line with regulatory requirements which demands that Financial Institutions (FIs) should update their institutional Risk Assessments (IRAs) and apply the Risk-Based Approach (RBA) in implementing the AML/CFT measures. Where higher risks are identified, the Fund will implement enhanced AML/CFT measures to adequately mitigate the risk. Conversely, where lower risks are identified, reduced AML/CFT measures will be applied. The assessment covered customers, products, distribution channels and geographical location.

The RBA is designed to ensure efficient deployment of resources to mitigate AML/CFT risks. Instead of uniformly applying the rule-based measures to all situations, the Fund will reduce application of resources and effort to proven low-risk situations while increasing measures to high-risk situations. Furthermore, global and domestic developments during the year 2024 were also considered in the assessment to ensure that the business remains aligned and compliant.