



REPORT OF THE AUDITOR-GENERAL

For the Year Ended December 31, 2025

ON

STATE OWNED ENTERPRISES AND PARASTATALS



Presented to the Parliament of Zimbabwe

2026



Office of the Auditor-General of Zimbabwe

5th Floor, Pax House
89 Kwame Nkrumah Avenue
Harare, Zimbabwe.

The Hon. Prof. M. Ncube
Minister of Finance, Economic Development and Investment Promotion
Mgandane Dlodlo Building
Corner S.V. Muzenda / Samora Machel Avenue
Harare

Dear Sir,

I hereby submit my Report on the audit of State-Owned Enterprises and Parastatals in terms of Section 309(2) of the Constitution of Zimbabwe as read together with Section 10(1) of the Audit Office Act [*Chapter 22:18*], for the year ended December 31, 2025.

Yours faithfully,

V. Chikwenhere,
AUDITOR-GENERAL.

HARARE

June 26, 2026.



Vision Statement

A model Supreme Audit Institution fostering transparency and accountability for the benefits of citizens.



Mission Statement

To audit and report on the management of public resources and provide, through Parliament, an independent assurance that enhances service delivery by 2030.



Core Values



Professionalism

We act independently demonstrating objectivity, expertise, skills and high level of competence maintaining confidentiality and transparency.



Integrity

We act honestly, reliably, in good faith and in the public interest.



Excellence

We are committed to continuous improvement and delivering value-adding audit services that meet international standards.



Teamwork

We collaborate and work together towards a common goal, respecting each other, valuing diverse perspectives, demonstrating empathy, leveraging each other's strengths & expertise to drive collective success.



Accountability

We uphold and comply with applicable laws, regulations and conventions and avoid any conduct that may discredit the SAI.

Table of Contents

PREAMBLE	x
EXECUTIVE SUMMARY	xvi
SECTION A - CLIENTS THAT ARE UPTO DATE IN AUDIT	1
PUBLIC ENTITIES UNDER THE CATEGORY OF AUTHORITIES AND AGENCIES	2
CIVIL AVIATION AUTHORITY OF ZIMBABWE (CAAZ) 2024 AND 2025	3
ZIMBABWE ENERGY REGULATORY AUTHORITY (ZERA) 2025.....	7
ZIMBABWE REVENUE AUTHORITY (ZIMRA) 2025	8
PUBLIC ENTITIES UNDER THE CATEGORY OF BOARDS	15
LOTTERIES AND GAMING BOARD 2024 AND 2025.....	16
PIG INDUSTRY BOARD (PIB) 2025	18
TOBACCO INDUSTRY AND MARKETING BOARD (TIMB) 2025.....	19
TOBACCO RESEARCH BOARD (TRB) 2025.....	20
PUBLIC ENTITIES UNDER THE CATEGORY OF COMMISSIONS	21
INSURANCE AND PENSIONS COMMISSION (IPEC) 2025.....	22
SECURITIES AND EXCHANGE COMMISSION OF ZIMBABWE (SECZ) 2025	25
PUBLIC ENTITIES UNDER THE CATEGORY OF COMPANIES AND CORPORATIONS	26
AFC HOLDINGS LIMITED 2025	27
AFC LEASING COMPANY OF ZIMBABWE (PRIVATE) LIMITED 2025.....	29
ALLIED INSURANCE COMPANY (PRIVATE) LIMITED 2025.....	31
CHEMPLEX CORPORATION LIMITED 2025	33
DEPOSIT PROTECTION CORPORATION (DPC) 2025	35
DEVEN ENGINEERING (PRIVATE) LIMITED 2025	36
DOROWA MINERALS LIMITED 2025	38
G & W INDUSTRIAL MINERALS (PRIVATE) LIMITED 2025	39
HWANGE ELECTRICITY SUPPLY POWER COMPANY (PRIVATE) LIMITED 2024 AND 2025	42
KARIBA HYDRO POWER COMPANY (PRIVATE) LIMITED 2024 AND 2025	45
MINING PROMOTION CORPORATION (PRIVATE) LIMITED (MPC) 2025.....	47
NATIONAL HANDICRAFT CENTRE (PRIVATE) LIMITED 2022, 2023, 2024 AND JANUARY 1, 2025 - MARCH 31, 2025	49
NATIONAL HANDLING SERVICES CLOSE CORPORATION 2024 AND 2025.....	56
NATIONAL OIL INFRASTRUCTURE COMPANY OF ZIMBABWE (NOIC) (PRIVATE) LIMITED 2025.....	58
NATIONAL PHARMACEUTICAL COMPANY (PRIVATE) LIMITED (NATPHARM) 2025	60
PETROTRADE (PRIVATE) LIMITED 2024 AND 2025	63
PETROZIM LINE (PRIVATE) LIMITED (PZL) 2025	65
POWERTEL COMMUNICATIONS (PRIVATE) LIMITED 2024 AND 2025	67
TELONE (PRIVATE) LIMITED 2024 AND 2025	70
TRANSMEDIA CORPORATION (PRIVATE) LIMITED 2024 AND 2025.....	74

URBAN DEVELOPMENT CORPORATION (UDCORP) 2024 AND 2025.....	78
WILLOWVALE MOTOR INDUSTRIES (PRIVATE) LIMITED 2025.....	81
ZESA ENTERPRISES (PRIVATE) LIMITED (ZENT) 2024 AND 2025	83
ZIMBABWE ELECTRICITY TRANSMISSION AND DISTRIBUTION COMPANY (PRIVATE) LIMITED (ZETDC) 2024 AND 2025	86
ZIMBABWE POWER COMPANY (PRIVATE) LIMITED (ZPC) 2024 AND 2025.....	90
PUBLIC ENTITIES UNDER THE CATEGORY OF COUNCILS	94
FOOD AND NUTRITION COUNCIL (FNC) 2025	95
MEDICAL REHABILITATION PRACTITIONERS COUNCIL OF ZIMBABWE (MRPCZ) 2024 AND 2025.....	97
RESEARCH COUNCIL OF ZIMBABWE (RCZ) 2024 AND 2025.....	98
PUBLIC ENTITIES UNDER THE CATEGORY OF FINANCIAL INSTITUTIONS	102
AFC COMMERCIAL BANK LIMITED 2025	103
AFC LAND AND DEVELOPMENT BANK 2025.....	105
EMPOWERBANK LIMITED 2025.....	106
INFRASTRUCTURE DEVELOPMENT BANK OF ZIMBABWE (IDBZ) 2025	109
NATIONAL BUILDING SOCIETY LIMITED (NBS) 2025	111
PEOPLE'S OWN SAVINGS BANK (POSB) 2025	114
ZIMBABWE WOMEN'S MICROFINANCE BANK LIMITED (ZWMB) 2025	116
PUBLIC ENTITIES UNDER THE CATEGORY OF FUNDS	125
INVESTOR PROTECTION FUND (IPF) 2024 AND 2025.....	126
PUBLIC ENTITIES UNDER THE CATEGORY OF UNIVERSITIES AND TERTIARY INSTITUTIONS	127
ZIMBABWE OPEN UNIVERSITY (ZOU) 2024 AND 2025.....	128
PUBLIC ENTITIES UNDER THE CATEGORY OF OTHER	130
SCIENTIFIC INDUSTRIAL RESEARCH AND DEVELOPMENT CENTRE (SIRDC) 2025.	131
TECHNOLOGICAL AND COMMERCIAL INFORMATION PROMOTION SYSTEM (TIPS) 2025.....	132
SECTION B - ARREAR ACCOUNTS	133
PUBLIC ENTITIES UNDER THE CATEGORY OF AUTHORITIES AND AGENCIES	134
AGRICULTURAL AND RURAL DEVELOPMENT AUTHORITY (ARDA) 2024	135
AGRICULTURAL MARKETING AUTHORITY (AMA) 2024	137
BROADCASTING AUTHORITY OF ZIMBABWE (BAZ) 2022 and 2023.....	139
ENVIRONMENTAL MANAGEMENT AGENCY (EMA) 2024	143
MEDICINES CONTROL AUTHORITY OF ZIMBABWE (MCAZ) 2024	145
NATIONAL BIOTECHNOLOGY AUTHORITY OF ZIMBABWE 2022 AND 2023.....	146
NATIONAL SOCIAL SECURITY AUTHORITY (NSSA) 2024	150
PROCUREMENT REGULATORY AUTHORITY OF ZIMBABWE (PRAZ) 2024.....	160
RADIATION PROTECTION AUTHORITY OF ZIMBABWE (RPAZ) 2024.....	161
ZIMBABWE INVESTMENT AND DEVELOPMENT AGENCY (ZIDA) 2024.....	163

ZIMBABWE NATIONAL STATISTICS AGENCY (ZIMSTAT) 2024.....	166
ZIMBABWE NATIONAL WATER AUTHORITY (ZINWA) 2024	169
ZIMBABWE PARKS AND WILDLIFE MANAGEMENT AUTHORITY (ZIMPARKS) 2024 ..	171
ZIMBABWE TOURISM AUTHORITY (ZTA) 2023 AND 2024	176
PUBLIC ENTITIES UNDER THE CATEGORY OF BOARDS	178
GRAIN MARKETING BOARD (GMB) 2022, 2023 AND 2024.....	179
ZIMBABWE NATIONAL BOXING AND WRESTLING CONTROL BOARD (ZNBWCB) 2023 AND 2024.....	184
PUBLIC ENTITIES UNDER THE CATEGORY OF COMMISSIONS	187
FORESTRY COMMISSION 2024	188
HEALTH SERVICE COMMISSION (HSC) 2024	194
NATIONAL COMPETITIVENESS COMMISSION (NCC) 2024	196
ZIMBABWE ANTI-CORRUPTION COMMISSION (ZACC) 2022, 2023, 2024	198
ZIMBABWE MEDIA COMMISSION (ZMC) 2024.....	201
PUBLIC ENTITIES UNDER THE CATEGORY OF COMPANIES AND CORPORATIONS	205
AIRPORTS COMPANY OF ZIMBABWE (ACZ) 2022.....	206
AIR ZIMBABWE (PRIVATE) LIMITED 2024.....	213
ALLIED TIMBERS ZIMBABWE (PRIVATE) LIMITED 2024.....	215
ALLIED TIMBERS SALIGNA (PRIVATE) LIMITED 2024	218
BINDURA UNIVERSITY PRINTING PRESS (PRIVATE) LIMITED 2024.....	220
CMED FUELS (PRIVATE) LIMITED 2024.....	221
CMED (PRIVATE) LIMITED 2024	222
CONFLO INVESTMENTS (PRIVATE) LIMITED 2024	226
COURIER CONNECT (PRIVATE) LIMITED 2020.....	228
DEFOLD MINE (PRIVATE) LIMITED 2021, 2022 AND 2023	233
EASYGO CAR HIRE AND TRAVEL (PRIVATE) LIMITED 2024	239
INDUSTRIAL DEVELOPMENT CORPORATION OF ZIMBABWE (IDCZ) 2024.....	241
MINERALS MARKETING CORPORATION OF ZIMBABWE (MMCZ) 2024	242
MOSI OA TUNYA DEVELOPMENT COMPANY (PRIVATE) LIMITED 2023 AND 2024....	244
NATIONAL HANDLING SERVICES (PRIVATE) LIMITED 2024.....	249
NATIONAL RAILWAYS OF ZIMBABWE (NRZ) 2023.....	255
NETONE CELLULAR (PRIVATE) LIMITED 2024	261
PERCENTAGE DISCOUNT (PRIVATE) LIMITED 2024.....	267
PRINTFLOW (PRIVATE) LIMITED 2024.....	268
VERIFY ENGINEERING (PRIVATE) LIMITED 2023	272
ZESA HOLDINGS (PRIVATE) LIMITED 2024.....	275
ZIMBABWE BROADCASTING CORPORATION (ZBC) 2024	277
ZIMBABWE CONSOLIDATED DIAMOND COMPANY (ZCDC) 2024	280
ZIMBABWE MINING DEVELOPMENT CORPORATION (ZMDC) 2024.....	282

ZIMBABWE POST PROPERTIES (PRIVATE) LIMITED 2020	283
ZIMBABWE POSTS (PRIVATE) LIMITED (ZIMPOST) 2019.....	287
ZIMBABWE UNITED PASSENGER COMPANY LIMITED (ZUPCO) 2022 AND 2023	293
PUBLIC ENTITIES UNDER THE CATEGORY OF COUNCILS	300
AGRICULTURAL RESEARCH COUNCIL (ARC) 2023	301
ALLIED HEALTH PRACTITIONERS COUNCIL OF ZIMBABWE (AHPCZ) 2024	303
ENVIRONMENTAL HEALTH PRACTITIONERS COUNCIL OF ZIMBABWE (EHPCZ) 2024.....	304
MEDICAL AND DENTAL PRACTITIONERS' COUNCIL OF ZIMBABWE (MDPCZ) 2024 ..	307
MEDICAL LABORATORY AND CLINICAL SCIENTISTS COUNCIL OF ZIMBABWE (MLCSCZ) 2024.....	309
NATIONAL AIDS COUNCIL (NAC) 2024	311
NATIONAL ARTS COUNCIL OF ZIMBABWE 2022 AND 2023	312
NURSES COUNCIL OF ZIMBABWE (NCZ) 2023	314
TRAFFIC SAFETY COUNCIL OF ZIMBABWE 2024.....	318
VALUERS COUNCIL OF ZIMBABWE 2023 AND 2024	319
ZIMBABWE COUNCIL FOR HIGHER EDUCATION (ZIMCHE) 2024	324
ZIMBABWE NATIONAL FAMILY PLANNING COUNCIL (ZNFPC) 2024.....	328
ZIMBABWE SCHOOL EXAMINATIONS COUNCIL (ZIMSEC) 2024.....	330
ZIMBABWE YOUTH COUNCIL (ZYC) 2023 AND 2024	331
PUBLIC ENTITIES UNDER THE CATEGORY OF FINANCIAL INSTITUTIONS	342
SMALL AND MEDIUM ENTERPRISES DEVELOPMENT CORPORATION (SMEDCO) 2024.....	343
PUBLIC ENTITIES UNDER THE CATEGORY OF FUNDS	347
AVIATION INFRASTRUCTURE DEVELOPMENT FUND (AIDEF) 2022.....	348
RHODES MATOPO ESTATE FUND 2024.....	351
STATE LOTTERIES FUND 2024	353
ZIMBABWE MANPOWER DEVELOPMENT FUND (ZIMDEF) 2024	356
ZIMBABWE TOURISM FUND (ZTF) 2023 AND 2024	359
PUBLIC ENTITIES UNDER THE CATEGORY OF HOSPITALS	361
INGUTSHENI CENTRAL HOSPITAL 2022	362
PARIRENYATWA GROUP OF HOSPITALS 2024	365
SALLY MUGABE CENTRAL HOSPITAL 2023.....	371
UNITED BULAWAYO HOSPITALS (UBH) 2024	376
PUBLIC ENTITIES UNDER THE CATEGORY OF UNIVERSITIES AND TERTIARY INSTITUTIONS	382
BINDURA UNIVERSITY OF SCIENCE EDUCATION (BUSE) 2024	383
CHINHOYI UNIVERSITY OF TECHNOLOGY (CUT) 2024	385
GREAT ZIMBABWE UNIVERSITY (GZU) 2024.....	387
GWANDA STATE UNIVERSITY (GSU) 2024	389

HARARE INSTITUTE OF TECHNOLOGY (HIT) 2024	392
LUPANE STATE UNIVERSITY (LSU) 2024	393
MANAGEMENT TRAINING BUREAU (MTB) 2024	395
MANICALAND STATE UNIVERSITY OF APPLIED SCIENCES (MSUAS) 2024	397
NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY (NUST) 2024	399
UNIVERSITY OF ZIMBABWE (UZ) 2024.....	402
ZIMBABWE CENTRE FOR HIGH PERFORMANCE COMPUTING (ZCHPC) 2020.....	403
ZIMBABWE FOREIGN SERVICE INSTITUTE (ZFSI) 2024	407
ZIMBABWE INSTITUTE OF PUBLIC ADMINISTRATION AND MANAGEMENT (ZIPAM) 2024.....	409
ZIMBABWE SCHOOL OF MINES (ZSM) 2024	413
PUBLIC ENTITIES UNDER THE CATEGORY OF OTHER.....	417
BINDURA UNIVERSITY OF SCIENCE EDUCATION FARM TRUST 2024.....	418
CHINHOYI UNIVERSITY OF TECHNOLOGY FARM TRUST 2024	419
CHINHOYI UNIVERSITY OF TECHNOLOGY HOTEL TRUST 2024	421
NATIONAL GALLERY OF ZIMBABWE 2024	423
NATIONAL MUSEUMS AND MONUMENTS OF ZIMBABWE (NMMZ) 2023 AND 2024...	426
UNIVERSITY OF ZIMBABWE FARM TRUST 2024	431
ANNEXURES	433
ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY	434
ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED.....	520
ANNEXURE “C”: AUDITS AT SIGNING STAGE.....	524
ANNEXURE “D”: ACCOUNTS NOT SUBMITTED FOR AUDIT	525
ANNEXURE “E”: SUBMISSION OF FINANCIAL STATEMENTS STATUS OF STATE- OWNED ENTERPRISES AND PARASTATALS 2019 - 2025	527
ANNEXURE “F”: UNDELIVERED GOODS	547

LIST OF ACRONYMS

1. GMB - Grain Marketing Board
2. IFRSs - International Financial Reporting Standards
3. ICT – Information Communication Technology
4. IPSASs – International Public Sector Accounting Standards
5. ISAs - International Standards on Auditing
6. ISSAIs - International Standards of Supreme Audit Institutions
7. IASB - International Accounting Standards Board
8. IMAP - Implementation Matrix and Action Plan
9. IPSASB - International Public Sector Accounting Standards Board
10. MMCZ- Minerals Marketing Corporation of Zimbabwe
11. NAC - National AIDS Council
12. NSSA - National Social Security Authority
13. NOIC - National Oil Infrastructure Company of Zimbabwe
14. OAG - Office of the Auditor General
15. PMU – Procurement Management Unit
16. PRAZ - Procurement Regulatory Authority of Zimbabwe
17. POTRAZ - Postal and Telecommunication Regulatory Authority of Zimbabwe
18. RBZ - Reserve Bank of Zimbabwe
19. RIB - Removal in Bond
20. RIT - Removal in Transit
21. SAP - Systems, Applications, Products in Data Processing.
22. SI – Statutory Instrument
23. SMEDCO - Small and Medium Enterprises Development Corporation
24. SPB - State Procurement Board
25. TIMB - Tobacco Industry and Marketing Board
26. TIP - Temporary Import Permit

- 27.** USD - United States Dollar
- 28.** VAT- Value Added Tax
- 29.** ZCDC - Zimbabwe Consolidated Diamond Company
- 30.** ZETDC - Zimbabwe Electricity Transmission and Distribution Company
- 31.** ZIMRA - Zimbabwe Revenue Authority
- 32.** ZIMSEC - Zimbabwe School Examinations Council
- 33.** ZINARA - Zimbabwe National Roads Administration
- 34.** ZWG – Zimbabwe Gold
- 35.** ZWL\$ - Zimbabwean Dollar

DEFINITION OF TERMS

“Public entity” means—

- a) any corporate body established by or in terms of any Act for special purposes;
- b) any company in which the State has a controlling interest, whether by virtue of holding or controlling shares therein or by virtue of a right of appointment of members to the controlling body thereof or otherwise, and includes any company which is a subsidiary, as determined in accordance with section 143 of the Companies and Other Businesses Entities Act [Chapter 24:03], of such a body;
- c) a local authority;
- d) any partnership or joint venture between the State and any person and which is prescribed by the Minister for the purposes of the application of this Act to be a partnership or joint venture;

“Consolidated financial statements” - in relation to annual financial statements, means to combine the annual financial statements of reporting unit, public entity and constitutional entity;

“Going concern assumption” – an entity is viewed as continuing in business for the foreseeable future. Financial statements are prepared on going concern basis, unless management intends to liquidate the entity or cease operations or has no realistic alternative to do so.

“Misstatement of financial statements”- according to the International Standards on Auditing (ISAs) a misstatement represents: “A difference between the amount, classification, presentation or disclosure of a reported financial statement item and the amount classification, presentation, or disclosure that is required for the item to be in accordance with the applicable financial reporting framework.

Types of Audit opinions

- **“Unqualified / clean audit opinion”** – The financial statements contain no material misstatements.
- **“Qualified audit opinion”** – The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated.
- **“Adverse audit opinion”** – The financial statements contain material misstatements that are not confined to, or misstatements represent a substantial portion of the financial statements.
- **“Disclaimer of opinion”** – The auditor has not been able to obtain sufficient evidence to provide a basis of an audit opinion. The lack of sufficient evidence is not confined to specific, or represents a substantial portion of the financial statements.

“Transitional financial statements” – Financial statements prepared under IPSAS financial reporting framework for review before adoption of IPSAS framework.

PREAMBLE

Introduction

This report contains the results of audits of the State-Owned Enterprises (SOEs) and Parastatals following the end of the 2025 financial year. The primary purpose of financial statements is to provide relevant and reliable information to users about a reporting entity's financial position and performance. In the public sector, the users of financial statements include various stakeholders, inter alia the executive, parliament, development partners and the public at large. The objectives of financial statements audit in the public sector are often broader than expressing an opinion on whether the financial statements have been prepared, in all material respects, in accordance with the applicable financial reporting framework but also address service delivery issues.

Mandate

My mandate is set out in the Constitution of Zimbabwe Amendment (No. 20) Act 2013 and amplified in the Audit Office Act [Chapter 22:18]. I am required to audit and report to Parliament my findings on the examination of accounts of all public entities. In fulfilling this mandate, I do contract from time to time some of the audits to registered public auditors in terms of the Public Accountants and Auditors Act [Chapter 27:12] as stated in section 9 of the Audit Office Act [Chapter 22:18]. Accordingly, I have included audit findings from such auditors in this report.

Basis of preparation of public entities financial statements

Management of public funds is governed primarily by the Constitution of Zimbabwe and the Public Finance Management Act [Chapter 22:19] section 37 read together with Statutory Instrument 41 of 2019 which requires the preparation of financial statements that comply with International Financial Reporting Standards (IFRSs) and International Public Sector Accounting Standards (IPSASs). IFRSs and IPSASs comprise interpretations adopted by the International Accounting Standards Board (IASB) and the International Public Sector Accounting Standards Board (IPSASB) respectively, which set common rules so that financial statements can be consistent, transparent and comparable around the world.

The regulator of the accountancy profession in Zimbabwe, Public Accountants and Auditors Board (PAAB) prescribed the International Public Sector Accounting Standards (IPSASs) for use in Zimbabwe on March 1, 2019, following the gazette of Statutory Instrument 41 of 2019. IPSASs have been adopted by the Government of Zimbabwe as the financial reporting framework for selected State-Owned Enterprises and Parastatals. The selected State-Owned Enterprises and Parastatals were expected to have fully implemented the IPSAS reporting framework by December 31, 2025.

I issued a report on IPSAS migration based on the review of the transitional financial statements for the year ended December 31, 2024, highlighting the status of preparedness by public entities for the full adoption of IPSASs reporting framework. The public entities that implemented the guidance which was given that they should draw and implement the Implementation Matrix and Action Plans (IMAPs) to enable smooth migration to IPSAS framework did not face significant challenges while those who did not have IMAPs struggled to implement IPSASs. Before the Statutory Instrument 41 of 2019, State Owned Enterprises and Parastatals were applying accruals IFRSs, hence the migration to full IPSASs was expected to be easier. However, for the SOEs that did not keep adequate records under the IFRS framework, migrating to IPSAS did not address or resolve this challenge. The efforts by the Ministry of Finance, Economic Development and Investment Promotion in training financial statements preparers and the Ministry of Local Government and Public Works in carrying out valuation of assets, have supported SOEs in transitioning and migrating to full IPSASs.

As I present this report, seventy-five (75) (72%) SOEs out of one hundred and four (104) entities as highlighted in Statutory Instrument 41 of 2019 that previously reported on IFRS and cash basis accounting migrated to IPSAS and submitted IPSAS financial statements for audit by April 30, 2026, in line with Treasury Circular Number 1 of 2026.

Audit Approach

I conducted my statutory audits in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and the International Standards on Auditing (ISAs). These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. My audit approach was designed to enable me to express an opinion on the public entities' financial statements.

All aspects of the entities' activities and procedures may not have been examined. I consider maintenance of adequate internal controls to be the responsibility of management. My work cannot, therefore, be expected to identify all weaknesses in the systems and procedures, which a special investigation directed at those areas might reveal. As to the possibility of fraud, I plan my audits to have a reasonable expectation of its disclosure in the financial statements, if the potential effects of the fraud would be material in the financial statements. However, there are many kinds of fraudulent activities, particularly those involving defalcation, forgery, collusion and management override of controls, which would be unreasonable to expect the normal audit to uncover.

Audit Opinion

The principal objective of my audit procedures is to enable me to express an opinion on the truth and fairness of the financial statements as a whole. An audit opinion is based on the concept of reasonable assurance. It is not a guarantee that the financial statements are free of misstatements. Where I have issued an unqualified / clean, qualified and adverse opinion, I believe that the audit evidence I have obtained is sufficient and appropriate to provide the basis for my opinion of the respective financial statements. Where an entity received a disclaimer of opinion, it is mainly that I was unable to obtain sufficient and appropriate audit evidence to express an opinion. The diagrams below illustrate.

1. Unmodified / clean opinion



2. Qualified opinion



3. Adverse opinion



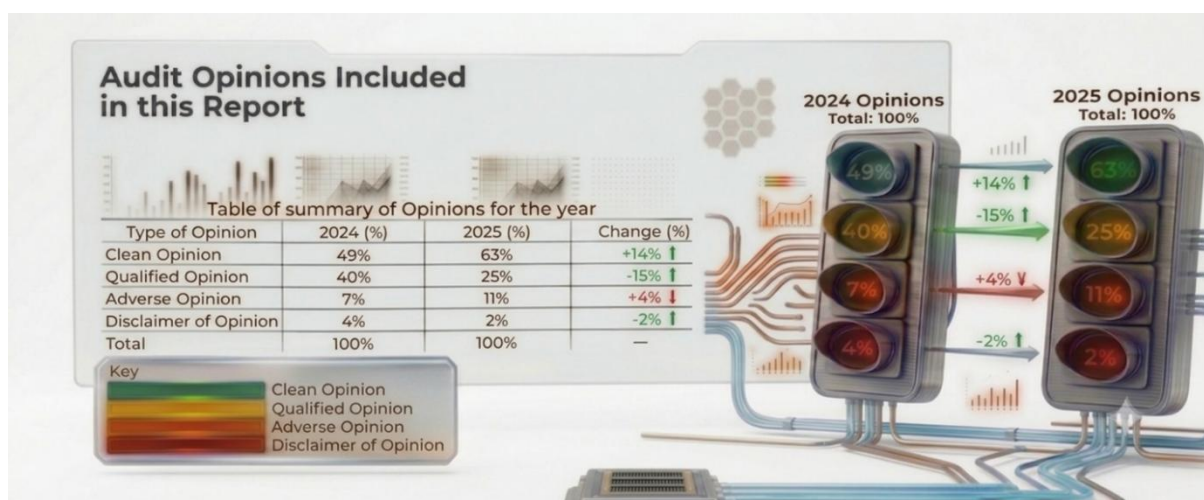
4. Disclaimer of opinion



5. Report on going concern



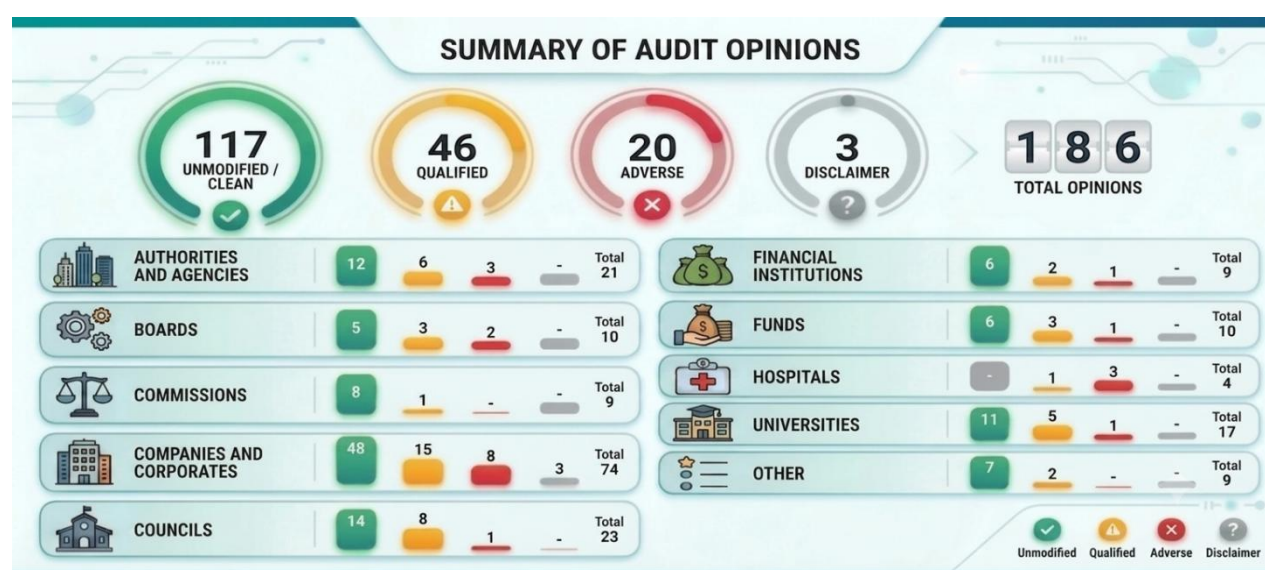
A few public entities continued to receive modified opinions for 2022, 2023, 2024 and 2025 due to the inability to adjust for misstatements in the opening balances by not applying the requirements of International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. In this report, I issued one hundred and seventeen (117) (63%) unmodified opinions, twenty (20) (11%) adverse opinions, three (3) (2%) disclaimer of opinions and forty-six (46) (25%) qualified opinions due to non-compliance with the reporting framework. I have reported forty-one (41) entities with conditions that may cast doubt on the entity’s ability to continue as a going concern due to net liability position, under capitalisation or inability to service legacy loans. Below is the analysis of the opinions issued;



Audit opinions by the category of entities

		Opinions											
Summary		Unmodified / clean opinion	%	Qualified	%	Adverse	%	Disclaimer	%	Total Opinions	%	Report on going concern	%
1	Authorities and Agencies	12	57%	6	29%	3	14%	-	0%	21	100%	4	10%
2	Boards	5	50%	3	30%	2	20%	-	0%	10	100%	-	0%
3	Commissions	8	89%	1	11%	-	0%	-	0%	9	100%	1	2%
4	Companies and Corporates	48	65%	15	20%	8	11%	3	4%	74	100%	29	71%
5	Councils	14	61%	8	35%	1	4%	-	0%	23	100%	2	5%
6	Financial institutions	6	67%	2	22%	1	11%	-	0%	9	100%	2	5%
7	Funds	6	60%	3	30%	1	10%	-	0%	10	100%	1	2%
8	Hospitals	-	0%	1	25%	3	75%	-	0%	4	100%	1	2%
9	Universities	11	65%	5	29%	1	6%	-	0%	17	100%	1	2%
10	Other	7	78%	2	22%	-	0%	-	0%	9	100%	-	0%
	Total	117	63%	46	25%	20	11%	3	2%	186	100%	41	100%

Audit opinions by categories



I have reported also on entities that have unmodified / clean opinions that have material issues although not affecting the audit opinion while there are also other entities with unmodified / clean opinions that have no material reportable issues.

Report structure

This report outlines current accounts in section A (Clients that are up to date in audit) and in section B (Accounts in arrears). The report also outlines the material audit findings noted during the audit of the financial statements of the State-Owned Enterprises and Parastatals. Under each audited entity, are audit findings and its associated possible risks / implications, audit recommendations, management responses, and audit comments to management responses where necessary. Although some of the issues identified are common within the audited entities, most of the findings are not the same due to the nature, uniqueness and varying mandates of the entities.

I also followed up on the audit findings that I raised in my previous annual reports and reported on the progress towards addressing audit findings and implementation of recommendations.

Acknowledgements

It is my honour to appreciate all stakeholders who contributed, in their various ways, in the work of my Office. I wish to record my appreciation to Public Accounts Committee (PAC) of the Parliament of Zimbabwe for their oversight role in ensuring that entities address audit findings raised in my report and to the various audit firms, and our valued clients who made it possible for me to submit my report for the year under review. I also extend my indebtedness to our development partners for their unwavering financial and technical support and to our printers for their invaluable co-operation. Finally, I extend my sincere appreciation to the Audit Office Board for their support and to management and staff for their continued commitment and dedication to duty. Without all this support, the production of this report could not have been possible.

HARARE
JUNE 26, 2026

V. Chikwenhere,
AUDITOR-GENERAL.

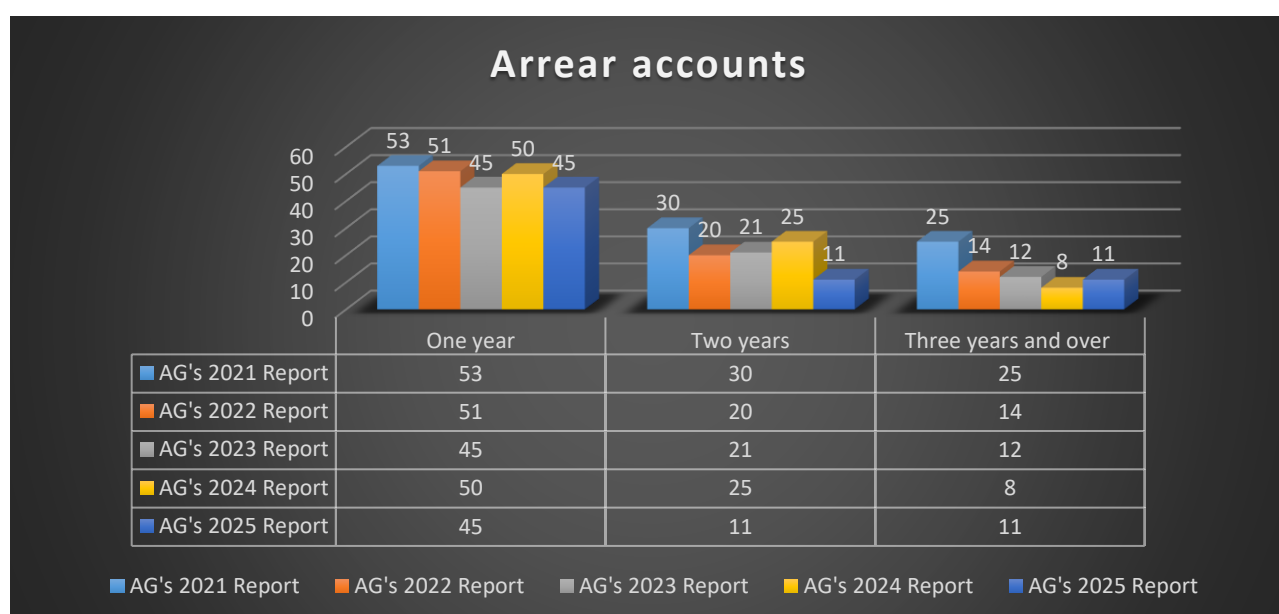
EXECUTIVE SUMMARY

This report covers the audit results of the audit of one hundred and eighty-six (186) financial statements of one hundred and fifty-two (152) (70%) audited State-Owned Enterprises (SOEs) and Parastatals. The financial statements audited comprises of the statement of financial position, the statement of financial performance, statement of changes in equity, statement of cash flows, statement of comparison of budget and actual and notes to the financial statements. The report highlights key audit findings noted during the audits and recommendations on how issues raised may be addressed to improve public sector transparency, accountability, good corporate governance and service delivery.

Forty-four (44) (20%) entities were not up to date on the submission of financial statements for the year ended December 31, 2025 refer to **Annexure D** for details. These arrear accounts create gaps for accountability, resulting in many State-Owned Enterprises and Parastatals being unable to provide supporting documents or reconcile variances identified during audits due to the passage of time. The arrear status is shown in the table and the graph below;

Arrear accounts

	One year	%	Two years	%	Three years and over	%
AG's 2021 Report	53	30%	30	17%	25	14%
AG's 2022 Report	51	33%	20	13%	14	9%
AG's 2023 Report	45	27%	21	13%	12	7%
AG's 2024 Report	50	28%	25	14%	8	4%
AG's 2025 Report	45	21%	11	5%	11	5%



There is a positive trend, with more State-Owned Enterprises and Parastatals bringing arrear accounts up to date. While this progress is commendable, sustained efforts are needed to further strengthen accountability and ensure timely financial reporting.

At this reporting date, one hundred and seventy-four (174) (80%) public entities are now up to date in terms of submission of financial statements as compared to the previous year of one hundred and twenty-nine (129) (72%) which were up to date. Details are in Annexure E and the graphical trend on accounts submissions status is as shown below:

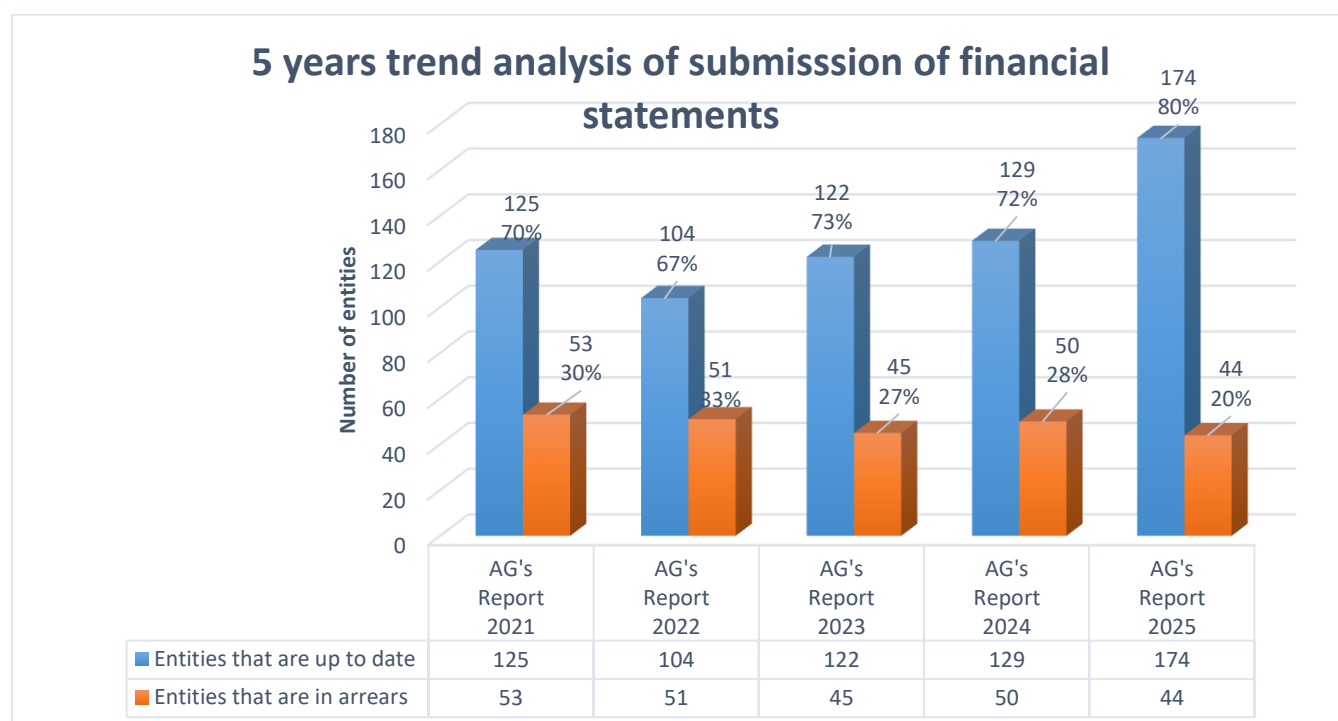
Submission of financial statements by entities

Table 1. Number of Entities

	AG's Report 2021	AG's Report 2022	AG's Report 2023	AG's Report 2024	AG's Report 2025
Entities that are up to date	125	104	122	129	174
Entities that are in arrears	53	51	45	50	44
Total	178	155	167	179	218

Table 2. Percentage Proportion(%)

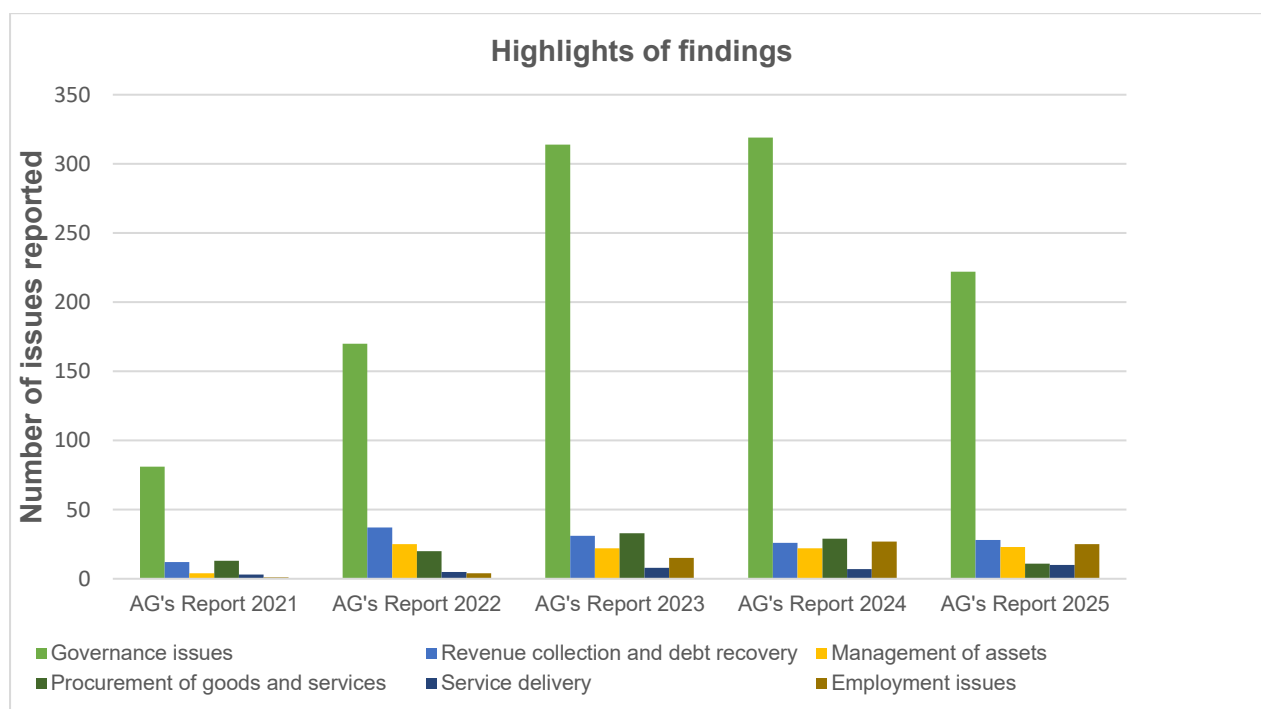
	AG's Report 2021%	AG's Report 2022%	AG's Report 2023%	AG's Report 2024%	AG's Report 2025%
Entities that are up to date	70%	67%	73%	72%	80%
Entities that are in arrears	30%	33%	27%	28%	20%
Total	100%	100%	100%	100%	100%



Highlights of findings

The audit covered aspects on corporate governance, revenue collection and debt recovery, management of assets, procurement of goods and services, employment and service delivery. Below is a table and graph on overview of the aspects covered during the audit.

	AG's Report 2021	%	AG's Report 2022	%	AG's Report 2023	%	AG's Report 2024	%	AG's Report 2025	% of the total issues
Governance issues	81	71%	170	65%	314	74%	319	74%	222	70%
Revenue collection and debt recovery	12	11%	37	14%	31	7%	26	6%	28	9%
Management of assets	4	4%	25	10%	22	5%	22	5%	23	7%
Procurement of goods and services	13	11%	20	8%	33	8%	29	7%	11	3%
Service delivery	3	3%	5	2%	8	2%	7	2%	10	3%
Employment issues	1	1%	4	2%	15	4%	27	6%	25	8%
Total	114	100%	261	100%	423	100%	430	100%	319	100%



Governance issues

There was a decrease in reported governance issues from three hundred and nineteen (319) in 2024 to two hundred and twenty-two (222) in 2025, representing a moderate relative decline of 29% after adjusting for differences in the number of reports submitted between the two years. The decrease points to improvements following the efforts that the Corporate Governance Unit (CGU) made in ensuring that public entities comply with the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*]. This resulted in entities addressing issues such as developing relevant policies, standard operating procedure manuals, performance evaluation of Board of directors as well as signing performance agreements for executives. However, several residual governance issues emanated from clients that had not aligned their policies with applicable legislation, non-compliance with corporate governance framework on remuneration of board members and notable deficiencies in the internal control systems. Entities in the financial services sector experienced challenges related to significant levels of non-performing loans and under capitalisation.

Some clients were not complying with the requirement of the Public Finance Management Act [*Chapter 22:19*] in submitting financial statements within two (2) months after the end of the financial year. Some of the entities decided to submit current year 2025 financial statements and did not prepare arrear accounts. For example, National Handicraft Centre had financial statements outstanding from as far back as 2009. I reviewed the financial records of the National Handicraft Centre for the period from 2022 to March 2025, whose findings are included in the report despite non submission of the financial statements for the respective periods. The late or non-submission of financial statements created gaps for accountability and delayed the commencement of audits. Public entities such as ZIMPOST, ZUPCO and New Ziana were in significant arrears. Efforts by Government through the Corporate Governance Unit, to strengthen oversight of public entities, including follow-up on the holding of Annual General Meetings, have contributed to an increase in the submission of financial statements. However, the continued prevalence of vacant key positions within these entities continues to adversely affect the quality of financial reporting and overall organisational effectiveness.

In addition, a significant number of public entities struggled to remit statutory obligations to authorities such as NSSA and ZIMRA, indicating weaknesses in their ability to develop and implement effective strategies to enhance revenue generation. I urge affected entities to implement comprehensive action plans aimed at strengthening financial sustainability and compliance with statutory obligations. For those entities whose budgets are funded by Treasury, continuous engagement is needed. It is also pertinent to highlight that several public entities had issues with tax computations, particularly in accounting for fringe benefits. This requires continuous capacitation of responsible officers on tax issues.

Revenue collection and debt recovery

The findings in respect of revenue collection and debt recovery increased from twenty-six (26) in 2024 to twenty-eight (28) in 2025, representing a moderate relative increase of 9% after adjusting for differences in the number of reports submitted. Revenue leakages and long-outstanding debts persisted, contributing to a net liability position and posing a threat to the sustainability of service delivery. Additionally, some entities failed to adequately account for deposits, resulting in delays in receipting funds, largely due to inadequate efforts to sensitise customers on the importance of providing accurate and complete deposit details.

Management of assets

Twenty-three (23) issues were reported in respect of asset management, compared to twenty-two (22) in 2024, indicating a moderate relative increase of 6%, after taking into account variations in the number of reports submitted between the two years.

Across the audited public entities, deficiencies were identified in internal controls, infrastructure maintenance and inventory management. Entities were not generating enough revenue while some did not have asset replacement plans resulting in physical deterioration of infrastructure which included employee housing, leaking roofs, high value equipment and non-functional streetlights. Asset registers were not properly maintained (missing serial numbers, purchase prices, and physical conditions). Fuel records were also not being kept while fuel reconciliations were not being performed. Some entities failed to comply with statutory requirements, such as renewing vehicle insurance and establishing clear property lease documentation.

Inventory management in public hospitals, as illustrated by challenges at Sally Mugabe Central Hospital, directly impacted service delivery. Ineffective stock control systems, lack of real-time inventory tracking, and poor forecasting of medical supplies resulted in frequent stock-outs of essential drugs and equipment. These weaknesses not only compromise patient care but also result in wastage of scarce resources. Disposal schedules for tracking inventory items were not maintained resulting in inventory expiring before use.

Strengthening inventory systems through digitalisation, staff training, and tighter internal controls is critical to improve efficiency and ensuring consistent availability of essential supplies.

Procurement of goods and services

Reported issues under this category declined from twenty-nine (29) in 2024 to eleven (11) in 2025, representing a commendable relative decrease of 62% after adjusting for differences in the number of accounts reported between the two years. Non-compliance with the Public Procurement and Disposal of Public Assets Act [Chapter 22:23] across public entities was identified which compromised transparency and value for money. Entities bypassed formal competitive bidding thresholds by using direct procurement or requests for quotations for high-value items, routinely failing to solicit a minimum of three (3) competitive quotes, awarding contracts to higher bidders without documented justification, and operating evaluation committees without formal declarations of interest. Deficiencies over contract management and due diligence led to unauthorized contract price variations of up to 32% without supporting addendums, unrecovered advance payments for heavy machinery and vehicles that remain undelivered years later (Annexure F). Some entities also processed supplier payments based on quotations rather than original supplier invoices and some had accumulated long-outstanding payables due to liquidity constraints compromising service delivery.

Service delivery

Operationally, financial constraints and resource shortages affected national infrastructure and service delivery. I noted that some entities had projects that were at a standstill. For instance, digital television coverage remained stagnant at just 38% due to stalled digitisation projects, a key museum repository suffered structural roof damage which exposed heritage assets to adverse weather, and a fuel company was forced to shut down 39% of its service stations.

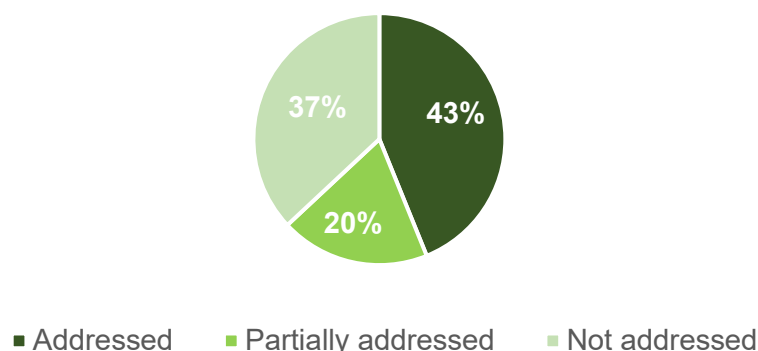
In the energy sector, backlog in paid electricity connections dating back to 2016 were identified while within the public healthcare, there were instances of critical shortage of specialist laboratory and pharmacy personnel, delayed medical replenishments impacting quality of service delivery.

Progress in addressing prior year's audit findings

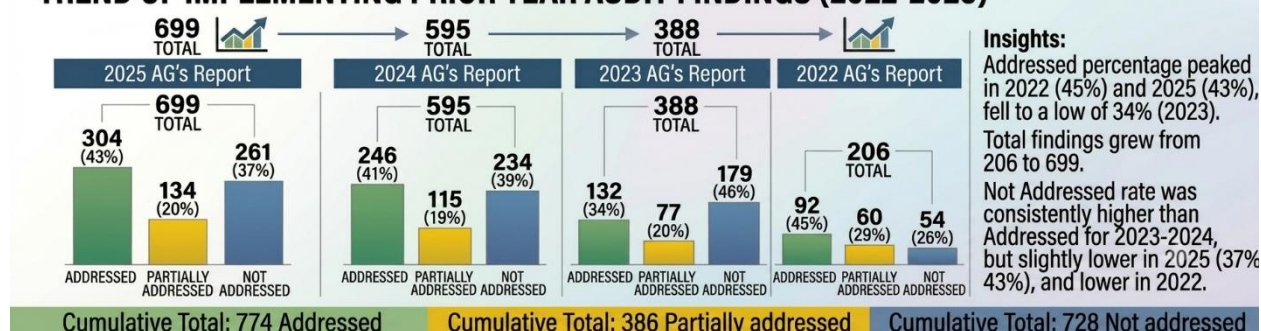
I followed up on six hundred and ninety-nine (699) audit findings that were raised in my 2024 annual report and those outstanding from prior years for the entities that were audited and completed. Three hundred and four (304) (43%) were addressed, one hundred and thirty-four (134) (20%) were partially addressed and two hundred and sixty-one (261) (37%) were not addressed. The progress made is further analysed below;

Trend of implementing prior year audit findings for the past 4 years

	2025 AG's Report		2024 AG's Report		2023 AG's Report		2022 AG's Report	
Findings	Number of issues	%	Number of issues	%	Number of issues	%	Number of issues	%
Addressed	304	43%	246	41%	132	34%	92	45%
Partially addressed	134	20%	115	19%	77	20%	60	29%
Not addressed	261	37%	234	39%	179	46%	54	26%
Total	699	100%	595	100%	388	100%	206	100%

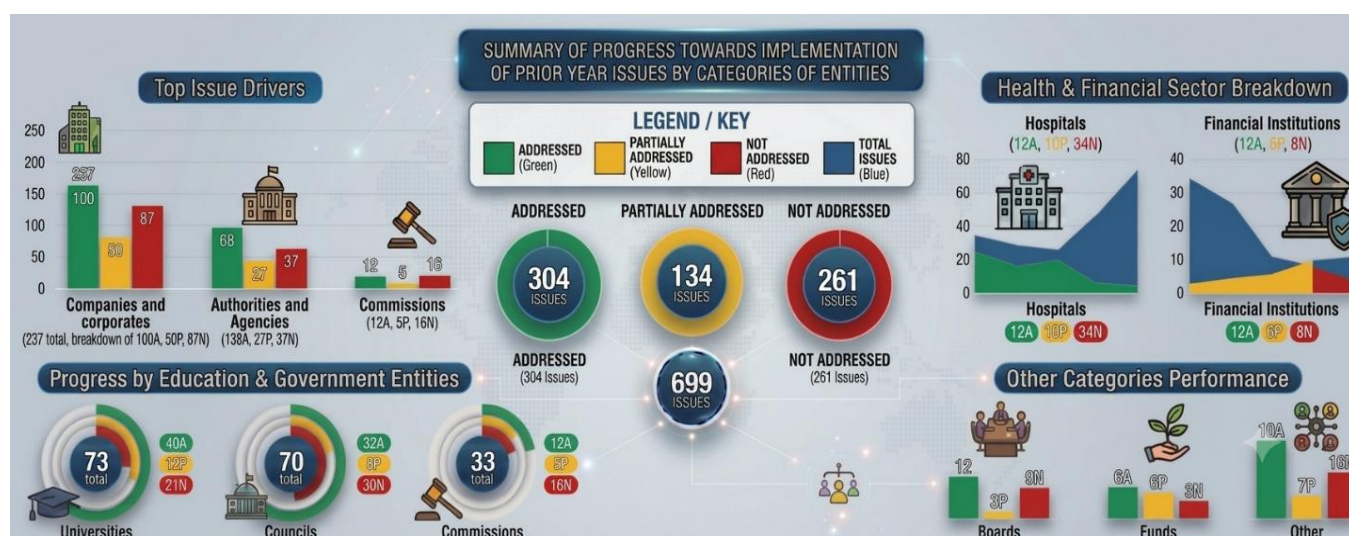


TREND OF IMPLEMENTING PRIOR YEAR AUDIT FINDINGS (2022-2025)



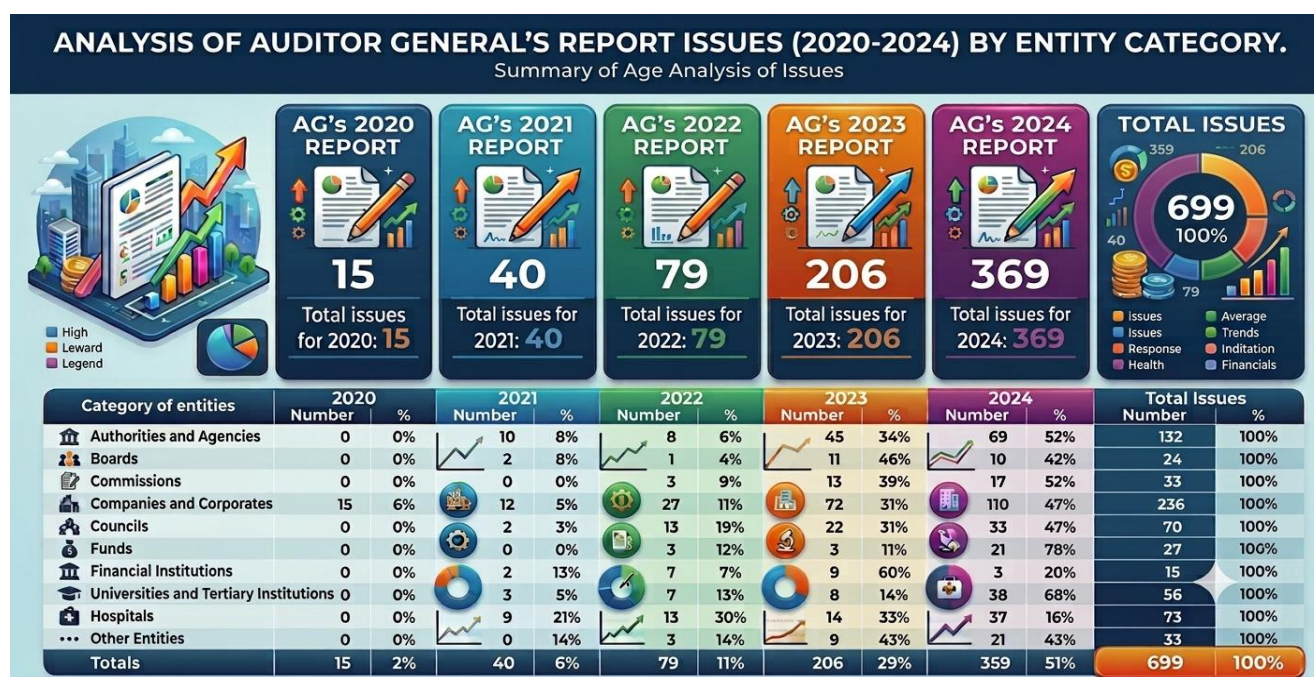
Prior year issues by category of entities

PROGRESS TOWARDS IMPLEMENTATION OF PRIOR YEAR ISSUES									
	Category of entities	Addressed	%	Partially Addressed	%	Not addressed	%	Total	%
1	Authorities and Agencies	68	52%	27	20%	37	28%	132	100%
2	Boards	12	50%	3	13%	9	38%	24	100%
3	Commissions	12	36%	5	15%	16	48%	33	100%
4	Companies and Corporates	99	43%	50	21%	87	36%	236	100%
5	Councils	32	46%	8	11%	30	43%	70	100%
6	Financial institutions	13	48%	6	22%	8	30%	27	100%
7	Funds	6	40%	6	40%	3	20%	15	100%
8	Hospitals	12	21%	10	18%	34	61%	56	100%
9	Universities	40	55%	12	16%	21	29%	73	100%
10	Other	10	30%	7	21%	16	48%	33	100%
	Total	304	44%	134	19%	261	37%	699	100%



There was an increase in the number of entities that did not address prior-year modifications and findings raised in my report. Outstanding findings that had remained unresolved for more than one year (refer to the age analysis below) were most prevalent among entities with audit arrears, as these entities lose the opportunity to correct anomalies either within the same financial year or in the subsequent cycle. Consequently, entities that are behind on their audits tend to accumulate a backlog of unresolved prior-year findings, in contrast to those that are up to date with current-year audits. Most of the outstanding issues stemmed from governance-related weaknesses, including delays in board evaluations and board appointments, which require action from the relevant appointing authorities. In addition, instances of non-delivery of goods also contributed to the findings and require urgent attention.

Age analysis of unresolved prior year findings



There was an increase in the number of entities that did not address prior-year modifications and findings raised in my report. Outstanding findings that had remained unresolved for more than one year (refer to the age analysis below) were most prevalent among entities with audit arrears, as these entities lose the opportunity to correct anomalies either within the same financial year or in the subsequent cycle. Consequently, entities that are behind on their audits tend to accumulate a backlog of unresolved prior-year findings, in contrast to those that are up to date with current-year audits. Most of the outstanding issues stemmed from governance-related weaknesses, including delays in board evaluations and board appointments, which require action from the relevant appointing authorities. In addition, instances of non-delivery of goods also contributed to the findings and require urgent attention.

Age analysis of unresolved prior year findings

	AG's 2020 Report	AG's 2021 Report	AG's 2022 Report	AG's 2023 Report	AG's 2024 Report	Total issues
	Number and percentage	Number and percentage	Number and percentage	Number and percentage	Number and percentage	Number and percentage
Category of entities						
Authorities and Agencies	0(0%)	10(8%)	8(6%)	45(34%)	69(52%)	132(100%)
Boards	0(0%)	2(8%)	1(4%)	11(46%)	10(42%)	24(100%)
Commissions	0(0%)	0(0%)	3(9%)	13(39%)	17(52%)	33(100%)
Companies and Corporates	15(6%)	12(5%)	27(11%)	72(29%)	110(47%)	236(100%)
Councils	0(0%)	2(3%)	13(19%)	22(31%)	33(47%)	70(100%)
Funds	0(0%)	0(0%)	3(11%)	3(11%)	21(78%)	27(100%)
Financial Institutions	0(0%)	2(13%)	1(7%)	9(60%)	3(20%)	15(100%)
Universities and Tertiary Institutions	0(0%)	3(5%)	7(13%)	8(14%)	38(68%)	56(100%)
Hospitals	0(0%)	9(21%)	13(30%)	14(33%)	37(16%)	73(100%)
Other Entities	0(0%)	0(0%)	3(14%)	9(43%)	21(43%)	33(100%)
Totals	15(2%)	40(6%)	79(11%)	206(29%)	359(51%)	699(100%)

Conclusion

The issues highlighted in this report if not addressed, may compromise service delivery, achievement of mandates and efforts made to enhance transparency and accountability through existing legislation such as the Public Entities Corporate Governance Act [*Chapter 10:31*], Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] and the Public Finance Management Act [*Chapter 22:19*]. Those charged with governance and management are urged to give due attention to the outstanding audit findings to ensure their timely resolution and to strengthen transparency, accountability, good corporate governance and service delivery.

SECTION A - CLIENTS THAT ARE UP TO DATE IN AUDIT

PUBLIC ENTITIES UNDER THE CATEGORY OF AUTHORITIES AND AGENCIES

Background Information

Civil Aviation Authority of Zimbabwe was established in terms of the Civil Aviation Act [*Chapter 13:16*]. The Authority promotes the safe, regular and efficient use and development of aviation inside and outside Zimbabwe and advise the Government on all matters relating to domestic and international civil aviation.

I have audited the financial statements of the Civil Aviation Authority of Zimbabwe for the years ended December 31, 2024, and 2025. I have issued an unmodified opinion / clean opinion in 2024 and a qualified opinion for 2025 with a report on going concern for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Civil Aviation Authority of Zimbabwe as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Report on going concern

I draw your attention to the fact that the Authority did not service overdue legacy loans amounting to ZWG1.31 billion (USD51.68 million) during the year ended December 31, 2024. In addition, the Authority's current liabilities exceeded its current assets by ZWG1.18 billion as at December 31, 2024. The Authority had a deficit for the year amounting to ZWG94 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Authority's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Qualified Opinion 2025

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Civil Aviation Authority of Zimbabwe as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

Non-compliance with International Public Sector Accounting Standard (IPSAS) 45 – “Property, Plant and Equipment”

The Authority adopted the current value in accounting for its land and buildings. However, the Authority last revalued its land and buildings in 2019. There have been significant changes in the economic environment which would have required a revaluation exercise to be conducted to reflect the current value at the end of the reporting period. This constituted a departure from IPSAS 45 – “Property, Plant and Equipment” paragraph 29 which requires that revaluations be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using current value at the end of the reporting period. Had the Authority revalued the assets, the carrying amount of land and buildings would have been materially affected.

Report on going concern

I draw your attention to the fact that the Authority did not service overdue legacy loans amounting to ZWG1.34 billion (USD51.68million) as at December 31, 2025. In addition, the Authority's current liabilities exceeded its current assets by ZWG1.15 billion as at December 31, 2025. The Authority had a deficit for the year amounting to ZWG188.76 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Authority's ability to continue as a going concern. My opinion is not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Non-compliance with International Public Sector Accounting Standard (IPSAS) 45 – “Property, Plant and Equipment”

Finding

The Authority adopted the current value in accounting for its land and buildings. However, the Authority last revalued its land and buildings in 2019. There have been significant changes in the economic environment which would have required a revaluation exercise to be conducted to reflect the current value at the end of the reporting period. This constituted a departure from IPSAS 45 – “Property, Plant and Equipment” paragraph 29 which requires that revaluations be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using current value at the end of the reporting period.

Risk / Implication

Misstatement of property, plant and equipment.

Recommendation

Management should align its accounting processes to the requirements of the reporting framework.

Management response

Noted. In line with “IPSAS 46: Measurement”, Management had concluded that the inflation-adjusted carrying amount of land and buildings at the reporting would not be materially different from the amounts that would have been obtained had a revaluation been carried out at the reporting date.

The Authority intends to conduct a revaluation of its assets in the last quarter of the current 2026 financial year in order to reflect its property, plant and equipment at current values as at December 31, 2026.

The Authority's policy regarding the frequency of revaluations is 5 years and that is consistent with the Zimbabwe Financial Reporting Manual which came into effect in 2023, the same year that the Authority transitioned to the IPSAS financial reporting framework.

1.2. Board allowances

Finding

The Authority had not aligned board fuel allowances with the provisions of Corporate Governance Unit (CGU) circulars 17/2024 and 3/2023 which outlined all the allowances the board is entitled to. As a result, the Authority continued to issue fuel allowances to the board based on a letter dated July 23, 2012, from the Ministry of Transport and Infrastructural Development.

Risk / Implication

Financial loss due to unauthorised payments.

Recommendation

The Authority should align board allowances with the current CGU guidelines.

Management response

Observation noted and management has written to the Corporate Governance Unit seeking guidance on the matter.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Meteorological Services Department revenue remittance

Finding

The Authority's control over reconciliations and monitoring of remittances to Meteorological Services were inadequate. As a result, the Authority remitted fifty-five percent (55%) of the collected amount (USD204 845 out of USD375 521). This was contrary to section 7.4 of the Memorandum of Agreement between the Civil Aviation Authority of Zimbabwe and Meteorological Services Department which requires the Authority to remit all collected fees monthly.

Risk / Implication

Misappropriation of funds.

Recommendation

The Authority should remit revenue collected on behalf of third party in line with the Memorandum of Agreement.

Management response

The Authority was facing serious financial challenges due to defective revenue sharing ratio, however the revenue sharing ratio was reviewed. The air navigation fees were also reviewed to cost recovery in June 2024 resulting in improved cash flows. The Authority is now remitting meteorological fees and is working on clearing all outstanding meteorological fees by March 31, 2026.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority made good progress in addressing audit findings raised in my 2024 annual report. I raised ten (10) audit findings, eight (8) findings were addressed, one (1) finding was partially addressed, and one (1) finding was not addressed as indicated below;

3.1. Board meetings

The finding was addressed. The Board met the Parent Ministry twice in 2024.

3.2. Board appointment letters

The finding was addressed. The Authority now keeps files with the appointment letters for all appointed Board members.

3.3. Audit Committee

The finding was addressed. The Director-General is no longer a member of the Audit Committee.

3.4. Submission of financial statements

The finding was addressed. The Authority now submits accounts in time.

3.5. Segregation of duties

The finding was addressed. The Authority appointed a Head of Unit at each station and are now providing close supervision.

3.6. Lease management

The finding was addressed. The Civil Aviation Amendment Act was reviewed, and the Authority no longer owns the land. The clause that referred to charging rentals was removed from the Act.

3.7. Salary increments

The finding was addressed. All salary reviews are now being implemented after Board approval.

3.8. Loan servicing

The finding was not addressed. The Authority was not servicing foreign legacy loans.

3.9. Contract management

The finding was partially addressed. The contractor was engaged and discussions were ongoing as at year end.

3.10. Scope of work

The finding was addressed. Full and detailed specifications and scope of works are now provided in the bidding documents prior to inviting the bids.

Background Information

The Zimbabwe Energy Regulatory Authority was established in terms of the Energy Regulatory Authority Act [*Chapter 13:23*]. It is mandated to regulate the entire energy sector in Zimbabwe in a fair, transparent, efficient and cost-effective manner for the benefit of the consumers and energy suppliers.

I have audited the financial statements of Zimbabwe Energy Regulatory Authority for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Zimbabwe Energy Regulatory Authority as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on my audit finding raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority addressed the audit finding that I raised in my 2024 annual report as indicated below;

1.1. Laboratories and storage facilities

The finding was addressed. Fuel testing and storage of LPG is now being done in designated areas.

Background Information

The Zimbabwe Revenue Authority was established in terms of the Zimbabwe Revenue Authority Act [*Chapter 23:11*]. Its core business is the collection of revenue for the Government of Zimbabwe and facilitation of trade.

I have audited the financial statements and exchequer trust financial statements of the Zimbabwe Revenue Authority for the year ended December 31, 2025. I issued an unmodified / clean opinion on the Authority's financial statements, and a Qualified Opinion on the Exchequer Trust financial statements.

Opinion on the Authority's financial statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Revenue Authority as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Adverse Opinion for the Exchequer Trust financial statements

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the Exchequer Trust financial statements do not present fairly the financial position of the Authority's Exchequer Trust financial statements as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Adverse Opinion

i. **Non-compliance with International Public Sector Accounting Standard (IPSAS) 4 – “The Effects of Changes in Foreign Exchange Rates”**

The Authority prepared the Exchequer Trust financial statements for the year ended December 31, 2025 using Zimbabwe Gold (ZWG) as both its functional currency and presentation currency. While ZWG may be used as a presentation currency where required by statute, IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates” requires functional currency to be determined separately by reference to the primary economic environment in which the entity operates.

IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates” states that the primary economic environment is normally the environment in which the entity primarily generates and expends cash and requires consideration of the currency from which revenue is raised, including taxes, grants, transfers and fines. My review of taxpayer remittance records and related revenue information indicated that the Exchequer Trust generated a significant portion of its cash inflows in United States Dollars. This was also consistent with management's own functional currency assessment, which acknowledged that more than 70% of revenue collections were denominated and collected in United States Dollars.

Management did not provide sufficient evidence from the remaining primary indicators to support ZWG as the functional currency of the Exchequer Trust. Management also placed reliance on regulatory, statutory and national reporting requirements relating to ZWG reporting.

These requirements may support ZWG as a presentation currency, but they do not override the separate functional currency assessment required by IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates”.

If the functional currency is United States Dollars and ZWG is required as the presentation currency, the financial statements should first be prepared using the appropriate functional currency and then translated into ZWG in accordance with IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates”. Consequently, I was unable to quantify the financial effects of this departure on the Exchequer Trust financial statements.

ii. Trial balance

The Authority had not comprehensively configured its accounting system to enable generation of a complete and accurate trial balance. As a result, the trial balance was not availed and the financial statements were prepared using schedules and computations maintained outside the accounting system. Consequently, I could not ascertain the accuracy and completeness of the amounts disclosed in the financial statements.

iii. Mining royalties database

The Authority had 169 taxpayers (Taxpayer Identification Numbers- TIN) in its database with missing details such as taxpayer name, sector and directors’ identification numbers. The tax status for 35 884 companies could not be ascertained from the database. In addition, sixteen (16) out of 44 580 companies were classified under the mining sector with 44 564 companies in the mining database being classified as either professional, agriculture, or construction among other classes which were unrelated to mining. As a result, I could not ascertain the completeness and accuracy of revenue from mining royalties disclosed.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Functional currency assessment

Finding

The Authority prepared the Exchequer Trust financial statements for the year ended December 31, 2025 using Zimbabwe Gold (ZWG) as both its functional currency and presentation currency. While ZWG may be used as a presentation currency where required by statute, IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates” requires functional currency to be determined separately by reference to the primary economic environment in which the entity operates.

IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates” states that the primary economic environment is normally the environment in which the entity primarily generates and expends cash and requires consideration of the currency from which revenue is raised, including taxes, grants, transfers and fines. My review of taxpayer remittance records and related revenue information indicated that the Exchequer Trust generated a significant portion of its cash inflows in United States Dollars. This was also consistent with management’s own functional currency assessment, which acknowledged that more than 70% of revenue collections were denominated and collected in United States Dollars.

Management did not provide sufficient evidence from the remaining primary indicators to support ZWG as the functional currency of the Exchequer Trust.

Management also placed reliance on regulatory, statutory and national reporting requirements relating to ZWG reporting. These requirements may support ZWG as a presentation currency, but they do not override the separate functional currency assessment required by IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates”.

If the functional currency is United States Dollars and ZWG is required as the presentation currency, the financial statements should first be prepared using the appropriate functional currency and then translated into ZWG in accordance with IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates”.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Authority should apply the provisions of IPSAS 4 - “The Effects of Changes in Foreign Exchange Rates” in financial reporting upon determination of the functional currency.

Management response

Observation noted regarding the determination of the functional currency for the Exchequer Trust financial statements for the year ended December 31, 2025.

Management performed an assessment of the indicators prescribed under IPSAS 4 – “The Effects of Changes in Foreign Exchange Rates” and noted that certain indicators could support the use of USD as the functional currency during the period under review.

In forming its judgment, management also considered the legal and regulatory framework in Zimbabwe, including Monetary Policy Statements and exchange control regulations issued by the Reserve Bank of Zimbabwe, which promote the use of ZWG as the principal currency for domestic transactions and financial reporting.

Evaluation of management response

I acknowledge management’s response on the factors they applied in determining the Authority’s functional currency. However, making reference to the legal and regulatory framework in Zimbabwe is not part of the indicators provided for in IPSAS 4 – “The Effects of Changes in Exchange Rates”. Paragraphs 11 and 12 of IPSAS 4 requires functional currency determination to be based on the economic environment in which an entity operates, that is, the currency in which it generates and expends cash.

1.2 Trial balance

Finding

The Authority had not comprehensively configured its accounting system to enable generation of a complete and accurate trial balance. As a result, the trial balance was not availed and the financial statements were prepared using schedules and computations maintained outside the accounting system.

Risk / Implication

Misstatement of financial statements and unreliable financial reporting.

Recommendation

Management should configure its accounting system to be able to generate a complete and accurate trial balance as the basis for the financial statements.

Management response

To strengthen financial reporting processes, the Authority is upgrading the SAP system which will enable the generation of a formal trial balance for the Exchequer Trust going forward.

1.3 Mining royalties database

Finding

The Authority had 169 taxpayers (Taxpayer Identification Numbers- TIN) in its database with missing details such as taxpayer name, sector and directors' identification numbers. The tax status for 35 884 companies could not be ascertained from the database. In addition, sixteen (16) out of 44 580 companies were classified under the mining sector with 44 564 companies in the mining database being classified as either professional, agriculture, or construction among other classes which were unrelated to mining.

Risk / Implication

Misstatement of financial statements.

Data integrity may be compromised.

Recommendation

Management should update database to ensure enforcement.

Management response

Observation noted. Master data update is currently underway, and a Public Notice was issued to all taxpayers to update their data on the self-service portal. All clients have access to the information of their accounts, emails, contact details and revenue types through Self Service Portal. The update is expected to be finalised by end of 2026.

1.4 Makuti dry port project

Finding

The Authority incurred USD1.82 million from 2022 to 2025 related to consultancy and project design services for the Makuti Dry Port Project without conducting a feasibility study prior to initiating the project. However, on March 17, 2025, the Board resolved to discontinue the project as it was then assessed not to be viable. This was contrary to section 44 (1)(a)(iv) of the Public Finance Management Act [*Chapter 22:19*] which requires public entities to maintain effective, efficient system for properly evaluating all major capital projects prior to a final decision on the project.

Risk / Implication

Financial loss due to unfruitful expenditure.

Recommendation

Management should maintain effective, efficient system for properly evaluating all major capital projects prior to a final decision on the project.

Management response

Observation noted. Management will ensure that comprehensive feasibility studies are undertaken for all future major capital projects prior to implementation, in line with the Zimbabwe Public Investment Management Guidelines. In this instance, preliminary feasibility processes, including detailed engineering studies, project designs, drawings, and cost estimates, were conducted through consultancy engagements. Following the assessment, the project was deemed financially unviable and was subsequently discontinued. Management is currently collaborating with Treasury to facilitate the exit from the project in line with the Government Debt Resolution Framework.

1.5 Prepayment account

Finding

The Authority was prejudiced of USD479 684 and ZWG171.77 million arising from fraudulent system breaches involving staff members in collusion with clearing agents in respect of clearing of goods using the prepayment account. This was contrary to section 44 (1)(a) (i) of the Public Finance Management Act [Chapter 22:19] which requires Accounting Officers to maintain effective, efficient and transparent systems of financial and risk management and internal controls. The Authority managed to recover a portion of the prejudiced amount.

Risk / Implication

Financial loss.

Recommendation

Management should strengthen controls in the system.

Management response

Observation noted. The prepayment account within the system was exploited through unauthorized manipulation of bank-originated credit entries in the system. The Authority has discontinued the use of prepayments accounts effective February 7, 2026 and introduced a cash declaration option for commercial clearances as a measure to mitigate against the system abuse.

Corrective action has been taken against the staff and clearing agents involved in the fraud and recoveries of lost revenue are underway.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority made progress in addressing audit findings in 2020, 2021, 2022, 2023 and 2024 annual reports. I raised eight (8) findings in my 2024 annual report and followed up on fourteen (14) outstanding findings from my 2020, 2021, 2022 and 2023 annual reports. Nine (9) findings were addressed, and twelve (12) findings were partially addressed and one (1) finding was not addressed as indicated below;

2.1. Budgetary support

The finding was partially addressed. The Authority has engaged the parent Ministry and treasury concurrence was received to fund projects in USD. However, funding constraints still affected the CCTV and building projects.

2.2. Gratuity payments

The finding was addressed. The Authority's gratuity policy is now in place.

2.3. Wealth tax collection

The finding was partially addressed. Alignment of legislation for collection of wealth tax was still in progress in 2025.

2.4. Impounded trucks

The finding was addressed. The impounded trucks at one of the border posts were towed to the warehouse for impounded vehicles.

2.5. Warehouse management

The finding was addressed. The Authority now has a pest management control team in place.

2.6. Records management

The finding was partially addressed. One of the two vehicles was still not accounted for as at December 31, 2025.

2.7. Deferred VAT penalties and interests

The finding was addressed. Deferred VAT interest and penalties were accounted for in 2025.

2.8. Overtime processing

The finding was addressed. Overtime calculations were now being checked and reviewed in 2025.

2.9. Service level agreement

The finding was addressed. The Authority now had valid lease agreements for the K9 unit at one of its stations.

2.10. Bank reconciliations

The finding was partially addressed. All bank reconciliations were now reviewed. However, in 2025 the Authority did not clear 10 326 reconciling items dating back to 2019.

2.11. Deferment of Value Added Tax

The finding was not addressed. The outstanding deferred VAT was not cleared during the year.

2.12. Form 49 outstanding debt

The finding was partially addressed. The Authority made follow ups on form 49 outstanding debt but as at December 31, 2025, there was still outstanding form 49 debt of ZWG1.6 million and USD4.9 million.

2.13. Automation of payroll processes

The finding was addressed. The payroll for USD salaries and allowances were now being processed through the automated USD payroll.

2.14. Travel and subsistence policy

The finding was partially addressed. Outstanding advances are now for the officers who either left the Authority or are on suspension. These will be cleared from terminal benefits.

2.15. Automation of revenue collection processes

The finding was partially addressed. Full automation of the Authority's processes are expected to be completed by 2026.

2.16. Classification of revenue

The finding was addressed. Introduction of the Risk Management Module in TaRMS in 2025 resolved the issue.

2.17. Temporary Import Permits (TIPs)

The finding was partially addressed. As at December 31, 2025 TIPs have been reduced to 19 741 electronic TIPs while manual TIPs were 6 316.

2.18. Buildings

The finding was partially addressed. The buildings at Kariba and Chirundu were repaired during the period under review.

2.19. Delivery of vehicles

The finding was partially addressed. The Authority had not yet received all the vehicles procured and management is still pursuing the matter to enforce execution of contract as per the High Court's order.

2.20. Customs debt from imported vehicles

The finding was partially addressed. Recoveries were made on 141 cases and debt for 606 cases are still outstanding.

2.21. Management of Removal in Transit (RIT)

The finding was partially addressed. The Authority had RIT Debt of ZWG4 346 and USD252 513 as December 31, 2025.

2.22. Report orders

The finding was addressed. The Authority has written off all the long outstanding report orders.

PUBLIC ENTITIES UNDER THE CATEGORY OF BOARDS

LOTTERIES AND GAMING BOARD 2024 AND 2025

Background Information

The Lotteries and Gaming Board was established in terms of the Lotteries and Gaming Act [*Chapter 10:26*]. The mandate of the Board includes regulating and controlling the development and operation of all lotteries and gaming activities, granting, renewing, transferring and terminating gaming licenses.

I have audited the financial statements of Lotteries and Gaming Board for the years ended December 31, 2024, and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Lotteries and Gaming Board as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Lotteries and Gaming Board as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Board did not submit its 2024 financial statements within the statutory deadline. This was contrary to Section 49(1)(c) of the Public Finance Management Act [*Chapter 22:19*] which requires public entities to submit their financial statements for audit within sixty (60) days after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Board should submit financial statements within sixty (60) days following financial year end in line with Section 49(1)(c) of the Public Finance Management Act [*Chapter 22:19*].

Management response

Management will approve and submit financial statements in time, in compliance with the Public Finance Management Act [*Chapter 22:19*] and government directives.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Board made progress in addressing audit findings raised in my 2022 and 2024 annual reports. I raised four (4) findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2022 annual report. Four (4) findings were addressed and one (1) findings were not addressed as indicated below;

2.1. Fines and penalties

The finding was not addressed. Interest and penalties were not levied on operators who submitted remittance forms late.

2.2. Internal audit function

The finding was addressed. The Board's affairs were subject to internal audit through the parent Ministry.

2.3. Revaluation of assets

The finding was addressed. The revaluation exercise was done in 2024.

2.4. Resource allocation

The finding was addressed. The Board allocated 36% of mobilised revenue towards socio-economic support initiatives during the year 2025.

2.5. Board meetings

The finding was addressed. The additional board members were appointed in 2025, and meetings are now being held in line with the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Background Information

The Pig Industry Board was established in terms of the Pig Industry Act [*Chapter 18:15*]. The core functions of the Board are genetic improvement, research, promotion of production and marketing of pigs. The Board also undertakes training and extension activities to promote production of pigs.

I have audited the financial statements of Pig Industry Board for the year ended December 31, 2025 and I issued an unmodified /clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Pig Industry Board as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on the findings raised in my 2020 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Board addressed all the six (6) audit findings outstanding from my 2020 and 2024 annual reports as indicated below;

1.1. Policies and procedures manuals

The finding was addressed. Procedure manuals and policies are now in place.

1.2. Impairment of assets

The finding was addressed. The impairment of assets policy was implemented.

1.3. Opening balance

The finding was addressed. The opening balances were adjusted as necessary.

1.4. Investment property

The finding was addressed. The Board no longer rents out its properties to outsiders.

1.5. Alignment of accounting processes to reporting framework

The finding was addressed. Expected credit losses were accounted for in 2025.

1.6. Internal audit arrangements

The finding was addressed. The Board has an internal audit arrangement with the parent Ministry.

Background Information

Tobacco Industry and Marketing Board was established in terms of the Tobacco Industry Marketing Board Act [*Chapter 18:20*]. The Board provides control and regulation of the tobacco industry in Zimbabwe.

I have audited the financial statements of the Tobacco Industry and Marketing Board for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Tobacco Industry and Marketing Board as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on audit findings raised in my 2021, 2022 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Board did not make significant progress in addressing audit findings raised in my 2021, 2022 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on two (2) findings outstanding in my 2021 and 2022 annual reports. One (1) finding was partially addressed and two (2) were not addressed as indicated below;

1.1. Recovery of funds

The finding was not addressed. The funds erroneously transferred to former employees had not been recovered.

1.2. Special projects

The finding was partially addressed. The Board's recovery rate of the loans are 10% for ZWG loans and 4% for USD loans.

1.3. Delivery of procured goods

The finding was not addressed. The bus was not delivered.

Background Information

The Tobacco Research Board was established under the Tobacco Research Act [*Chapter 18:21*]. Its functions are to direct, control and carry out tobacco research in Zimbabwe.

I have audited the financial statements of Tobacco Research Board for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Tobacco Research Board as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on a finding raised in my 2023 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Board addressed the audit finding I raised in my 2023 annual report as indicated below;

1.1. Registration of motor vehicles

The finding was addressed. The motor vehicle was registered in the name of the Board in 2026.

PUBLIC ENTITIES UNDER THE CATEGORY OF COMMISSIONS

Background Information

The Insurance and Pensions Commission (IPEC) was established in terms of the Insurance and Pensions Commission Act [*Chapter 24:21*]. The Commission's mandate is to regulate the insurance and pensions industry with the objective of protecting the interest of policy holders and pension scheme members.

I have audited the financial statements of Insurance and Pensions Commission for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Insurance and Pensions Commission as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Compensation fund

Finding

The Commission had not adequately prepared for compensation of pensioners for the loss of value during the pre-2009 period. Enabling instruments or statutes were not yet in place as at December 31, 2025. The Commission could not process and finalise the distribution of funds received from the parent Ministry towards the pre-2009 Compensation Fund in 2025, however, the funds were invested in short term placements. As a result, the Commission achieved only 1% against a performance target of 30% in relation to the closure of the pre-2009 Compensation Scheme for the year under review.

Risk / Implication

Funds may not be readily available when required for their intended purpose.

Recommendation

The Commission should follow up with relevant authorities on the promulgation of distribution enabling statutes.

Management response

The funds have not been utilized but have been placed in fixed term deposits. This decision was taken to ensure value preservation of the Compensation amount received whilst awaiting promulgation of distribution enabling statutes. Money market deposits by nature are available on call. Management will therefore re-call the funds once the need arises. Adequate controls are also in place as management placed the money on short-term deposits which are an approved financial institutions according to IPEC Investment Policy Statement as approved by both Board and parent Ministry.

In fulfilment of transparency, management treats the funds as a special fund, (separately disclosing the assets and liability side of the compensation money) for reporting purposes. This helps in tracking the money and its existence for compensation purposes.

The 30% target compensation level was based on the assumption that:-

- Granular data would be available for the industry to accurately compute pension prejudice
- The industry could demonstrate compliance with Asset Separation requirement during investigative period
- Funding would be available to support the compensation.

However, due to the unavailability of legacy granular data, the industry was unable to calculate pension prejudice or demonstrate compliance with Asset Separation requirements as required under Statutory Instrument (SI) 162 of 2023. Management is engaging the relevant authorities (Ministry of Finance, Economic Development and Investment Promotion, and Attorney General) to amend SI 162 of 2023 to address these data and structural challenges.

1.2. Taxation of employee benefits

Finding

The Commission had not aligned its processes to the requirements of Income Tax Act [Chapter 23:06] during the period. For instance, 30% of the living allowances amounting to USD366 079 and benefits from disposal of condition of service vehicles to employees amounting to USD76 500 were not subjected to PAYE during the period. This was contrary to section 8(1)(f) of the Income Tax Act [Chapter 23:06] which requires all employee benefits to be included in gross income for taxation purposes.

Risk / Implication

Financial loss due to penalties which may be levied.

Recommendation

The Commission should subject employee benefits to tax in line with section 8(1)(f) of the Income Tax Act [Chapter 23:06].

Management response

The observation is noted. The living allowance in question originated from a conversion of grocery allowances previously paid out to employees that was taxable at 70%. During this transition, the same PAYE treatment was applied to the converted allowance, resulting in the 30% portion remaining untaxed. Management notes the anomaly and has initiated immediate corrective measures to ensure that all living allowances are subjected to the correct PAYE deductions. The Commission will implement enhanced payroll compliance controls to prevent recurrence. The identified anomaly also points to a training need which will be attended to immediately to avoid recurrence.

The Commission acknowledges the audit finding for the omission in the tax treatment of deemed benefits arising from the disposal of condition of service motor vehicles to employees.

2. SERVICE DELIVERY

2.1. Prescribed assets compliance

Finding

The Commission's enforcement mechanisms on prescribed assets thresholds for regulated entities was inadequate during the period. For instance, life assurance entities achieved 9.18% compliance levels which were below the 15% prescribed requirement and pensions related entities achieved 10.31% compliance levels which were also below the 20% prescribed requirements. In addition, short-term insurers were below the 10% prescribed requirements by 1%. This was contrary to the Insurance and Pensions Commission Act [*Chapter 24:21*] section 4 (1) (c) which requires the Commission to monitor and regulate entities to comply with applicable laws and regulatory requirements.

Risk / Implication

Potential insurance and pensions sector liquidity and solvency risks exposure.

Reduced confidence in the effectiveness of the Commission's supervisory framework.

Recommendation

The Commission should strengthen its supervisory and enforcement mechanisms to ensure compliance with prescribed asset status requirements.

Management response

The low compliance has been on account of low net investible income due to:-

- (i) declining pension contributions and life insurance premiums as a result of low consumer confidence in long-term savings**
- (ii) Legacy investments in properties, which takes time to liquidate and reinvest in other asset classes.**

Management has written to non-compliant entities to submit compliance plans. Most entities submitted their plans which were approved and monitoring of implementation plans is in progress. In addition, the Prescribed Asset Framework was reviewed to increase exposure to private equity and other alternative investments. Despite the non-compliance, there has been a steady increase in compliance from an average of under 3% in some entities to the current levels. That notwithstanding, Management is working on enforcing compliance on entities whose plans were not approved and those who are yet to submit their plans.

Background Information

The Securities and Exchange Commission of Zimbabwe was established through enactment of the Securities and Exchange Act [*Chapter 24:25*]. The Commission is a regulatory body for the securities and capital markets in Zimbabwe.

I have audited the financial statements of Securities and Exchange Commission of Zimbabwe for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Securities and Exchange Commission of Zimbabwe as at December 31, 2025, and its financial performance and its cashflows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs).

I followed up on the audit finding that I raised in my 2022 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission did not address the finding that I raised in my 2022 annual report as indicated below;

1.1. Staff costs to revenue ratio

The finding was not addressed. The ratio of staff costs to revenue was at 59%, which was above the thirty percent (30%) prescribed in the Public Entities Corporate Governance Act [*Chapter 10:31*].

PUBLIC ENTITIES UNDER THE CATEGORY OF COMPANIES AND CORPORATIONS

Background Information

AFC Holdings Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company's mandate is to provide a wide range of banking and related financial services in Zimbabwe.

I have audited the financial statements of AFC Holdings Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of AFC Holdings Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Fiscal tax invoices

Finding

The control over invoicing of management fees were not adequate in that the Company was issuing non fiscalised management fees invoices to its subsidiaries. This was contrary to the Value Added Tax Act [*Chapter 23:12*] section 20 (4) which requires tax invoices to be fiscalised.

Risk / Implication

Financial loss due to penalties which may be levied.

Recommendation

The Company should issue fiscalised invoices for management fees.

Management response

Management acknowledges the observation. The delay was primarily due to system configuration challenges arising from the implementation of the USD functional currency, which impacted the fiscal device integration process.

1.2. Statutory obligations

Finding

The Company was submitting Value Added Tax (VAT) returns and processing payments on average ninety-two (92) days after the statutory deadline. This was contrary to section 28 of the Value Added Tax Act [*Chapter 23:12*] which requires submission of VAT returns by the 25th of the first month commencing after the end of a tax period.

Risk / Implication

Financial loss due to penalties which may be levied.

Recommendation

VAT returns should be submitted in line with section 28 of the Value Added Tax Act [*Chapter 23:12*].

Management response

The observation is noted. The delays were due to liquidity constraints. Accordingly, priority was placed on settling the VAT as soon as cash flows permitted. Management has since noted this gap and will, going forward, formally engage ZIMRA timeously on any anticipated delays, irrespective of materiality, to ensure transparency and minimise potential penalties and interest. All outstanding payments have since been settled. The Company have implemented enhanced cash flow planning and tax compliance monitoring processes to ensure timely submission and payment of statutory obligations.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company addressed all the two (2) audit findings outstanding in my 2023 and 2024 annual reports as indicated below;

2.1. Valuation of property, plant and equipment and investment property

The finding was addressed. The Company was now complying with the requirements of International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”.

2.2. Transfer pricing document

The finding was addressed. The transfer pricing policy was approved in 2025.

Background Information

AFC Leasing Company of Zimbabwe (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company's main business is to provide agricultural equipment hiring services.

I have audited the financial statements of AFC Leasing Company of Zimbabwe (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of AFC Leasing Company of Zimbabwe (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a comprehensive loss of USD0.84 million (2024: USD8.03 million) during the year ended December 31, 2025. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUE

1.1. VAT returns

Finding

The Company did not submit VAT returns from January 2025 to August 2025. This was contrary to 28 (1) of the Value Added Tax Act [*Chapter 23:12*] which requires every operator to submit VAT returns by the twenty-fifth (25th) of the following month after the end of the VAT period to which the return relates.

Risk / Implication

Financial loss due to penalties and fines.

Recommendation

Management should submit the VAT returns in line with the Value Added Tax Act [*Chapter 23:12*].

Management response

Observation is noted.

1.2. Insurance cover

Finding

The Company did not maintain insurance cover over certain asset categories of movable assets due to liquidity challenges.

Risk / Implication

Financial loss in the event of damage, theft or loss.

Recommendation

Management should develop strategies to increase revenue and ensure adequate insurance cover is in place.

Management response

Noted, some assets were not covered under insurance due to liquidity challenges faced by the Company. The Company managed to cover for only machinery that was deployed to risky assignments.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made significant progress in addressing three (3) audit findings outstanding from my 2023 annual report. Two (2) findings were addressed, and one (1) finding was partially addressed as indicated below;

2.1. Agriculture equipment variances

The finding was addressed. The variances were investigated and reconciled.

2.2. Deployment of farming implements

The finding was partially addressed. Outstanding receivables were being recovered through debt collection and stop orders.

2.3. Equipment hire agreements

The finding was addressed. All equipment was now deployed after contracts were signed.

Background Information

Allied Insurance Company (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is a subsidiary of Chemplex Corporation Limited. The Company's principal business is underwriting of short-term insurance business.

I have audited the financial statements of Allied Insurance Company (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Allied Insurance Company (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred insurance service loss of ZWG1.3 million (2024: ZWG8.4 million) during the year ended December 31, 2025. In addition, the Company's current liabilities also exceeded its current assets by ZWG12.9 million (2024: ZWG12.09 million) and ninety-three percent (93%) (2024: 86%) of its total assets comprised of illiquid assets. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified with respect to these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. PAYE returns

Finding

PAYE returns were not submitted within the prescribed statutory timelines. For instance, returns for the months of January and February were submitted in April while the return for April was submitted in June. This was contrary to the Income Tax Act [*Chapter 23:06*] section 39(1) which require PAYE returns to be submitted and remitted within ten (10) days of the following month.

Risk / Implication

Financial loss due to fines and penalties which may be levied.

Recommendation

The Company should comply with the requirements of the Income Tax Act [*Chapter 23:06*].

Management response

The Company will implement a monitoring calendar for all legal obligations, submissions and payments to ensure they are done within deadlines.

1.2. Underwriting procedure manual

Finding

The Company's underwriting manual was last updated in 2018. There was no evidence of periodic review or revision to reflect changes in market conditions, regulatory requirements or emerging risks.

Risk / Implication

Inadequate risk assessment.

Recommendation

The Company should regularly review its policy and manuals in light of changes in its business environment.

Management response

The recommendation is noted. This will be implemented in 2026.

Background Information

Chemplex Corporation Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company mines and beneficiates phosphate rock which is used in the manufacture of fertilizers. The Company also manufactures sulphuric acid and other industrial chemicals.

I have audited the consolidated financial statements of Chemplex Corporation Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Chemplex Corporation Limited as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Group incurred a net loss of ZWG492 million (2024: ZWG100 million) for the year ended December 31, 2025 as of that date the Group's current liabilities exceeded its current assets by ZWG131.9 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. REVENUE COLLECTION AND DEBT RECOVERY

1.1. Revenue generation

Finding

The Company was not generating sufficient revenue to cover its costs during the period under review. As a result, the Company had suppliers who had overdue balances amounting to ZWG8.6 million which had exceeded 120 days.

Risk / Implication

Service delivery may be compromised due to cash flow constraints.

Recommendation

The Corporation should enhance its revenue generation strategies.

Management response

Cashflow constraints continue to hamper timely payments to our suppliers, but management continues to engage respective suppliers to manage risk.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation made some progress in addressing audit findings raised in my 2020, 2021 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and followed up on three (3) findings outstanding in my 2020 and 2021 annual reports. Two (2) findings were addressed, three (3) findings were partially addressed and one (1) finding was not addressed as indicated below;

2.1. Occupation of the Corporation's premises

The finding was partially addressed. Clear boundaries were determined however, the Company had not yet put perimeter fencing.

2.2. Trade creditors reconciliations

The finding was addressed. The Corporation was performing creditor's reconciliations timely.

2.3. Staff complement

The finding was addressed. There was segregation of duties and supervision of the cash office.

2.4. Production machinery

The finding was partially addressed. The Shareholder availed funding for the refurbishment of machinery.

2.5. Receivables

The finding was partially addressed. The credit policy was in place. However, the Corporation had debtors exceeding 120days during the current period.

2.6. Insurance pension commission regulations

The finding was not addressed. The Company's subsidiary had not met the prescribed assets threshold as at December 31, 2025.

Background Information

The Deposit Protection Corporation was established by the Deposit Protection Act [*Chapter 24:29*]. The functions of the Corporation are to protect depositors in the event of a deposit-taking institution becoming insolvent, enhance public confidence, competition and stability in the financial sector.

I have audited the financial statements of Deposit Protection Corporation for the year ended December 31, 2025, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Deposit Protection Corporation as at December 31, 2025, and its financial performance and its cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on the audit finding that I raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation addressed the audit finding that I raised in my 2024 annual report as indicated below;

1.1. Loan benefits

The finding was addressed. The loan benefit was subjected to tax and remittance to ZIMRA were processed in February 2025.

Background Information

Deven Engineering (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. It is wholly owned by the Industrial Development Corporation of Zimbabwe (IDCZ). The principal activity of the Company is to manufacture buses, truck bodies and trailers and distribution of commercial vehicles.

I have audited the financial statements of Deven Engineering (Private) Limited for the year ended December 31, 2025, and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Deven Engineering (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company's current liabilities exceeded its current assets by ZWG6.3 million (2024: ZWG497 554). This condition indicated the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below is another material issue noted during the audit;

1. GOVERNANCE ISSUE

1.1. Sustainability of services

Finding

The Company was facing liquidity challenges as it was not generating enough revenue during the year under review to finance its operations. As a result, the Company's current liabilities exceeded its current assets by ZWG6.3 million (2024: ZWG497 554).

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should enhance its revenue generation strategies.

Management response

Management has performed a going concern assessment outlining strategic initiatives and confirmed projects expected to strengthen liquidity and improve financial performance. In addition, the Company is actively diversifying into steel structures as an additional revenue stream and is engaging in prospective projects with the Industrial Development Corporation of Zimbabwe and Mutapa Investment Fund.

Management remains confident that these initiatives will enhance cash flows and support the Company's ongoing operations.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company addressed all the three (3) audit findings that I raised in my 2024 annual report as indicated below;

2.1. Asset register

The finding was addressed. The asset register was updated to include locations, purchase costs, acquisition date, and details of serial numbers.

2.2. Statutory obligations

The finding was addressed. The PAYE returns were being submitted and remittances made within the prescribed statutory deadlines.

2.3. Valuation of property, plant and equipment

The finding was addressed. The property, plant and equipment was revalued in line with the requirements of IFRS 13 – "Fair Value Measurement".

Background Information

Dorowa Minerals Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is a wholly owned subsidiary of Chemplex Corporation Limited. Its main business is the mining and beneficiation of phosphate rock.

I have audited the financial statements of Dorowa Minerals Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Dorowa Minerals Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a loss of ZWG214. 5 million for the year ended December 31, 2025. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below is another material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Tax obligations

Finding

The Company was not submitting tax returns and remittances on time during the year due to cash flow constraints. This was contrary to the requirements of the Income Tax Act [*Chapter 23:06*] and VAT Act [*Chapter 23:12*] which require timely submission of tax returns and settlement of tax liabilities. As a result, the Company incurred penalties due to late remittance.

Risk / Implication

Financial loss due to fines and penalties.

Recommendation

The Company should enhance its revenue generation strategies.

Management response

The primary reason is cashflow constraints due to reduced production and inability to cover operating costs primarily due to an old plant that is prone to frequent break downs. This is being addressed through the ongoing and about to be completed plant refurbishment program. Management will ensure that all statutory filings are made on time.

Background Information

G & W Industrial Minerals (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. It is a wholly owned subsidiary of Chemplex Corporation Limited. The Company's core activities are mining, processing and selling of base industrial minerals.

I have audited the financial statements of G & W Industrial Minerals (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of G & W Industrial Minerals (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a loss before tax of ZWG25.8 million (2024: ZWG15.2 million) for the year ended December 31, 2025. The Company is also in a net current liability position of ZWG31.3 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Sustainability of operations

Finding

The Company experienced cash flow challenges following one of its stations in Rushinga becoming non-operational in 2023. As a result, there were salary payments arrears for March to December for the ZWG portion and for July to December for the USD portion.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should enhance its revenue generation strategies.

Management response

Management is highly concerned about the issue of salary arrears. Every effort is being done to mitigate the situation since one of its stations is still not operational. This includes selling of crude material. However the revenues generated by selling crude material are so far not enough to meet the bills.

1.2. Non-payment of claim licenses

Finding

The Company did not pay claims licenses fees that had fallen due as per agreement with the Government due to cash flow constraints. This was contrary to the agreement with the Government which required the Company to pay claim licenses fees in arrears within the agreed timeframe.

Risk / Implication

Financial loss due to loss of mining claims.

Recommendation

Management should enhance its revenue generation strategies to improve its cash flows.

Management response

Revenue generation to enable us to fund payments is a challenge. However, strategic claims are being paid especially those in dispute.

1.3. Payables reconciliations

Finding

The Company's internal controls over payables were not being implemented. Monthly payables reconciliations were not being prepared for all suppliers of goods and services. In addition, there were payables unreconciling items dating back to 2022. This was contrary to the Chemplex Group finance policy section 508.1 which requires monthly payables reconciliations to be performed.

Risk / Implication

Errors and irregularities may go undetected.

Recommendation

The Company should perform monthly payables reconciliations.

Management response

Some of the creditors are now co-operating in terms of availing statements. Management is tirelessly working towards clearing all long outstanding issues that were caused by the duration taken by suppliers to submit statements of account.

1.4. Statutory obligations

Finding

PAYE returns were not submitted within the prescribed statutory timelines. For instance, returns for the month of May, June and July were submitted in November. This was contrary to the Income Tax Act [*Chapter 23:06*] section 39(1) which require PAYE returns to be submitted and remitted within ten (10) days of the following month. In addition, there was no evidence of submission or payment of NEC, NSSA and ZIMDEF obligations by the Company.

Risk / Implication

Financial loss due to fines and penalties which may be levied.

Recommendation

The Company should comply with the requirements of the Income Tax Act [*Chapter 23:06*].

Management response

G&W payroll cost was previously borne by other divisions till end of May 2025. All statutory returns were done by relevant divisions– for NEC salaried staff it was mainly Zimphos. For mid & executive it was Head office (Chemplex Corporation). What it meant was G&W did not have data base for both employees and management individually as is now required by ZIMRA (TaRms). The exercise needed time to complete. The Company were supposed to re-register with all the relevant statutory bodies since it had de-registered. Now that everything is in place management will endeavour to timeously submit all the returns.

HWANGE ELECTRICITY SUPPLY POWER COMPANY (PRIVATE) LIMITED 2024 AND 2025

Background Information

Hwange Electricity Supply Power Company (Private) Limited was incorporated in terms of the Companies and other Business Entities Act [*Chapter 24:31*] and the Electricity Act [*Chapter 13:19*]. The Company's core business is the generation of electricity and implementing the project for the addition of Units 7 and 8 at Hwange Power Station.

I have audited the financial statements of Hwange Electricity Supply Power Company (Private) Limited for the years ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Hwange Electricity Supply Power Company (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non - compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”

The Company changed its functional currency from Zimbabwe Dollars (ZWL) to United States Dollars (USD) with effect of January 1, 2024. The Company applied the translation procedures applicable to the new functional currency prospectively, in accordance with International Accounting Standard (IAS) 29 - “Financial Reporting in Hyperinflationary Economies” and International Accounting Standard (IAS) 21- “Effects of Changes in Foreign Exchange Rates” to all balances except Inventory. Management translated inventory balances at their historical cost USD values, instead of the hyperinflated closing balances as at December 31, 2024 using the closing rate contrary to the requirements of International Accounting Standard (IAS) 21 – “Effects of Changes in Foreign Exchange Rates”.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Hwange Electricity Supply Power Company (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1 GOVERNANCE ISSUES

1.1 Withholding Tax on suppliers

Finding

The Company was not deducting and remitting withholding tax when settling amounts owed to suppliers without valid tax clearance certificates. This was in contravention of the provisions of section 80 (2) of the Income Tax Act [*Chapter 23:06*] which requires withholding tax to be deducted and remitted when making payments to suppliers who do not present a valid tax clearance certificate.

Risk / Implication

Financial loss due to interests and penalties that may be levied.

Recommendation

The Company should withhold, declare and remit the tax from its suppliers as required by the Income Tax Act [*Chapter 23:06*].

Management response

The observation is well noted. Due to increased volume of transactions and a skeletal staff compliment, the returns were missed.

1.2 Declaration of revenue

Finding

The Company declared less revenue on the VAT returns than what was earned. There was a variance of USD46 664 between total sales per returns and total sales per trial balance. This was contrary to the requirements of Value Added Tax Act [*Chapter 23:12*] which requires accurate VAT returns, supporting schedules and payments to be lodged with the ZIMRA by the 25th of the month following the tax period.

Risk / Implication

Financial loss due to interests and penalties that may be levied.

Recommendation

The Company should ensure that accurate returns are submitted to ZIMRA.

Management response

Observation is well noted. Reconciliations are now being done between General Ledger and ZIMRA.

2 PROGRESS MADE TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on one (1) finding in my 2023 annual report. One (1) finding was addressed while two (2) findings were not addressed as indicated below;

2.1 Submission of financial statements

The finding was not addressed. The 2025 financial statements were submitted on May 2, 2026.

2.2 Valuation of property, plant and equipment

The finding was addressed. The Company performed the valuation of property, plant and equipment in line the requirements of IFRS 13 – “Fair Value Measurement”.

2.3 Statutory obligations

The finding was not addressed. The Company was still submitting returns and remitting after the due dates.

Background Information

Kariba Hydro Power Company (Private) Limited was incorporated in terms of the Companies and other Business Entities Act [*Chapter 24:31*] and the Electricity Act [*Chapter 13:19*]. The Company's core business is the generation of electricity and implementing the project for the addition of Units 7 and 8 at Kariba South Power Station.

I have audited the financial statements of Kariba Hydro Power Company (Private) Limited for the years ended December 31, 2024, and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025.

Qualified Opinion 2024

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kariba Hydro Power Company (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair value measurement”

The revaluation of the property, plant and equipment was performed by management as at December 31, 2024. The property, plant and equipment valuations were determined in USD and then translated to Zimbabwe gold (ZWG) using the interbank rate as at December 31, 2024. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of International Financial Reporting Standard (IFRS 13) – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kariba Hydro Power Company (Private) Limited, as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1 GOVERNANCE ISSUES

1.1 Submission of VAT returns

Finding

The Company was not submitting and remitting Value Added Tax (VAT) returns on time due to cashflow challenges. This was contrary to section 28 of the Value Added Tax Act [*Chapter 23:12*] which requires every registered operator to remit VAT by the 25th of the first month commencing after the end of a tax period relating to the registered operator.

Risk / Implication

Financial loss due to fines and penalties which may be levied.

Recommendation

The Company should enhance its revenue generation strategies.

The Company should remit VAT as prescribed by the Value Added Tax Act [*Chapter 23:12*].

Management response

Noted. The delays in the payments is mainly due to cashflow challenges. However, with improved production in the ensuing year, management hopes the tax obligations will be cleared as they fall due.

2 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing the audit findings raised in my 2023 and 2024 annual reports. I raised one (1) audit finding in my 2024 annual report and followed up on one (1) outstanding finding from my 2023 annual report. One (1) finding was partially addressed and the other one was addressed as indicated below;

2.1 Loans

The finding was partially addressed. The Company managed to repay part of the loan during the year under review.

2.2 Alignment of accounting processes to the reporting framework

This finding was addressed. The Company revalued and reassessed the useful lives of its assets.

Background Information

Mining Promotion Corporation (Private) Limited incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] to assist in the development of the mineral resources of the country by undertaking prospecting, exploration and development work.

I have audited the financial statements of the Mining Promotion Corporation (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Mining Promotion Corporation (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1. PROCUREMENT OF GOODS AND SERVICES

1.1. Tax clearance certificates

Finding

The Corporation did not obtain tax clearance certificates from some of its suppliers before processing payments. As a result, the Corporation was not deducting and remitting withholding tax when settling amounts owed to suppliers without valid tax clearance certificates. This was contrary to section 80 (2) of the Income Tax Act [*Chapter 23:06*] which requires the company to withhold tax on suppliers without valid tax clearance certificates.

Risk / Implication

Financial loss due to penalties or interest.

Recommendation

Management should comply with the requirements of the Income Tax Act [*Chapter 23:06*].

Management response

Management takes note of this and will rectify this anomaly going forward.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation addressed the two (2) audit findings outstanding from my 2023 and 2024 annual reports as indicated below;

2.1. Board committees

The finding was addressed. Board committees were established.

2.2. Vacant positions

The finding was addressed. All vacancies were filled.

Background Information

National Handicraft Centre (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Centre's core business is retailing of handicraft products to both the local and foreign markets.

The Centre did not submit financial statements and had been in arrears for 2009 to 2018 and 2022 to 2025, due to lapse of time and issues that I raised in my 2024 annual report. I have therefore audited the available financial records of the National Handicraft Centre (Private) Limited for the years ended December 31, 2022, 2023, 2024 and January 1, 2025 – March 31, 2025.

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board composition

Finding

The Centre had not aligned its corporate governance processes to the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*]. For instance, the Centre's board composition was not fully constituted during the periods under review. This was contrary to section 11 (1) (a) Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the Accounting Officer to notify the parent Ministry on vacancies of the board.

Risk / Implication

Oversight role may be compromised.

Recommendation

Board composition should be aligned to the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

Observation is noted. The Centre's board was appointed on October 1, 2024 and due to limited financial support convened its first meeting on 29 - 30 January 2025. However, the board is not yet fully constituted as per Public Entities Corporate Governance Act [*Chapter 10:31*] standards. As such the shareholder is working towards appointing the remaining members of the board. The appointments will consider the diversity referred to in the Public Entities Corporate Governance Act [*Chapter 10:31*].

1.2. Board charter

Finding

The Board was operating without a Board Charter during the period. This was contrary to the provisions of the Public Entities Corporate Governance Act [*Chapter 10:31*] section 56 which requires the Board to have a charter that set outs its role and functions.

Risk / Implication

Oversight role may be compromised.

Recommendation

Board Charter should be put in place.

Management response

The Board went through induction in 2025. The Board crafted a Board Charter and is currently awaiting approval by Corporate Governance Unit.

1.3. Declaration of interest

Finding

I was not availed with the evidence that the board members had declared conflict of interest. For instance, the acquisition of the art crafts for an exhibition from organizations where the board members were related parties to the organisations was not disclosed. This was contrary to section 34 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the declaration of interests by members on all meetings.

In addition, the Centre did not avail data base for its crafters which covers the whole country. For instance, the Osaka exhibitions crafts were procured from one province. This was contrary to its mandate to collect crafts from all over Zimbabwe and market it to the world over.

Risk / Implication

Decision making may be compromised due to conflict of interest.

Recommendation

Board members should declare their interest, and these should be documented.

The Centre should have database which covers the whole country.

Management response

As for the mentioned exhibition purchases, the Board resolved through a board resolution to use the existing Board expertise to procure merchandise for the mentioned exhibition. The decision was motivated by the limited timelines (30 days) that was available between the decision to participate and the cargo closing dates. In addition, the Centre had created a bad reputation of not settling handcrafters' debts whenever they were given on credit. It was against that background that the Board resolved to utilize existing expertise. The Centre selected from its database, but most or the majority where selected by the Chairperson of the board even though most provinces were covered.

1.4. Foreign trips

Finding

I was not availed with documentation in the form of Cabinet Authority to support that the trips the Chairperson undertook in March 2025 were approved. The total amount involved for the air tickets and other related costs was USD5 392.

Risk / Implication

Financial loss as a result of irregular expenditure.

Recommendation

Expenditure should be adequately supported with relevant supporting documentation.

The Centre should obtain cabinet approvals for all foreign trips.

Management response

Cabinet approval is there and the Centre will try to get a copy and submit it for audit. The Centre is still following up on the government authority from the Board member and parent Ministry and look forward to submit it once secured.

1.5. Bank signatory

Finding

The Centre was not adequately staffed. As a result, signatories to the bank consisted of Accounts Clerk, Administration Officer and a member of the board and none from senior management. This was contrary to Public Entities Corporate Governance Act [*Chapter 10:31*] section 56 which requires the board to have an oversight role.

Risk / Implication

Lack of independent oversight role.

Recommendation

The Board should have a board charter and regularise the bank signatories.

Management response

Observation noted. This was due to shortage of key personnel who could be appointed signatories.

1.6. Accounting procedures manual

Finding

The Centre did not have accounting procedures manual in place which guides on the year end procedures. As a result, the Centre did not carry out cash count exercise at the end of the year for the periods under review. In addition, the Centre was not maintaining records on inventory items such as the cost cards and the inventory sheets. The inventory counts were last performed on December 31, 2022. The count sheets had no names for the counters as well as the reviewers of the inventory counts.

Risk / Implication

Irregular transactions may go undetected.

Recommendation

The Centre should have an accounting procedures manual in place and carry out cash count exercise at each year end.

Management should maintain proper inventory management system.

Management response

There were no cash count certificates done during the periods under review. The Centre however, look forward to start immediately. The Centre has since started regular stock takes and updates. An electronic stock control system was procured and installed as a matter of urgency but it is not yet fully operational.

1.7. Annual procurement plan

Finding

The Centre did not prepare annual procurement plans for the periods under review. This is contrary to section 22 (1) of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] which requires procurement plan to be prepared by January 31 of each year.

Risk / Implication

Irregular purchases may go undetected.

Recommendation

The Centre should comply with the provision of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

Management response

In 2022 and 2023 the Centre did not have the plans in place, but in 2025 the Centre had a strategic plan which resulted in funds being disbursed to the Centre for procurement of motor vehicles and other key tools of trade.

1.8. Taxation of employee benefits

Finding

The Centre processed employee benefits such as transport allowance and housing allowance outside of the payroll for the periods under review. As a result, these employee benefits were not taxed. This is contrary to Income Tax Act [*Chapter 23:06*] which requires benefits accruing to employees to be taxed.

Risk / Implication

Financial loss due to penalties and fines by the tax authority.

Recommendation

Management should ensure that the employee benefits pass through the payroll.

Management response

The Centre processed the above payments separately for the convenience of employees who were struggling with rentals and transport to and from work since the Centre was delaying salary payments.

1.9. Credit policy

Finding

The Centre did not have a credit policy to manage credit sales. As a result, the Centre had outstanding balances of USD17 938, from the agents who purchased material on credit.

Risk / Implication

Financial loss due to non-recovery of debts.

Recommendation

The Centre should put in place a credit policy to manage its debtors.

Management response

The Centre is constantly sending out debt reminders to the agents in an effort to recover the amounts. Since the accounts for the years have not yet been prepared the Centre now look forward to provide for them when the accounts are prepared.

2. PROCUREMENT OF GOODS AND SERVICES

2.1. Sourcing of quotations

Finding

The Centre's control over procurement of goods and services were not adequate. For instance, the Centre was not soliciting for at least three (3) quotations while sourcing for goods and services that required competitive quotes. This was contrary to section 34 of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] which requires procuring entities to solicit at least three quotations for its procurement requirements.

Risk / Implication

Financial loss due to procurement at uncompetitive prices.

Recommendation

The Centre should comply with the Procurement regulations.

Management response

Observation is noted. The Centre will improve future procurements by crafting the procurement policies and procedures manual to guide staff in the department.

2.2. Procurement of crafts**Finding**

There were two (2) suppliers who received payments of USD50 000 each on February 13, 2025 for the supply of handicrafts stock. However, I was not availed with the supporting documentation in form of purchase invoices for these purchases. In addition, the goods received voucher (GRV number 011109-011111) from one of the suppliers, had a value of USD21 008. There was therefore, an unexplained variance of USD28 992.

Risk / Implication

Financial loss due to payments for goods not received.

Recommendation

The Centre should reconcile the value of the items received and the payments made and account for the difference.

Management response

Observation is noted. The Centre looks forward to regularise this by reconciling the payments and stocks of goods delivered. More goods have since been delivered and some cash refunded to the Centre USD7 750 and USD3 100 by the supplier who had an outstanding delivery balance of USD28 992. The balance is almost fully reconciled.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Centre did not make progress in addressing ten (10) audit findings raised in my 2024 annual report. One (1) finding was addressed, two (2) findings partially addressed and seven (7) findings were not addressed as indicated below;

3.1. Books of accounts

The finding was not addressed. Accounting system procured to assist but not yet fully operational and there was no evidence of back-up.

3.2. Cash management

The finding was partially addressed. In the current year cash collections were now banked, however, no cash books were availed for the period and evidence of acknowledgement of cash receipts on payments by beneficiaries was maintained and availed.

3.3. Opening balances

The finding was not addressed. Financial statements for 2022 to 2025 were not submitted for audit to validate opening balances.

3.4. Tax computations

The finding was not addressed. Financial statements were not prepared and tax disclosures could not be ascertained.

3.5. Presentation of financial statements

The finding was not addressed. Financial statements were not prepared from 2022 to 2025 and value of ordinary shares could not be ascertained.

3.6. Board appointments

The finding was addressed. Board was appointed in September 2024.

3.7. Submission of financial statements

The finding was not addressed. The Centre did not submit 2009 to 2018 and 2022 to 2025 financial statements.

3.8. Segregation of duties

The finding was not addressed. Key personnel recruitment in progress, General Manager interviews held awaiting appointment. However, other key posts that include Finance and Administration Manager, Sales and Marketing Manager were still vacant as at March 31, 2025.

3.9. Pension scheme

The finding was partially addressed. The Centre is registered with NSSA however, it was not remitting NSSA contributions during the period.

3.10. Asset register

The finding was not addressed. Financial statements for 2022 to 2025 were not submitted for audit and completeness of the asset register on financial statements disclosures could not be ascertained.

Background Information

National Handling Services Close Corporation was incorporated in terms of the Close Corporations Act, 1988 (Namibia). The Corporation provides handling of cargo and all related business and trading activities. The Company is a subsidiary of National Handling Services (Private) Limited.

I have audited the financial statements of National Handling Services Close Corporation for the years ended December 31, 2024 and 2025. I issued an unmodified / clean opinion with a report on going concern for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Handling Services Close Corporation as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Corporation had accumulated losses of N\$16 million (2023: N\$19 million). In addition, the total liabilities of the Corporation exceeded its total assets by N\$16.4 million (2023: N\$19.8 million). These conditions indicate that a material uncertainty exists that may cast significant doubt on the Corporation's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Handling Services Close Corporation as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Corporation had accumulated losses of N\$9 million (2024: N\$16 million) as at December 31, 2025. In addition, the total liabilities of the Corporation exceeded its total assets by N\$9.03 million (2024: N\$16.4 million). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Corporation's ability to continue operating as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. EMPLOYMENT ISSUE

1.1. Employee benefits

Finding

Motor vehicle benefit and educational assistance benefits provided to an employee were not being processed through the payroll hence were not subject to tax. This was contrary to section 14 (1) (5) of the Namibian Income Tax Act 24 of 1981 which requires all benefits to be included in the taxable income of an employee.

Risk / Implication

Financial loss due to penalties which may be levied.

Recommendation

The Close Corporation should subject employee benefits to tax in line with the Namibian Income Tax Act 24 of 1981.

Management response

Observation is noted. The benefits were not initially subjected to PAYE as inclusion would have significantly reduced the employee's net remuneration. Management has since reassessed the treatment and confirms that, going forward starting March 2026, all applicable fringe benefits will be correctly identified, valued and included in taxable income in accordance with the Namibian Income Tax Act 24 of 1981. The company has adopted a gross-up approach for all employees, whereby the associated tax liability will be borne by the employer to ensure full compliance with PAYE requirements while maintaining agreed net remuneration levels.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Close Corporation addressed the two (2) audit findings raised in my 2024 annual report as indicated below;

2.1. Submissions of returns

The finding was addressed. The Close Corporation is now submitting all tax returns timeously.

2.2. Storage fees records

The finding was addressed. New measures and controls were implemented in the record keeping system, not only storage fees but for all handling services offered by the entity.

Background Information

National Oil Infrastructure Company of Zimbabwe (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is in the business of pipeline transportation of petroleum products as well as storage and handling.

I have audited the consolidated financial statements of National Oil Infrastructure Company of Zimbabwe (Private) Limited for the year ended December 31, 2025. I issued an unmodified / clean opinion on both the consolidated and the Company's financial statements.

Opinion on the Consolidated financial statements

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the National Oil Infrastructure Company of Zimbabwe (Private) Limited as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the Company's financial statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Oil Infrastructure Company of Zimbabwe (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board composition

Finding

The Company had not aligned its board composition to the requirements of the Company's Board Charter. For instance, there was no gender balance on the board as it had two (2) females out of eight (8) members on the Board. This was contrary to section 13.1 of the Company's Board Charter which requires board diversity and gender balance.

Risk / Implication

Oversight role may be compromised.

Gender programs may not be effectively appraised at board level.

Recommendation

Board composition should be aligned to the Company's Board Charter.

The Company should continuously engage the appointing Authority to have the board diversity and gender considered on board appointments.

Management response

Observation has been noted. The shareholder is still seized with this issue.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company addressed all the four (4) audit findings raised in my 2023 and 2024 annual reports as indicated below;

2.1. Salary advances

The finding was addressed. The salary advance policy was approved by the Board in 2025.

2.2. Withholding tax on board fees

The finding was addressed. The outstanding withholding tax on board fees were paid in 2025 and all the withholding taxes withheld were remitted to ZIMRA.

2.3. Casual employees

The finding was addressed. The casual employees were registered on the NSSA e-portal.

2.4. Board expenses

The finding was addressed. In 2025, the resolution was submitted to Corporate Governance Unit.

Background Information

National Pharmaceutical Company was established in terms of the Government Medical Stores (Commercialisation) Act No. 13 of 2000 to procure, store and distribute medicines and medical supplies for use in all state-run hospitals, clinics, pharmacies and any other medical institutions.

I have audited the financial statements of the National Pharmaceutical Company (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Pharmaceutical Company (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Inventory management

Finding

The Company's internal controls over inventory management were not adequate. For instance, inventory was not subjected to a systematic expiry monitoring as there were no documented processes to identify and monitor inventory expiry dates. As a result, expired medicines amounting to USD3.1 million were written off at year end.

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should design and implement controls over inventory management.

Management response

Observation is noted. The issues raised reflect gaps in documentation, control enforcement, and system integration. A formal Standard Operating Procedures for inventory expiry monitoring will be implemented by April 30, 2026.

1.2. Fringe benefits

Finding

Fringe benefits were not being processed through the payroll hence were not subject to tax. For instance, assets sold to employees below market value which resulted in taxable benefits amounting to USD15 652 were not taxed. In addition, interest-free staff loans were issued, giving rise to deemed interest benefits which were not included in the employees' taxable income. This was contrary to section 8 (1) f of the Income Tax Act [Chapter 23:06] which require all employee benefits to be included in gross income for taxation purposes.

Risk / Implication

Financial loss due to penalties that may be levied.

Recommendation

Management should tax all fringe benefits in terms of the Income Tax Act [Chapter 23:06].

Management response

The Company will calculate the tax due from employees, and this will be recovered through the payroll over the remaining period of the loans and in full for those with no outstanding balances on the loans. The tax on fringe benefits will also be calculated and submitted to ZIMRA. The Company will deduct the advance salary in full on the immediate pay sheet after the advance. The advance application form will be amended to indicate that advances shall be deducted in full on the upcoming payroll date. A quarterly tax compliance review process will be introduced to ensure ongoing compliance. The planned implementation of the HR and Payroll module will automate fringe benefit calculations and improve integration across functions.

1.3. Board appointment

Finding

The Company experienced delays in the appointment or renewal of Board members by the Parent Ministry. As a result, the Company did not have a Board for the period September to December 2025. This was contrary to section 11 of the Public Entities Corporate Governance Act [Chapter 10:31] which requires the vacancies of the Board to be filled within 90 days.

Risk / Implication

Oversight role may be compromised.

Recommendation

The Company should continuously engage the appointing authority to appoint Board members.

Management response

Observation is noted. The absence of the Board arose from delays in the reappointment process by the appointing authority. Management further notes that a request for timely Board reappointment was submitted prior to expiry of the Board's tenure.

2. EMPLOYMENT ISSUES

2.1. Key vacant posts

Finding

The Company had several long outstanding vacancies in critical positions in procurement, finance, ICT, sales, and human resources during the period under review. Some posts had remained vacant since 2020, including ICT Manager and Procurement Officer.

Risk / Implication

Service delivery maybe compromised.

Recommendation

The Company should fill the key vacant posts.

Management response

Observation is noted. Critical posts particularly ICT Manager currently has a running advert due to close on April 10, 2026 whilst other posts will be filled after the completion of the job evaluation by mid-year following the adoption of the 2026-2030 Strategy Plan. A human capital plan aligned to the Strategic Plan 2026–2030 will be developed after the job evaluation exercise.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2023 and 2024 annual report. I raised two (2) audit findings in my 2024 annual report and followed up on two (2) outstanding audit findings in my 2023 annual report. One (1) finding was addressed, two (2) were partially addressed, and one (1) was not addressed as indicated below;

3.1. Statutory obligations

The finding was addressed. The Company was able to settle its obligations in 2025.

3.2. Inventory variances

The finding was not addressed. The inventory adjustment account reflected a cumulative balance of ZWG3.1 million from the previous years.

3.3. Standard operating procedures manual

The finding was partially addressed. The Governance Policy and its associated manual were still being reviewed.

3.4. Recovery of Company assets / loans

The finding was partially addressed. The Company had not fully recovered assets from former employees in 2025.

Background Information

Petrotrade (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. Its core business is importation, distribution and retail of petroleum products in Zimbabwe.

I have audited the financial statements of Petrotrade (Private) Limited for the year ended December 31, 2024 and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Petrotrade (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Petrotrade as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board composition

Finding

The skills mix and diversity was not considered on the Board composition of the Company. For instance, the Board comprised five (5) members with finance and accounting background and two (2) members with legal and psychology background. However, other skills which includes information and technology and engineering had not been considered despite the nature of the Company's operations and its automation strategies. This was contrary to Companies and Other Business Act [*Chapter 24:31*] section 220(4) which requires diversity in governance structures.

Risk / Implication

Oversight role may be compromised.

Recommendation

Management should engage the appointing Authority.

Management response

Observation is noted, , all Board matters are the shareholder's responsibility and under its sole purview.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2018 and 2024 annual reports. I raised five (5) audit findings in my 2024 annual report and followed up on one (1) finding outstanding from my 2018 annual report. Three (3) findings were addressed, one (1) finding was partially addressed, and two (2) findings were not addressed as indicated below;

2.1. Valuation of defined benefit asset

The finding was addressed. The defined benefit asset was valued in line with IFRS 13 – “Fair Value Measurement” in 2025.

2.2. Internal audit

The finding was addressed. In the current year, the Board was in place and the internal audit plan was approved.

2.3. Bank reconciliations

The finding was not addressed. The Standard Operating Procedures were not updated to include guidance on clearance of long outstanding reconciling items.

2.4. Coupon redemption gadgets

The finding was addressed. Coupon redemption gadgets are now in place for service stations.

2.5. Asset replacement and maintenance plan

The finding was partially addressed. The Company still has malfunctioning and old pumps.

2.6. Ownership of property

The finding was not addressed. The ownership of this property has not yet been regularised in 2025.

Background Information

The Company was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. It owns and operates the 208-kilometre multi-product fuel pipeline between Feruka and Harare.

I have audited the financial statements of Petrozim Line (Private) Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Petrozim Line (Private) Limited as at December 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Withholding tax

Finding

The Company did not remit withholding tax on monthly fuel allowances granted to Board members within the statutory deadline. Withholding tax on fuel allowances was only remitted at the end of each quarter together with Board retainers and sitting allowances. This was contrary to section 2 (1) of the 33rd Schedule of the Income Tax Act [*Chapter 23:06*] which requires all withholding tax to be remitted on or before the 10th of the following month.

Risk / Implication

Financial loss due to penalties and interests.

Recommendation

The Company should remit tax on all Board benefits on time in accordance with the Income Tax Act [*Chapter 23:06*].

Management response

The Company has been deducting withholding tax on the fuel given to board members when retainer and sitting allowances are processed for payment quarterly. In line with Section 2(1) of the 33rd Schedule to the Income Tax Act [*Chapter 23:06*], remittance is made to ZIMRA by the 10th of the month following the date of deduction each quarter.

The Company is reconsidering how fuel for Board activities will be issued. Henceforth, Management will ensure that withholding tax for the fuel is remitted on or before the 10th of the following month.

2. EMPLOYMENT ISSUES

2.1. Gratuity

Finding

The Company's controls over computation and review of employee benefits were not effective. As a result, the Company paid gratuity amounting to USD23 779 to an employee instead of USD16 049 resulting in an over payment of USD7 731. This was contrary to section 1.5 of Gratuity Policy which requires gratuity to be calculated at the rate of 5% of the annual gross salary multiplied by the number of years in service.

Risk / Implication

Financial loss due to over payment of gratuity.

Recommendation

The Company should recover the over payment.

Management response

The observation is noted. An error occurred while computing the gratuity payment for a deceased employee, which is split into ZWG and USD components. The ZWG portion was correctly calculated and paid out. However, the USD component was incorrectly computed after the formula on the MS Excel worksheet extracted an unintended value, resulting in an overstated gross gratuity payment of USD23 779 instead of USD16 049 leading to a gross overpayment of USD7 731. The amount has been recognized under sundry debtors in the books of accounts pending recovery.

Management has engaged the payroll system vendor. The vendor is to develop and automate the gratuity calculation process to eliminate errors arising from manual computations.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing outstanding audit findings raised in my 2021 and 2023 annual reports. There were three (3) outstanding audit findings, two (2) findings were addressed and one (1) was partially addressed as indicated below;

3.1. Internal control assessment over preparation of financial statements

The finding was addressed. The internal audit coverage for all planned areas was done during the year ended December 31, 2025.

3.2. Board of inquiry for accident damaged vehicles

The finding was addressed. Board of inquiries for 2024 and 2025 incidents were conducted.

3.3. Prepayments to suppliers

This finding was partially addressed. The Company was still following up with the supplier for delivery.

Background Information

Powertel Communications (Private) Limited was established in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The core business of the Company is to provide Information and Communication Technology (ICT) connectivity services.

I have audited the financial statements of Powertel Communications (Private) Limited for the years ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025 with a report on going concern for both years.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Powertel Communications (Private) Limited as at December 31, 2024, and financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”

The property, plant and equipment valuations were determined in United States Dollars (USD) and then translated to Zimbabwe Gold (ZWG) using interbank rate as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirements of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of the adjustments that were necessary.

Report on going concern

I draw your attention to the fact that the Company incurred a loss of ZWG 151.8 million for the year ended December 31, 2024 (2023: ZWG 140.7 million), and as at that date, the Company’s current liabilities exceeded its current assets by ZWG 180.7 million (2023: ZWG 263 million). These conditions indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. My opinion was not modified in respect of this matter.

Opinion 2025

In my opinion the financial statements present fairly, in all material respects, the financial position of Powertel Communications (Private) Limited for the year ended December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a loss before tax of ZWG280.8 million for the year ended December 31, 2025, and as at that date, the Company's current liabilities exceeded its current assets by ZWG 517.5 million (2024: ZWG 207.9 million). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of the resident shareholders tax on fees

Finding

The Company did not avail evidence that the resident shareholders' tax return was submitted, and payment made together with the final income tax return for the tax year 2023. The Company accrued management fees in the previous year (2023). In computing the 2023 tax computation a portion of ZWL\$ 1.04 billion was disallowed as excess management fees. Section 16(1)(r) of the Income Tax Act [Chapter 23:06] limits deductible management fees payable between related parties to 1% of allowable deductions. In addition, section 28 of the Income Tax Act [Chapter 23:06] deems excess management fees in relation to a local company to be dividend payment and thus subject to 15% Resident Shareholders' Tax.

Risk / Implication

Financial loss due to penalties and fines from ZIMRA.

Recommendation

Management should submit tax returns on time.

Management response

The withholding tax declaration for the 2023 Financial year Resident Shareholders Withholding Tax has been completed. The 2024 Tax computation shall take into consideration the recommendation, and the disallowed Management Fees portion shall be accurately treated. The resultant tax obligation from the final Tax Computation shall be settled in Quarter 4 of 2025.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) findings in the 2024 annual report and I followed up on three (3) findings outstanding in my 2023 annual report. Three (3) findings were addressed while one (1) was partially addressed and the other finding was not addressed as indicated below;

2.1. Lease agreement

The finding was addressed. The Company now has updated lease agreements in place.

2.2. Fiscal tax invoice

The finding was addressed. All suppliers engaged by the Company during the year were VAT compliant.

2.3. Valuation of property, plant and equipment

The finding was addressed. Revaluation of property, plant and equipment was conducted in 2025 which addressed the requirements of IFRS 13 – “Fair Value Measurement”.

2.4. Sustainability of services

The finding was not addressed. The Company still has a net current liability position and a report on going concern has been issued.

2.5. Data revenue usage reports

The finding was partially addressed. The new system is now at data migration stage and will undergo a test run in 2026.

Background Information

TelOne (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] pursuant to the Postal and Telecommunications Act [*Chapter 12:05*]. The Company is a fixed mobile convergence entity whose main business is the provision of telecommunication services and products.

I have audited the financial statements of TelOne (Private) Limited for the years ended December 31, 2024, and 2025. I issued an unmodified / clean opinion for both years with a report on going concern for 2024.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of TelOne (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company did not service overdue long term legacy loans of ZWG10.04 billion during the year ended December 31, 2024. In addition, the Company's current liabilities exceeded its current assets by ZWG470 million as at December 31, 2024. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of TelOne (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 TelOne Centre for Learning student registration

Finding

The registration system was not automated to facilitate the integration of billing and registration. As a result, the billing of 274 students who had registered in the 2024 academic year was done in April 2025.

Risk / Implication

Material errors or omissions may not be detected on time.

Recommendation

The Company should automate its processes on student records, registration and billing.

Management response

The observation is noted. TelOne Centre for Learning is in the process of finalising the implementation of a Campus Management System which is now in the adoption stage. Integration with the accounts department is one of the key priorities that is currently being customised in order to automate the registration of students and billing process with accounts. Once finalised this is expected to resolve the billing issues. The automation process is work in progress.

1.2 Lease contract management

Finding

The Company's controls over lease management were not effective. As a result, the Company had a tenant who occupied one of its properties not paying rent since 2020. In addition, there were delays in finalising lease agreements and addendums for other tenants occupying the Company premises resulting in occupation before finalisation of lease agreements. For instance, one of the addendums was signed six months after occupation of property.

Risk / Implication

No legal recourse in case of a dispute.

Financial loss due to uncollected rental income.

Recommendation

The Company should follow up with the tenant to collect rent and enhance controls over lease management.

Management response

Observation noted. The tenant took occupation of the premises and subsequently insisted that TelOne should first carry out renovations to the building before he could commence paying rent. Several attempts were made by TelOne to have the tenant vacate the premises. However, the tenant maintained that TelOne should first carry out renovations to the building before he could commence paying rent. The matter has since been referred to our Legal Department.

Delays in signing lease agreements and addendums, may occur mainly due to requisite processes that must be followed before both parties sign, tenant-side delays, and extended negotiations on certain commercial leases. Management will ensure that lease agreements or addendums are signed timely going forward.

2. EMPLOYMENT ISSUES

2.1 Leave days management

Finding

The Company had no mechanisms to monitor its employees' leave days. As a result, The Company had ninety-one (91) employees with leave days that had reached the ceiling of ninety (90) days. The leave days no longer accrued as they were being forfeited by the Company. This was contrary to section 2.6 of the Company's leave policy which requires employees to take vacation leave regularly to ensure work life balance.

Risk / Implication

Employee morale and efficiency may be affected.

Recommendation

The Company should have an annual leave plan so that employees take their leave.

Management response

Observation noted. Management has intensified the leave plan monitoring framework to ensure that employees take annual leave.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF AUDIT RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2021, 2022 and 2024 annual reports. I raised four (4) findings in my 2024 annual report and followed up on nine (9) findings outstanding in my 2021 and 2022 annual reports. Seven (7) findings were addressed, four (4) findings were partially addressed, and two (2) findings were not addressed as indicated below;

3.1 Lease management

The finding was addressed. Rental reviews were being done.

3.2 Operating procedures manual

The finding was partially addressed. TelOne Centre For Learning is currently guided by the Finance Policy Manual in general. However, the Fees policy, Students Complaints, Grievances and Concerns Policy were approved. The Research, Innovation and Industrialization Policy is under consideration.

3.3 Payroll service level agreement

The finding was addressed. The payroll processing contract was reviewed.

3.4 Asset register

The finding was addressed. The assets were assigned identification numbers.

3.5 Foreign legacy loans

The finding was partially addressed. Engagement is continuously being done with Mutapa Investment Fund.

3.6 Copper cables

The finding was partially addressed. The Company is pursuing various funding strategies to raise capital for quick migration from copper to modern technologies. Short term loans were secured with some financial institutions.

3.7 Motor vehicles

The finding was partially addressed. Management is progressively recapitalising Transport fleet and disposing the aged fleet.

3.8 Maintenance of buildings

The finding was addressed. Sewer system was now functional, repairs and maintenance to the houses were done.

3.9 Debtors

The finding was not addressed. Debts were still outstanding and the balances owed by major market segments of government, wholesale and parastatals remained too high.

3.10 Service provision

The finding was addressed. The Company is continuously upgrading the system to fibre optic cables as per availability of resources to reduce vandalism cases.

3.11 Investment in joint arrangements

The finding was not addressed. Shareholder agreement with other partners is not yet in place.

3.12 Motor vehicle fleet

The finding was addressed. Management implemented a fleet rationalisation programme in 2025, 80 aged vehicles were disposed while 8 replacement units were acquired. Additional vehicle purchases are currently underway. As a strategy to continuously replace aged fleet, the Company also projects to procure 20 additional vehicles in 2026. Management has instituted a structured programme to dispose an average 60 aging vehicles annually.

3.13 Foreign creditors

The finding was addressed. The outstanding foreign creditors balance was cleared.

Background Information

Transmedia Corporation (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The main objective of the Corporation is to provide broadcasting signal transmission and telecommunication services.

I have audited the financial statements of Transmedia Corporation (Private) Limited for the years ended December 31, 2024 and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Transmedia Corporation (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Transmedia Corporation (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Internal audit plan

Finding

The Corporation's internal audit department did not have a formal and documented risk assessment process to inform the annual internal audit plan. As a result, there was no documented audit plan for the 2024 financial year. This was contrary to Section 80(2)(a)(i) of the Public Finance Management Act [*Chapter 22:19*] which requires the internal audit function to monitor and evaluate the adequacy and effectiveness of internal controls, financial administration and related procedures in the public entity.

Risk / Implication

Critical risk areas may not be audited.

Recommendation

The internal audit department should have a formal documented internal audit plan.

Management response

Recommendations noted for action.

1.2. Policies and procedure manual

Finding

The Company was operating without approved key policies that include procurement, revenue management, asset management, human resources, and finance policies. This was contrary to section 44 (a) (i) of the Public Finance Management Act [*Chapter 22:19*] which requires accounting authority to establish and maintain effective, efficient and transparent systems of financial and risk management and internal controls.

Risk / Implication

Inconsistent application of procedures.

Recommendation

The Company should put in place essential policy documents.

Management response

Observation is noted. An independent consultant was engaged to undertake a comprehensive review of the human resources policies, and the exercise is currently in progress. The review process includes aligning the policies to current operational and governance requirements as well as consultations with relevant stakeholders before submission to the Board for approval. Once completed, the policies will be tabled for formal approval and implementation.

1.3. Ownership of properties

Finding

I was not availed with documentation in the form of title deeds to confirm ownership of two (2) stands recognised in the financial statements as at December 31, 2025.

Risk / Implication

No legal recourse in event of a dispute.

Recommendation

The Company should regularise the ownership documentation of its properties.

Management response

Observation is noted. Management acknowledges the outstanding transfer of the first stand. The process will be concluded in due course, including settlement of the related legal and conveyancing requirements.

With respect to the second stand, the statutory classification and transfer criteria under the ZBC Commercialisation Act could not be conclusively determined due to inconsistencies in the property description within the Title Deeds. As a result, the transfer has not been effected. Notwithstanding the above, the property is currently being utilised as a medium-wave transmitter facility in line with the Company's operational mandate.

2. SERVICE DELIVERY

2.1. Radio and Television signal coverage

Finding

The national digital television coverage remained unchanged at 38% due to insufficient budget allocations to cater for coverage extension needs. As a result, segments of rural and peri-urban Zimbabwe had no access to digital television. This was contrary to the Zimbabwe Broadcasting Commercialization Act (2001) which requires the Corporation to provide television signal distribution services for broadcasters nationwide.

Risk / Implication

Information dissemination may be compromised.

Recommendation

The Corporation should enhance its revenue generation strategies.

Management response

Recommendation noted. A tender for the digitalization of ten (10) transmitters will be flighted. Additionally, the Corporation will benefit from the compulsory car radio licenses and channel the resources to increase coverage and tower maintenance.

2.2. Digitalisation

Finding

The critical strategic initiatives under the organisation's mandate were not executed as planned due to resource constraints and funding limitations. For instance, there were significant delays in the implementation of key digitalisation projects which included Digital Television Transmitters with a target of 30 installations and cyber security system.

Risk / Implication

National broadcasting and digital migration objectives may not be met.

Service delivery may be compromised.

Recommendation

Management should strengthen project implementation planning and monitoring by establishing clear timelines for outstanding digitalisation projects.

Regular engaging relevant stakeholders to secure adequate funding and support for implementation.

The Company should enhance its revenue generation strategies.

Management response

The observation is noted. The Ministry has secured a funding facility to support the digitalisation project, with implementation scheduled to commence in 2026. A tender has already been awarded to a contractor for the rollout across ten (10) sites.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation addressed all the four (4) audit findings outstanding in my 2022 and 2024 annual reports as indicated below;

3.1. Internal audit charter

The finding was addressed. The Internal audit charter has been formally approved and signed.

3.2. Lease agreements

The finding was addressed. A comprehensive review of all active lease files was conducted, and all previously unsigned agreements and missing addendums were identified and regularised.

3.3. Statutory payments

The finding was addressed. Measures have been implemented to ensure the timely remittance of statutory obligations relating to PAYE and NSSA, and that all outstanding balances were settled.

3.4. Accounting for associate

The finding was addressed. The associate, Skynet Holdings financial statements were accounted for in 2024.

Background Information

The Urban Development Corporation was established in terms of the Urban Development Corporation Act [*Chapter 29:16*]. The Corporation is mandated to spearhead harmonized and affordable housing delivery and infrastructure development.

I have audited the financial statements of the Urban Development Corporation for the years ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Urban Development Corporation as at December 31, 2024, and its financial performance and its cash flows for the year the ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 2 – “Inventories”

The Corporation did not account for development property inventory at the lower of cost or net realizable value. Instead, the Corporation translated the USD-denominated value of the inventory at year-end using the prevailing exchange rate, resulting in the recognition of an unrealized foreign exchange gain of ZWG464.8 million in profit or loss. This was contrary to the requirements of IAS 2 – “Inventories” paragraph 9 which requires inventories to be measured at the lower of cost and net realisable value. Had the inventory been measured in accordance with IAS 2 – “Inventories”, development property inventory would have been stated at ZWG105.6 million and profit for the year would have been reduced by ZWG464.8 million. As a result, assets and equity as at December 31, 2024 were overstated by the same amount.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Urban Development Corporation as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Information Technology (IT) Policy

Finding

The Corporation’s governance processes were not aligned to the Public Entities Corporate Governance Act [*Chapter 10:31*] as it did not have an Information Technology policy. This was contrary to section 289 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the board to ensure that ICT procedures, policies and practices are established and implemented.

Risk / Implication

Information technology and financial governance may be compromised.

Recommendation

The Corporation should follow up with the Board for approval of the Information Technology Policy.

Management response

Management confirms that the ICT Policy has been drafted and reviewed internally. The document is now awaiting Board approval before formal adoption and implementation.

1.2. Bank reconciliations**Finding**

The Corporation's internal controls over cash and bank management were ineffective during the year, as bank reconciliations were not prepared monthly. This was contrary to the requirements of the Accounting Policies and Procedures Manual section 11.1 which requires Bank reconciliations to be prepared and reviewed monthly.

Risk / Implication

Irregular transactions may not be detected on time.

Recommendation

Bank reconciliations should be prepared and reviewed monthly in line with the Accounting Policies and Procedures Manual.

Management response

Noted, bank reconciliations will be performed monthly.

1.3. Valuation of development property inventory**Finding**

The Corporation did not account for development property inventory at the lower of cost or net realizable value. Instead, the Corporation translated the USD-denominated value of the inventory at year-end using the prevailing exchange rate, resulting in the recognition of an unrealized foreign exchange gain of ZWG 464.8 million in profit or loss. This was contrary to the requirements of IAS 2 – "Inventories" paragraph 9 which requires inventories to be measured at the lower of cost and net realisable value. Had the inventory been measured in accordance with IAS 2 – "Inventories", development property inventory would have been stated at ZWG 105.6 million and profit for the year would have been reduced by ZWG 464.8 million.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should measure its inventory in line with the requirements of IAS 2 – “Inventories”.

Management response

Noted, will proceed according to the approved development property policy.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and followed up on four (4) findings outstanding in my 2023 annual report. Five (5) findings were addressed while the other two (2) findings were not addressed as indicated below;

2.1. Submission of financial statements

The finding was addressed. The current year financial statements were submitted on time.

2.2. Value added tax

The finding was addressed. The Corporation remitted the VAT as required under Section 28 of Value Added Tax [*Chapter 23:12*].

2.3. Debtors' reconciliations

The finding was addressed. The Corporation has been performing debtors' reconciliations monthly.

2.4. Stand sales policy

The finding was not addressed. The stand sales policy is not yet in place.

2.5. Statutory deductions

The finding was addressed. Tax obligations are now up to date.

2.6. Alignment of accounting processes to the reporting framework

The finding was not addressed. The investment property is yet to be remeasured.

2.7. Project management

The finding was addressed. The Corporation invested ZWG103.1 million towards completion of projects in the period under review.

Background Information

Willowvale Motor Industries (Private) Limited was established in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The principal activities of the Company are to manufacture and assemble motor vehicles.

I have audited the financial statements of Willowvale Motor Industries (Private) Limited for the year ended December 31, 2025, and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Willowvale Motor Industries (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a net loss of ZWG9 million during the year ended December 31, 2025. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

I followed up audit findings raised in my 2022, 2023 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made significant progress in addressing audit findings and recommendations raised in my 2022, 2023 and 2024 annual reports. I raised two (2) findings in 2024 annual report and followed up two (2) outstanding findings in my 2022 and 2023 annual reports. Three (3) findings were addressed while the other one was partially addressed as indicated below;

1.1. Unallocated deposits

The finding was addressed. The Company cleared the unallocated deposits balance.

1.2. Sustainability of operations

The finding was partially addressed. Management implemented various measures aimed at improving the sustainability of operations, including enhanced working capital management and production of buses is set to start in July 2026.

1.3. Misclassification of trade and other payables

The finding was addressed. The trade and other payables were reclassified to the correct account.

1.4. Posting errors in accounts receivable and cash control account

The finding was addressed. The posting errors identified were investigated and corrected through journal adjustments and reconciliations.

Background Information

ZESA Enterprises (Private) Limited, was incorporated in terms of the Electricity Act [*Chapter 13:19*] and the Companies and Other Business Entities Act [*Chapter 24:31*]. It is mainly involved in the manufacturing, repairing of power, distribution of transformers, line material design, construction and commissioning of high voltage substations, power lines, civil and mechanical works, provision of transport logistics, supply and distribution of high-quality hardware, domestic and industrial electrical equipment, provision of information technology and support services.

I have audited the financial statements for ZESA Enterprises (Private) Limited for the years ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025 with a report on going concern for both years.

Qualified Opinion 2024

In my opinion, except for effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of ZESA Enterprises (Private) Limited as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”

The valuation of property, plant and equipment was performed by management as at December 31, 2024. The property, plant and equipment valuations were determined in USD and then translated to ZWG using the interbank rate of the Reserve Bank of Zimbabwe as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirement of IFRS 13 - “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of the adjustments that were necessary.

Report on going concern

I draw your attention to the fact that the Company had a net current liability position of ZWG527.9 million (2022: ZWG483.9 million). These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company’s ability to continue operating as a going concern. My opinion was not modified in respect of this matter.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of ZESA Enterprises (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company had a net current liability position of ZWG1.3 billion (2024: ZWG 0.6 billion) as at December 31, 2025. In addition, the Company had an accumulated loss of ZWG1.2 billion (2024: ZWG0.7 billion) as at December 31, 2025. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Loan repayments

Finding

The Company was not servicing its foreign loan. As a result, the loan accumulated interest to the extent that the interest exceeded the principal amount.

Risk / Implication

Financial loss due to penalties and interest.

Credit rating may affect future borrowing needs.

Recommendation

The Company should enhance revenue generating strategies to enable settlement of loans.

Management response

The legacy foreign loan was advanced to the Zimbabwe Electricity Supply Authority which was governed by the Electricity Act [Chapter 13:05] and is guaranteed by the Government of Zimbabwe.

1.2. Sustainability of services

Finding

The Company was not generating sufficient revenue, the gross profit for the year under review was ZWG0.1 billion against administration and operation costs of ZWG0.7 billion. As a result, the Company continued to incur losses resulting in an accumulated loss of ZWG1.2 billion (2024: ZWG0.7 billion) as at December 31, 2025. In addition, the Company was not liquid as a result, current liabilities exceeded current assets by ZWG1.3 billion (2024: ZWG 0.6 billion) as at December 31, 2025.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should come up with a revenue generation strategy to address the cash flow challenges.

Management response

The observation is noted. Enhanced Group synergies under the re-bundled ZESA structure will be key to the turnaround of ZENT. The Company is focusing on capturing the external market to complement internal revenue. Capacitation Joint Ventures and transformer production is set to increase with increased demand as a result of national electrification targets as per the national vision agenda. The Company has a deliberate strategy to domesticate production of value chain materials that are being imported to increase product range and revenue.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing the audit findings raised in my 2024 annual report. I raised two (2) findings, one (1) was addressed while the other one was not addressed as indicated below;

2.1. Valuation of property, plant and equipment

The finding was addressed. Management revalued the property, plant and equipment.

2.2. Pension fund contributions

The finding was not addressed. The Company was not remitting statutory deductions on time.

ZIMBABWE ELECTRICITY TRANSMISSION AND DISTRIBUTION COMPANY (PRIVATE) LIMITED (ZETDC) 2024 AND 2025

Background Information

The Zimbabwe Electricity Transmission and Distribution Company (Private) Limited was established in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. Its business is the distribution and retail of electricity to final users.

I have audited the financial statements of the Zimbabwe Electricity Transmission and Distribution Company (Private) Limited for the years ended December 31, 2024, and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025 with a report on going concern.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Zimbabwe Electricity Transmission and Distribution Company (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

Opening balances

In the prior year, the Company did not comply with the requirements of IFRS 13 - “Fair Value Measurement” and the misstatements had not been corrected in line with IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”. The Company’s valuation was performed in United States dollars and then translated to Zimbabwe Gold (ZWG) using the corporate bankers rate as at December 31, 2024. The translated property, plant equipment values in ZWG could not meet the fair value requirement of IFRS 13 - “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in ZWG. Had the Company correctly applied IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors” the financial statements would be materially different.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Electricity Transmission and Distribution Company (Private) Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with the requirements of International Financial Reporting Standards (IFRSs).

Report on going concern

I draw attention to the fact that the Company incurred an operating loss before tax of ZWG10 billion for the year ended December 31, 2025 and, as at that date, the Company's current liabilities exceeded its current assets by ZWG29.9 billion. In addition, the Company defaulted on repayments of its foreign loans, which have not been rescheduled and have therefore been classified as current liabilities. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Penalties

Finding

The Company incurred avoidable expenditure amounting to ZWG 230.8 million on penalties and interest on late payments for VAT, PAYE and income tax due to cash flow challenges.

Risk / Implication

Financial loss due to penalties and interest levied.

Recommendation

The Company should enhance its revenue generation strategies.

Management response

The audit observation is acknowledged and noted. The ZWG230.8 million under 2024 fines and penalties relates to interest on late payments for VAT, PAYE and income tax due to serious cash flow challenges the Company is facing. The income tax payable alone was ZWG168 million and interest was backdated to the first quarter 2023.

2. PROCUREMENT OF GOODS AND SERVICES

2.1 Delivery of goods

Finding

The Company's due diligence processes over procurement of goods and services were not effective. As a result, the Company made advance payments amounting to ZWG6.9 million dating back to 2023 for the acquisition of switchgears. However, the switchgears were not delivered as at December 31, 2024, and remained recorded as goods in transit in the accounting system. In addition, prepayments were not cleared on time, with some prepayments dating as early as 2019.

Risk / Implication

Financial loss due to non-delivery of goods.

Service delivery may be compromised.

Recommendation

Management should follow up and recover the outstanding switchgears.

Management response

We acknowledge and note the auditor's observations and recommendations. For the switchgears, this was because of price variances between the amount as per purchase voucher and the amount as per invoices issued by the supplier, hence we could not recognise the goods in transit as inventory.

3. SERVICE DELIVERY

3.1 Delayed electricity connections

Finding

There were delays in electricity connections in one of the Company's regions for some applications that had been fully paid for due to shortage of connection materials. Some of these applications, dated back to 2016, indicating significant delays in service provision despite the applicants having paid for the connection.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should conduct a thorough review of all outstanding applications for electricity connections, prioritizing those that have been outstanding over a long period of time.

Management response

The audit observation is acknowledged and noted. Delays in connecting customers was mainly due shortage of connection materials as a result of cash flow constraints the Company has been facing for a long time. In some cases, there were delays in the setting up of the backbone infrastructure resulting in delays in connecting customers who would have paid their connection fees.

The cited customers will be investigated to locate them and establish if their sites have the backbone infrastructure and if they are still interested in being connected. The current data clean up in preparation of the implementation of the new billing system will assist to address why it has taken so long to connect them and to take appropriate action.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make progress in addressing audit findings raised in my 2020, 2022 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on five (5) findings outstanding in my 2020 and 2022 annual reports. Four (4) findings were partially addressed while three (3) findings were not addressed as indicated below;

4.1 Valuation of property, plant and equipment

The finding was not addressed. The Company did not comply with the requirements of International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” when it revalued its assets in 2024.

4.2 Asset records

The finding was not addressed. The Company had not yet updated the asset register with all the details and some assets did not have asset tags.

4.3 Allocated funds in the cash account

The finding was partially addressed. Out of a total of ZWL\$1.7 billion unknown deposits as at the end of 2022, ZWG242.3 million is now outstanding as at June 30, 2025.

4.4 Remittance of rural electrification levy

The finding was partially addressed. The rural electrification levy is now being remitted based on collections. However, the outstanding balances will be cleared when cash flows improve.

4.5 Operational vehicles

The finding was partially addressed. The Company ordered 1 152 operational vehicles and so far only 418 have been delivered as at June 30, 2025.

4.6 Fuel and electricity allowance

The finding was partially addressed. The Company investigated the cases and has engaged the Information Technology section to retrieve the data for the period in question to finalise the issue by 3rd quarter of 2025.

4.7 Statutory and other obligations

The finding was not addressed. The Company continued to have cash flow challenges. However, once the cash flows improve, statutory contributions will be paid on time.

Background Information

Zimbabwe Power Company (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and the Electricity Act [*Chapter 13:19*]. The Company's core business is the generation of electricity.

I have audited the financial statements of Zimbabwe Power Company (Private) Limited for the years ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified /clean opinion for 2025.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Zimbabwe Power Company (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”

The valuation of the property, plant and equipment was performed by management as at December 31, 2024. The revaluations were determined in USD and then translated to ZWG using the interbank rate of the Reserve Bank of Zimbabwe as at December 31, 2024. The translated ZWG balances were not in compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” as this did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of adjustments necessary.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Zimbabwe Power Company (Private) Limited as at December 31, 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Outstanding prepayments

Finding

The Company made prepayments amounting to USD 1.4 million between 2017 and 2024 for various equipment. The equipment has not yet been delivered as at December 31, 2024.

Risk / Implication

Financial loss due to non-delivery of goods.

Recommendation

The Company should ensure due diligence in its procurement processes.

Management response

Most of the companies on the list have closed. Prepayment recovery of the other supplier went through the courts and was refunded through ZPC Lawyers, but we are yet to receive the funds. Case was being handled at Head Office. Management will also consider seeking a write off authority on the prepayment balances for those companies that have closed and liquidated as recoverability has proved fruitless.

1.2 Environmental penalties

Finding

The Company had not upgraded its infrastructure to address emissions violations. As a result, the Company continued to incur fines from the environmental management regulator due to emissions violations. This was contrary to Environmental Management Act [*Chapter 20:27*], section 59 which requires entities to take reasonable measures to prevent environmental pollution.

Risk / Implication

Financial loss due to fines and penalties.

Recommendation

Upgrade of plant should be considered to address emission violations.

Management response

Some fines are unavoidable and related to our industry type hence we are not spared as a manufacturing company. This finding is perpetual. Environmental Management Agency (EMA) law was introduced in 2012 and the station was already in existence and operating hence we are obliged to be paying yearly. Modification of the plant is a process that might seem impossible.

Evaluation of management response Auditor's evaluation

I take note of management's comment. The Company should engage Environmental Management Agency on resolution of the matter.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2022, 2023 and 2024 annual report. I raised eight (8) findings in my 2024 annual report and followed up on five (5) outstanding findings from my 2022 and 2023 annual reports. Six (6) findings were addressed, three (3) findings were partially addressed and four (4) findings were not addressed as indicated below;

2.1 Submission of financial statements

The finding was not addressed. The Company submitted the financial statements on May 9, 2026.

2.2 Board evaluation

The finding was addressed. The board evaluations were conducted during the year under review.

2.3 Payables

The finding was not addressed. The cash flow challenges did not improve and long outstanding obligations were not being settled on time.

2.4 Bank reconciliations

The finding was not addressed. The bank reconciliations were not being performed on time.

2.5 Valuation of property, plant and equipment

The finding was addressed. The assets were valued by an independent valuer in 2025.

2.6 Foreign transactions

The finding was addressed. The Company complied with the provisions of IAS 21 – “The Effects of Changes Foreign Exchange Rates”

2.7 Advance payments

The finding was partially addressed. The Company has not recovered some of the long outstanding prepayments.

2.8 Electricity generation

The finding was partially addressed. The Company had a target of 3 088.713 MWh and achieved 2 787.235 MWh.

2.9 Completion of projects

The finding was partially addressed. Fourteen (14) out of twenty (20) houses for middle management were about 90% complete, the other units are about 70% complete as at December 31, 2025.

2.10 Ownership of properties

The finding was addressed. The certificates of occupation have been obtained from the Municipality of Kariba. Title deeds will be processed after completion of servicing of the residential areas.

2.11 Generators

The finding was not addressed. The station was closed and management will look for new ways to use these generators.

2.12 Insurance premiums

The finding was addressed. The Company managed to settle the outstanding premiums.

2.13 Capacity utilization

The finding was addressed. There was an improvement from 2558 MWh in 2021 to 2787.24 MWh in 2025.

PUBLIC ENTITIES UNDER THE CATEGORY OF COUNCILS

Background Information

Food and Nutrition Council was established in terms of the Research Act [*Chapter 10:22*]. The functions of the Council are to facilitate and promote a participatory and inclusive multi-sectoral response to household food insecurity and malnutrition in a professional, ethical and diligent manner.

I have audited the financial statements of Food and Nutrition Council for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Food and Nutrition Council as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Advisory committee

Finding

The Council did not have an advisory committee during the year under review. This was contrary to section 11(1) of the Council's Constitution which requires the establishment of an Advisory Committee.

Risk / Implication

Oversight role and service delivery may be compromised.

Recommendation

An Advisory Committee should be established in line with the Council's Constitution.

Management response

The observation is noted. The Council will adhere to the Constitution's provisions.

1.2 Board induction

Finding

The Council's Board appointed during the period was not inducted on the Council's affairs. This was contrary to section 182 of the First Schedule of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the Board to be inducted.

Risk / Implication

Oversight role may be compromised.

Recommendation

Induction of Board members on the Council's affairs should be considered upon appointment of the Board.

Management response

Observation is noted. The activity was scheduled for January 2026 but unfortunately Treasury issued Circular number 2 on budget Implementation and management which affected the release of funding. Upon receipt of funds from Government, priority will be given towards Board induction trainings.

1.3 Standard operating procedures manual

Finding

The Council had no approved standard operating procedures during the year under review. As a result, there was no documented guidance on procedures to be followed in performing the activities of the Council and reliance was placed on informal practices. This was contrary to section 44 of the Public Finance Management Act [*Chapter 22:19*] which requires a public entity to establish and maintain effective, efficient and transparent systems of financial, risk management and internal controls.

Risk / Implication

Inconsistencies in treatment of transactions.

Recommendation

The Council should put in place standard operating procedure manual.

Management response

Observation is noted. The Council will complete the following standard operating procedures in 2026:

- **Analysis Research Monitoring and Evaluation**
- **ZimLAC process**
- **Nutrition**
- **Multi-Sectoral Coordination**
- **Knowledge Management**
- **Finance, Human Resources and Administration.**

Background Information

Medical Rehabilitation Practitioners Council of Zimbabwe was established in terms of the Health Profession Act [*Chapter 27:19*]. The functions of the Council are to regulate, control and supervise all matters affecting the training of persons in, and the manner of the exercise of the professions and callings specified as Medical Rehabilitation Practitioners.

I have audited the financial statements of Medical Rehabilitation Practitioners Council of Zimbabwe for the years ended December 31, 2024 and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects the financial position of Medical Rehabilitation Practitioners Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Medical Rehabilitation Practitioners Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings that I raised in my 2023 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised one (1) audit finding in 2024 and followed up on one (1) in 2023. One (1) finding was addressed and one (1) was not addressed as indicated below:

1.1. Debtors' reconciliation statements

The finding was not addressed. Monthly reconciliations were not being prepared.

1.2. Vehicle registration

The finding was addressed. The vehicle was subsequently registered in the name of the Council.

Background Information

The Research Council of Zimbabwe (RCZ) was established in terms of the Research Act [Chapter 10:22] with powers relating to the, inter alia, promotion, direction, supervision and coordination of research for national development.

I have audited the financial statements of Research Council of Zimbabwe for the year ended December 31, 2024 and 2025. I issued a Qualified Opinion for 2024 and an unmodified / clean opinion for 2025.

Qualified Opinion 2024

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Research Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of Qualified Opinion

i. Non-compliance with International Financial Reporting Standard 13 - “Fair Value Measurement”

The Council disclosed property, plant and equipment valued at ZWG31.2 million obtained from an expert revaluation exercise. The values were determined in United States Dollars (USD) and translated to the Zimbabwe Gold (ZWG) using the interbank exchange rate. I was not availed with the assumptions that were considered in the determination of the fair values. The translated property, plant and equipment values in Zimbabwean Gold could not meet the fair value requirement of International Financial Reporting Standard (IFRS) 13- “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar item of property, plant and equipment in ZWG. I was therefore not able to determine the reasonableness of the values which were determined in USD and then translated to the ZWG.

ii. Foreign exchange loss

The Council’s accounting system was not configured to account for foreign exchange gains or losses and I was not availed with schedules for the realised foreign exchange loss amounting to ZWG3 million disclosed in the financial statements. I was therefore unable to satisfy myself on the accuracy of the expenditure disclosed in the financial statements.

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Research Council of Zimbabwe as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Foreign exchange movements

Finding

The Council's accounting system was not configured to account for foreign exchange gains or losses and I was not availed with schedules for the realised foreign exchange loss amounting to ZWG3 million disclosed in the financial statements. This was contrary to the Public Finance Management Act [Chapter 22:19] section 49 (1) which requires the accounting authority of a public entity to keep full records of the financial affairs of the public entity.

Risk / Implication

Misstatement of financial statements.

Recommendation

All amounts disclosed in the financial statements should be adequately supported.

The Council should configure the accounting system to account for all foreign currency transactions.

Management response

The accounting system is not programmed in a way that the system shows trail on currency valuation (foreign gain/loss) computations. Going forward, we will engage the service provider to relook into the design of their system so that we can retrieve the computations.

1.2. Submission of financial statements

Finding

The Council's financial statements for the year ended December 31, 2024, were submitted in April 2025, two (2) months after the statutory deadline due to the delays in the finalisation of the asset revaluation exercise. This was contrary to section 49 (1) c of the Public Finance Management Act [Chapter 22:19] which requires public entities to submit for audit the financial statements within sixty (60) days following the financial year end.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

Financial statements should be submitted for audit within (sixty) 60 days after the year end as required by section 49 (1) (c) of the Public Finance Management Act [Chapter 22:19].

Management response

The observation is noted. However, going forward management will ensure timely submission of financial statements within the statutory timelines.

1.3. Segregation of duties

Finding

The Council's finance department experienced staffing constraints during the period under review. As a result, there was no segregation of duties in the department. There was one (1) officer who was responsible for disbursing petty cash, holding of the keys to the safe, receipting and banking and data entry in the accounting system functions ordinarily performed by different officers.

Risk / Implication

Errors or omissions may not be detected on time.

Recommendation

The Council should recruit adequate staff and incompatible duties should be segregated.

Management response

The observation is well noted. Measures have been put in place to ensure administration department be custodians of safe keys. The finance department is currently understaffed, however this will be addressed in 2026 after the job evaluation is conducted.

2. MANAGEMENT OF ASSETS

2.1. Asset register

Finding

The Council's asset register was not updated with relevant information such as date of purchase, serial number and unique asset identification code. This was contrary to the Council's accounting and finance policy and procedures manual section 7.2.1 which requires the Council to maintain a fixed asset register which captures the description of the assets, location, cost, valuation, depreciation, serial number and net book value.

Risk / Implication

Misappropriation of assets might go undetected.

Recommendation

The Council should update the asset register with all relevant details in line with the finance manual.

Management response

The observation is noted. The Council will update all relevant missing details. Furthermore, the Council will acquire the asset module which will assist with capturing of key information such as asset location, cost, valuation, depreciation calculation and netbook values.

2.2. Valuation of property, plant and equipment

Finding

The Council disclosed property, plant and equipment valued at ZWG31.2 million obtained from an expert revaluation exercise. The values were determined in United States Dollars (USD) and translated to the Zimbabwe Gold (ZWG) using the interbank exchange rate. I was not availed with the assumptions that were considered in the determination of the fair values. The translated property, plant and equipment values in ZWG could not meet the fair value requirement of International Financial Reporting Standard (IFRS) 13- "Fair Value Measurement" as they did not reflect the assumptions that market participants would apply in valuing similar item of property, plant and equipment in ZWG.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should value its property, plant and equipment in line with IFRS 13- "Fair Value Measurement".

Management response

Going forward, we will engage the valuer to include all assumptions in the valuation process.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made progress in addressing audit findings raised in my 2024 annual report. I raised four (4) findings in my 2024 annual report and three(3) were addressed while one (1) was not addressed as indicated below;

3.1. Alignment of processes to the reporting framework

This finding was not addressed. In the current year the Council did not comply with IFRS 13 - "Fair Value Measurement" on valuation of property, plant and equipment.

3.2. Accounting for intangible assets

This finding was addressed. Pastel now correctly accounting for intangible assets.

3.3. Authorisation of payments

This finding was addressed. The substantive Chief Accountant was appointed, and all payments are now being approved.

3.4. Declaration of interests

This finding was addressed. Declaration of interests are now being done on procurement.

PUBLIC ENTITIES UNDER THE CATEGORY OF FINANCIAL INSTITUTIONS

Background Information

AFC Commercial Bank Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and is registered as a commercial bank in terms of the Zimbabwe Banking Act [*Chapter 24:20*]. The Bank's main business is provision of agricultural related loans, retail banking services, discounting bills, treasury services and provision of treasury finance.

I have audited the financial statements of AFC Commercial Bank Limited for the year ended December 31, 2025, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of AFC Commercial Bank Limited as at December 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Loan management

Finding

The Bank's internal controls over loan management processes were not effective during the period. For instance, the Bank's non-performing loan ratio stood at 9.25% as at December 31, 2025, exceeding the recommended maximum non-performing loans ratio of 5% for the banking sector.

Risk / Implication

The Bank's capital adequacy and liquidity position may be weakened.

Recommendation

Management should strengthen credit risk assessment frameworks and borrower due diligence processes.

Management should enhance loan monitoring systems to identify potential defaults earlier.

Management response

The high non-performing loan ratio was attributed mainly to a huge debt to one of our clients. The client's project has faced operational challenges.

1.2. Invoice fiscalisation

Finding

The controls over invoicing of rental income were not adequate in that the Bank was issuing rental income invoices to its fellow subsidiaries and commission invoices to customers that were not fiscalised. This was contrary to the requirements of Value Added Tax Act [Chapter 23:12] section 20 (4) which requires tax invoices to be fiscalised.

Risk / Implication

Financial loss due to avoidable fines and penalties which may be levied.

Recommendation

The Bank should comply with the fiscalisation in line with ZIMRA requirements.

Management response

This has been noted for implementation.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bank made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised one (1) audit finding in my 2024 annual report and followed up one (1) finding outstanding from my 2023 annual report. One (1) finding was addressed while the other was partially addressed as indicated below;

2.1. Penalties

The finding was addressed. The Bank has implemented an automated system to track the filing of regulatory returns.

2.2. Loan concentration risk

The finding was partially addressed. One (1) of the two (2) debtors noted in 2023 still owes a significant balance.

Background Information

The AFC Land Development Bank was incorporated in terms of Agricultural Finance Act [Chapter 18:02]. Its mandate is to provide credit and advances to individuals and organizations engaged in agriculture.

I have audited the financial statements of AFC Land and Development Bank for the year ended December 31, 2025, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of AFC Land and Development Bank as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1 GOVERNANCE ISSUE

1.1 Loan management

Finding

The Bank's internal controls over loan management processes were not effective during the period. For instance, the Bank's non-performing loan ratio stood at 12.65% as at December 31, 2025, exceeding the Bank's internal policy benchmark which requires the ratio on non-performing loans to be at most 10%.

Risk / Implication

The Bank's capital adequacy and liquidity position may be weakened.

Recommendation

Management should strengthen credit risk assessment frameworks and borrower due diligence processes.

Management should enhance loan monitoring systems to identify potential defaults earlier.

Management response

Management acknowledges the observation. However, the non-performing loan ratio was driven by climate shocks given the concentration of agricultural sector.

Background Information

EmpowerBank Limited is a deposit taking microfinance institution registered in terms of the Microfinance Act [*Chapter 24:29*]. It was established with a mandate to empower the youth entrepreneurs as well as marginalized citizens. The Bank accepts deposits and conducts lending activities across all sectors of the economy.

I have audited the financial statements of EmpowerBank Limited for the year ended December 31, 2025 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of EmpowerBank Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Bank was operating below minimum regulatory capital requirement of USD 5 million as at December 31, 2025. In addition, the Bank incurred loss of ZWG60.6 million (2024: ZWG1.4 million). These conditions indicate existence of a material uncertainty that may cast significant doubt on the Bank's ability to continue operating as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES**1.1. Reconciliation of deposit balances****Finding**

The Bank's internal controls over the preparation of returns for regulatory purpose was not effective during the period under review. For instance, there were no reconciliations performed between the balances on the returns submitted to Deposit Protection Corporation (DPC) and the balances in the banking system. As a result, variances were noted on all the monthly returns both in ZWG and USD submitted to DPC.

Risk / Implication

Penalties due to non-compliance.

Errors or omissions may go undetected.

Recommendation

Management should perform reconciliations of deposits per system to DPC returns.

Management response

Observation is noted. Management will ensure that all DPC payments are made accurately and reconciliations are performed for the affected months.

1.2. Annual returns

Finding

The Bank did not file annual returns for its Bureau de Change for the period 2023 to 2025. This was contrary to the regulator's operating guidelines on Bureau de Change which requires submission of annual returns detailing operations.

Risk / Implication

Exposure to penalties, fines, and possible deregistration by regulatory authorities.

Reputational risk arising from non-compliance with statutory requirements.

Recommendation

Management should file all outstanding annual returns for 2023, 2024, and 2025 with the relevant authorities.

Management response

Observation is noted. Annual returns for all outstanding years will be filed with the relevant authorities.

2. EMPLOYMENT ISSUES

2.1. Statutory obligations

Finding

The Bank's employees were paid salaries 60% in USD and 40% in ZWG during the period under review. However, the Bank remitted the statutory obligations deducted from its employees to the relevant authorities in ZWG. This was contrary to Section 8(b) of the Statutory Instrument 169 of 2021 and Section 4A(1) (a) of the Finance Act [*Chapter 23:04*] which requires statutory obligations to be remitted in the currency in which they were paid.

In addition, NSSA contributions were not remitted on time during the period contrary to Statutory Instrument 393 of 1993 (National Social Security Authority Pension and Other Benefits Scheme (Rates of Benefits) Notice, 1993) section 7(1) which requires contributions to be remitted by the 10th day of the following month.

Risk / Implication

Financial loss due to penalties and interest that may be levied by the regulators.

Recommendation

The Bank should remit the statutory obligations on time and in the currency in which they were paid.

Management response

This was rectified during the year. Remittances are now being done in the applicable currencies for the respective obligations. Management will ensure statutory payments are made on time.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bank partially addressed the two (2) audit findings outstanding from my 2023 and 2024 annual reports as indicated below;

3.1. Capitalisation

The finding was partially addressed. The bank engaged the shareholder, and their core capital has increased from USD610 000 to USD2.5 million. However, this is still below the minimum threshold of USD5 million prescribed by the regulator.

3.2. Loan book

The finding was partially addressed. The ratio of non-performing loans improved from 44% to 21%.

Background Information

The Infrastructure Development Bank of Zimbabwe is a development financial institution which was incorporated in terms of the Infrastructure and Development Bank of Zimbabwe Act [Chapter 24:14]. IDBZ and its subsidiaries are primarily involved in the mobilising and providing finance for infrastructure development activities and management of infrastructure development projects.

I have audited the consolidated financial statements for the Infrastructure Development Bank of Zimbabwe for the year ended December 31, 2025 and I issued an Adverse Opinion.

Adverse Opinion

In my opinion because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the consolidated financial position of Infrastructure Development Bank of Zimbabwe as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. **Non - compliance with International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies” and IAS 8 – “Accounting Policies Changes in Accounting Estimates and Errors”**

In the current and prior year, management assessed and determined the ZWG as the Group’s functional currency. The Group did not restate its financial statements in terms of the measuring unit current at the end of the reporting period. This was contrary to IAS 29 - “Financial Reporting in Hyperinflationary Economies” which requires entities operating in hyperinflationary economies to apply the provisions of the standard to reflect the changing purchasing power of the functional currency. The effect of non-compliance with IAS 29 - “Financial Reporting in Hyperinflationary Economies” could not be quantified but was considered material to the financial statements.

My opinion on the prior year financial statements was modified in respect of this matter. The misstatements had not been corrected in line with the requirements of IAS 8 – “Accounting Policies Changes in Accounting Estimates and Errors” in the financial statements for the year ended December 31, 2025.

ii. **Property development projects**

The Group instituted additional forensic investigations on selected property development projects that it funded and managed following an initial forensic investigation on one of its investee entities. At the date of this audit report, these forensic investigations were ongoing, and their results were not yet available. This could have a significant impact on these financial statements, since I was unable to obtain sufficient appropriate audit evidence regarding the nature, extent of any irregularities that may be identified by these investigations. As a result, I was unable to determine whether any adjustments to the consolidated financial statements were necessary.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Land ownership

Finding

The Bank's internal controls over management of contracts were not effective during the period. For instance, the Bank had not renewed its memorandum of agreement with relevant Authorities over a piece of land previously allocated to the Bank. In addition, the Bank could not execute its intended project as per the original agreement as part of the land was occupied by third parties who claimed to have been legally settled. As a result, I could not ascertain ownership of the land.

Risk / Implication

No legal recourse in the event of disputes.

Possible financial loss due to lack of ownership documents.

Recommendation

The bank should regularise ownership documents for land acquired.

Management response

The Bank held a meeting with the Ministry of Local Government and Public Works on June 17, 2025 where it was agreed that the parties would enter an addendum Agreement over the piece of land. To date the agreement has not been finalised.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bank did not address the audit finding outstanding in my 2024 annual report as indicated below;

2.1. Non-compliance with IAS 29 – “Financial Reporting in Hyperinflationary Economies”

The finding was not addressed. The Bank in the current year did not prepare inflation adjusted financial statements and my opinion was modified in respect of this matter.

Background Information

National Building Society Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and established in terms of the Building Societies Act [*Chapter 24:20*] of Zimbabwe. The Society is wholly owned by National Social Security Authority (NSSA). The Society was set up with the sole mandate of contributing to the National Housing Stock.

I have audited the financial statements of National Building Society, for the year ended December 31, 2025 and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Building Society Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Accounting Standard (IAS) 21 – “The Effect of Changes in Foreign Exchange Rates”

The Society recognised an unsupported functional currency translation reserve of USD866 634 in the statement of changes in equity for the year ended December 31, 2025. However, the recognition of this reserve was not in line with IAS 21 – “The Effect of Changes in Foreign Exchange Rates” which requires entities to account for a change in functional currency prospectively. As a result, I was unable to obtain sufficient appropriate audit evidence to explain the nature and basis of the reserve disclosed.

ii. Non-compliance with International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”

The opening balances of non-monetary assets that include leasehold improvements and capital work in progress, were determined by translating Zimbabwe Gold (ZWG) inflation-adjusted amounts into United States Dollars (USD) following the change in functional currency.

Management did not perform an assessment or any valuation procedures to determine whether these opening balances were stated at amounts not exceeding their recoverable amounts. In the absence of such an assessment, I was unable to obtain sufficient appropriate audit evidence regarding the appropriateness and recoverability of these opening balances. As a result, I could not determine whether any adjustments were necessary to the carrying amounts of these assets as at the beginning of the period.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Functional currency translation reserve

Finding

The Society recognised an unsupported functional currency translation reserve of USD 866 634 in the statement of changes in equity for the year ended December 31, 2025. However, the recognition of this reserve was not in line with IAS 21 – “The Effect of Changes in Foreign Exchange Rates” which requires entities to account for a change in functional currency prospectively.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Society should investigate and address the disclosure of unsupported functional currency reserve.

Management response

The observation is noted. Management is working on clearing the balance.

1.2 Opening balances

Finding

The opening balances of non-monetary assets that include leasehold improvements and capital work in progress, were determined by translating Zimbabwe Gold (ZWG) inflation-adjusted amounts into United States Dollars (USD) following the change in functional currency. Management did not perform an assessment or any valuation procedures to determine whether these opening balances were stated at amounts not exceeding their recoverable amounts.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should perform an impairment assessment to determine whether these opening balances have not exceeded their recoverable amounts.

Management response

The assets in question cannot be valued independently and at the time of the audit, supporting documentation could not be obtained.

2. PROGRESS TOWARDS ADDRESSING AND IMPLEMENTATION OF PRIOR YEAR AUDIT FINDINGS AND RECOMMEDATIONS

The Society has made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on four (4) findings in my 2023 annual report. Three (3) findings were addressed, one (1) was partially addressed and one (1) was not addressed as indicated below;

2.1. Segregation of duties

The finding was addressed. The duties of loan capturing and approval of staff loans mortgage loans were segregated following the system upgrade.

2.2. Reconciliations between banking system and accounting system

The finding was addressed. Reconciliations were being done during the period under review.

2.3. System integration

The finding was partially addressed. The Society was working on integration and the solution was being tested and is expected to be completed in 2026.

2.4. Investment property

The finding was addressed. All investment properties were fairly valued in 2025.

2.5. Due diligence on housing project

The finding was not addressed. Management will execute projects based on a value-based assessment, availability of funding and other strategic considerations.

Background Information

The People's Own Savings Bank (POSB) was established in terms of the People's Own Savings Bank of Zimbabwe Act [*Chapter 24:22*]. Its functions are to carry on the business of a savings bank, provide banking and financial services in Zimbabwe.

I have audited the financial statements of People's Own Savings Bank for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of People's Own Savings Bank as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. MANAGEMENT OF ASSETS

1.1. Maintenance of motor vehicle logbooks

Finding

The Bank's internal controls over use of pool vehicles were not being implemented. For instance, the motor vehicles logbooks in the Northern and Southern region service centers were not being completed by the driver and reviewed by the manager to confirm the trips. This was contrary to the Bank's Motor Vehicle Policy section 18.11.6, which requires the driver to record the trip, its purpose and the manager to review the logbooks.

Risk / Implication

Expenditure controls may be compromised.

Recommendation

Management should enforce implementation of the Motor Vehicle Policy.

Management response

The audit observation is noted. The omission of signatures by the Manager and staff members was an oversight at the service centres. Going forward, management will ensure that logbooks are fully and accurately completed for all trips undertaken, including the required signatures, and are subject to regular review to strengthen control and compliance. Management further notes that all trips were duly authorized by the Regional Manager prior to being undertaken, and supporting authorization evidence is maintained on file.

1.2. Board of inquiries

Finding

The Bank's controls over management of assets were not adequate. For instance, there were no board of inquiries conducted to establish the circumstances surrounding six (6) motor vehicle accidents during the period under review. This was contrary to section 18.7.4 of the Staff Handbook which requires board of inquiries to be conducted.

Risk / Implication

Financial loss due to delays on convening board of inquiries.

Recommendation

Board of inquiries should be conducted to determine circumstances surrounding motor vehicle accidents as required by the Staff Handbook.

Management response

The audit observation is noted. Boards of enquiry for the six accidents will be conducted by April 30, 2026. Furthermore, management will ensure that all accidents involving bank vehicles are subjected to a board of enquiry to determine the circumstances surrounding each incident, in accordance with the Staff Handbook.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bank addressed the audit finding I raised in my 2024 annual report as indicated below;

2.1. Termination of employee contracts

The finding was addressed. The outstanding debts were recovered from the former employees' terminal benefits.

Background Information

Zimbabwe Women's Microfinance Bank Limited is a deposit taking microfinance institution incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and established in terms of the Microfinance Act [*Chapter 24:29*]. The Bank was established to be the vehicle for the empowerment of women and to address financial inclusion challenges.

I have audited the financial statements of Zimbabwe Women's Microfinance Bank Limited for the year ended December 31, 2025, and I issued a Qualified Opinion with a report on going concern.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Women's Microfinance Bank as at December 2025, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Financial Reporting Standard (IFRS) 9 – “Financial instruments”

The Bank calculated interest on all financial assets by applying the interest rate to the gross carrying amount of the assets including assets classified as stage three (3) credit impaired. This was contrary to IFRS 9 – “Financial instruments” paragraph 5.4.1 (b) which requires the Bank to calculate interest income for credit impaired asset based on the amortized cost of a financial asset. I was unable to determine the extent of the misstatement to the interest income and the financial assets.

ii. Supporting documentation

The Bank recorded fuel expenditure amounting USD38 430 without proper supporting documents in form of invoices. As a result, I was unable to satisfy myself on the occurrence and completeness of expenditure disclosed in the financial statements.

iii. Accruing of interest in the banking system

The Bank's core banking system did not reflect interest accruals on the customers' loan statements in the system. Instead, the system was accruing interest in the background and interest was only reflected to the customer's account at an amount equal to what the customer was paying. In addition, the system did not accrue interest on loans beyond the loan's maturity date and the Bank currently accrues interest post maturity outside the banking system and this interest was then posted to the client's statement upon payment. As a result, I was unable to confirm the accuracy and completeness of interest income reported in the financial statements.

Report on going concern

I draw your attention to the fact that the Bank incurred a loss of ZWG104.43 million (2024: ZWG 122.5 million) during the year ended December 31, 2025. In addition, the Bank since inception was operating below the prescribed capital requirement set by the Regulator of USD5 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of board resolutions

Finding

The Bank did not submit its board resolutions to the parent Ministry or Regulator. This was contrary to the requirements of the Companies and Other Business Entities Act [*Chapter 24:31*] section 178 (1) which requires transmission of board resolutions to the Registrar within one month after passing of any special resolution.

Risk / Implication

Oversight role may be compromised.

Recommendation

Management should submit signed copies of resolutions to its parent Ministry and the Registrar in line with the requirements of the Companies and Other Business Entities Act [*Chapter 24:31*].

Management response

This has now been rectified. All resolutions are now being shared with relevant stakeholders including parent Ministry and the Regulator.

1.2. Board and committee minutes

Finding

The Bank's board and committee meeting minutes were not signed. In addition, there were no registers availed to the auditors for board or committee meetings conducted during the year. This was contrary to the Companies and Other Business Entities Act [*Chapter 24:31*] section 180(1) which requires a record of each meeting of members to be prepared not later than twenty (20) days after the meeting and be signed.

Risk / Implication

The authenticity and completeness of board and committee meeting minutes may be compromised.

Recommendation

A proper record of meeting minutes should be signed by the board or committee chairperson.

Management response

Observation noted. We have assigned the Personal Assistant to the Chief Executive Officer to temporarily work as Company Secretary whilst a substantive Company Secretary is being recruited to cover this gap. After this intervention, the minutes are now being signed and shared within the 7-day period.

1.3. Withholding tax on board fees

Finding

The Bank deducted withholding tax on board fees. However, the Bank did not remit the tax withheld contrary to the Income Tax Act [*Chapter 23:06*] part (2) of the thirty-third schedule paragraph 1 which requires tax withheld on non-executive director's fees to be remitted within ten (10) days from the date of payment.

Risk / Implication

Financial loss due to interests and penalties that may be levied.

Recommendation

The Bank should remit tax withheld in line with Income Tax Act [*Chapter 23:06*].

Management response

Delays in remitting withheld tax may have arisen due to timing differences between submission of returns and settlement of the assessed amounts. However, strengthening processes to ensure that both submission and settlement are done promptly to fully comply with the requirements of the Income Tax Act [*Chapter 23:06*].

1.4. Internal audit

Finding

The Bank's internal audit did not perform some of its planned audits during 2025 due to inadequate resources.

Risk / Implication

Weaknesses in the Bank's system may not be detected on time.

Recommendation

Internal Audit should perform periodic, risk-based audits to assess key controls.

Management response

The Internal Audit function did not perform the planned audits due to the absence of the required specialised resources. In the current financial year, proposals have been submitted for the acquisition of said resources. Subject to budget approval, the audit will be conducted.

1.5. Tractors memorandum of agreement

Finding

The Bank entered into an agreement with the Ministry of Finance, Economic Development and Investment Promotion to acquire tractors under a credit facility repayable over a period of three years. However, the Bank subsequently provided financing to farmers under five-year loan arrangements. This created a mismatch between the Bank's repayment obligations to the Ministry of Finance and the cash inflows expected from the arrangements with farmers. As a result, the Bank was exposed to liquidity risk and potential financial loss arising from cash flow gaps. No alternative funding arrangements were put in place to bridge the mismatch or mitigate the liquidity risk arising from this structure.

In addition, the Bank agreed with the Ministry of Finance, Economic Development and Investment Promotion to access credit to lease tractors. However, the Bank accessed credit and acquired tractors and sold the tractors and this arrangement was not regularised with the Ministry Finance, Economic Development and Investment Promotion.

Risk / Implication

Liquidity position may be compromised.

Expectation gaps may be created by misalignments.

Recommendation

The Bank should align the repayment period against the credit period.

The Bank should regularise the terms of the credit facility memorandum.

Management response

The Bank acknowledges the observation and will engage the Ministry of Agriculture an effort to align the cash flows. The position which was taken by the Bank was purely to capacitate the marginalised who found it difficult to meet the 3-year repayment requirement. The Bank will immediately engage the Ministry for alignment.

1.6. Fuel management policy

Finding

The Bank's fuel management policy did not have clear separation of responsibilities between purchasing, receiving, custody and issuance of fuel coupons. As a result, there was no segregation of duties as one Officer was performing all these duties. This was contrary to section 45(a) of the Public Finance Management Act [*Chapter 22:19*] which requires the Bank to establish strong system of financial management and internal controls.

In addition, the motor vehicle logbooks were not being properly maintained. For instance, some journeys and fuel issued were not recorded in the logbooks. This was contrary to the Bank's HR Policy section 16 which requires logbooks to record information pertaining to mileage, purpose, nature of travel.

Risk / Implication

Errors or fraudulent activities may not be detected in time.

Recommendation

Management should separate the incompatible roles and responsibilities of buying, receipt, custody and issuing of fuel.

The Bank should adhere to the requirements of its policy to prevent financial loss.

Management response

Management acknowledges the segregation of duties weakness highlighted by audit. During 2025, the Bank utilized interns supervised by the Finance Department to create a temporary separation between procurement and the functions of receipt, custody, and issuing. However, with the departure of the intern, these administrative functions have since reverted to the Procurement unit, leaving the Bank without the intended compensating controls.

To address this permanently, the Bank is actively recruiting for a Finance Admin Manager. This role is designed to provide a sustainable, long-term solution by formally establishing the independent oversight and segregation of duties required under section 45(a) of the Public Finance Management Act [Chapter 22:19].

The Bank has, effective April 14, 2026, implemented controls around the management of pool vehicles. Completion of all fields will be enforced accordingly.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Interest on credit impaired assets

Finding

The Bank calculated interest on credit impaired assets on the gross carrying amount of the assets. This was contrary to International Financial Reporting Standard (IFRS) 9 – “Financial Instruments” paragraph 5.4.1 (b) which requires the Bank to calculate interest income on impaired assets using the amortized cost of a financial asset.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should calculate interest income on credit impaired assets using the amortized cost of the asset.

Management response

This is being addressed through loan products’ configuration and automation currently underway.

2.2. Banking system

Finding

The Bank's banking system does not reflect interest accruals on the customers' statements in the system. The system only shows total interest paid for that period and does not accrue interest on outstanding loans beyond the loan's maturity date. As a result, the Bank accrued interest post maturity outside the banking system and this interest was then posted to the client's statement upon payment.

Risk / Implication

Misstatement of financial statements.

Recommendation

Interest should be charged on outstanding loan balances.

Management response

Observation noted. This is because of system deficiencies which will be addressed through replacement of the current core banking system with a new one that allows for the calculation of interest until full payment of the loan. The bank is currently in the process of procuring a new system.

3. PROCUREMENT OF GOODS AND SERVICES

3.1. Motor vehicle repairs

Finding

The Bank engaged a service provider to carry out panel beating and repair works for two (2) motor vehicles. However, there was no report on the occurrence of the damage. This was contrary to the Bank's Human Resources Policy section 14(a) which requires an employee to report any damage to the vehicle within 24 hours of occurrence to the Administration Team.

Risk / Implication

Financial loss due to negligence of an employee.

Recommendation

The Bank should adhere to the requirements of its policy to prevent financial loss.

Management response

Observation noted. The matter regarding the reported damage is currently under active consideration. The respective staff member has been formally written to, seeking clarification on the circumstances surrounding the incident. Urgent repairs were instituted at the time as the vehicles were issued as condition-of-service transport, and operational continuity required their immediate return to roadworthy status.

The Bank remains seized of the matter and is concluding its internal review in line with policy. With these steps undergone, we are confident that due process is being followed and appropriate controls reinforced.

4. EMPLOYMENTS ISSUES

4.1. Disciplinary procedures

Finding

The Bank did not have its own policy to guide staff on how to handle disciplinary issues. As a result, there was no evidence that the Bank instituted disciplinary action against a staff member who initiated and approved payments for personal benefit on three (3) separate occasions.

Risk / Implication

Financial loss due to fraud.

Recommendation

The Bank should update its policies to include guidance on handling disciplinary issues.

Management should investigate and recover the funds.

Management response

The Bank currently relies on the National Code of Conduct (SI 15 of 2006) to guide the handling of disciplinary matters. In this case, disciplinary proceedings could not be initiated as the employee was undergoing a contract renewal process, and the individual resigned before the disciplinary process could formally commence. Going forward, Management commits to strengthening internal controls and ensuring that disciplinary and criminal matters are handled promptly and consistently, regardless of employment status or contract renewal timelines. The Bank will also enhance internal procedures to ensure that all suspected fraud cases are reviewed immediately and appropriately escalated, including reporting to law enforcement agencies where criminal activity is identified.

4.2. Management of employee contracts

Finding

The Bank's internal controls over management of employee contracts and payment of salaries were not effective during the period. For instance, the Bank had an employee whose contract expired on October 31, 2025 but continued reporting to work from November 2025 to January 2026 without a valid contract.

Risk / Implication

Irregular payments may go undetected.

Recommendation

Controls over management of employee contracts and payment of salaries should be enforced.

Management response

Management acknowledges the audit finding. To prevent recurrence, the Bank will strengthen controls governing contract management and payroll processing. Specifically, employees whose contracts have expired will not be permitted to continue reporting for duty until their contracts have been formally renewed and approved.

4.3. Payment of cushion allowances

Finding

The Bank was paying employees' cushion allowances in United States Dollars (USD). However, the allowances were processed through payroll in Zimbabwe Gold (ZWG) resulting in PAYE being paid in ZWG instead of the currency in which it was administered (USD). This was contrary to Finance Act of 2024 [*Chapter 23:04*] section 4(a) which requires salaries and allowances to be taxed in the currency in which they were paid.

Risk / Implication

Penalties may be levied due to non-compliance.

Recommendation

The Bank must comply with ZIMRA circular requirements on currency reporting and remuneration declarations.

Management response

The USD cushioning allowance was subjected to tax in line with all other taxable earnings. However, the allowance was initially taxed in local currency (ZIG) on the payroll system, rather than in the currency in which it was administered. This treatment has since been identified as incorrect. The issue has now been fully rectified. All earnings whether in USD or ZIG are currently being taxed in the respective currency in which they are paid, in accordance with policy requirements and applicable tax legislation. Furthermore, the Bank is in the process of engaging ZIMRA to regularize and reconcile any tax obligations arising from prior years to ensure full compliance.

5. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bank made some progress in addressing audit findings raised in my 2021, 2022, 2023 and 2024 annual reports. I raised three (3) audit findings in my 2024 annual report and followed up on six (6) audit findings outstanding from my 2021, 2022 and 2023 annual reports. Three (3) findings were addressed, two (2) findings were partially addressed whilst the four (4) findings were not addressed as indicated below;

5.1. Internal Audit

The finding was addressed. A substantive Head Internal Auditor and two supporting staff were recruited in 2025.

5.2. Procurement Management Unit

The finding was partially addressed. The Bank transferred some of the procurement and administrative responsibilities to the finance department and a substantive finance manager to perform these duties is being recruited.

5.3. Employee benefits

The finding was not addressed. Acting allowances for the staff member were still being processed outside payroll during the period under review.

5.4. Submission of Internal audit reports

The finding was addressed. The Bank submitted the internal audit reports to audit during the period under review.

5.5. Sustainability of operations

The finding was not addressed. Management is seized with the matter and is currently implementing turnaround strategies.

5.6. Board of inquiries

The finding was partially addressed. The draft policy on administration of board of enquiries now awaits board approval.

5.7. Terminated employee contracts

The finding was addressed. The Bank recovered the outstanding loan balances from the remaining three (3) ex-employees.

5.8. Capitalisation of the bank

The finding was not addressed. Although the shareholder made an additional capital injection the Bank is still under capitalized.

5.9. Lending strategy/ Castor bean loans

The finding was not addressed. There was no recovery in 2025.

PUBLIC ENTITIES UNDER THE CATEGORY OF FUNDS

INVESTOR PROTECTION FUND (IPF) 2024 AND 2025

Background Information

The Investor Protection Fund was established in terms of the Securities Act [*Chapter 24:25*], with the objective of compensating protected investors from losses suffered as a result of malpractice on the part of a contributor or in the event of a contributor becoming insolvent.

I have audited the financial statements of the Investor Protection Fund for the years ended December 31, 2024 and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

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

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Investor Protection Fund as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on the audit finding raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Fund addressed the audit finding that I raised in my 2024 annual report as indicated below;

1.1. Investor protection levy

The finding was addressed. The current administrator invoices levies on accrual basis, in addition, effective December 2025 all levies were being deducted at source.

PUBLIC ENTITIES UNDER THE CATEGORY OF UNIVERSITIES AND TERTIARY INSTITUTIONS

Background Information

Zimbabwe Open University was established in terms of the Zimbabwe Open University Act [Chapter 25:20]. The University's mandate is to provide higher and tertiary education through open and distance learning.

I have audited the financial statements of the Zimbabwe Open University for the years ended December 31, 2024 and 2025. I issued an unmodified / clean opinion for both years.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Open University for the year ended December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion 2025

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Open University as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit;

1. MANAGEMENT OF ASSETS

1.1. Disposal of assets

Finding

The University had motor vehicles listed on the asset register that were fully depreciated and were no longer in use. Despite their non-operational status, these vehicles had not yet been disposed of at year end. This was contrary to the Public Procurement and Disposal of Public Assets Act [Chapter 22:23], section 90 which requires the disposal of assets that are unserviceable or obsolete.

Risk / Implication

Loss of potential revenue from sale of non-operational vehicles.

Recommendation

Management should initiate the disposal process for all fully depreciated and non-functional vehicles in line with the Public Procurement and Disposal of Public Assets Act [Chapter 22:23].

Management response

The relevant committee shall be convened through the Procurement Management Unit for the facilitation of the disposal process to cater for the fully depreciated and non-functional motor vehicles.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University addressed the audit finding raised in my 2024 annual report as indicated below;

2.1. Segregation of duties

The finding was addressed. There is now segregation of duties within the finance department.

PUBLIC ENTITIES UNDER THE CATEGORY OF OTHER

Background Information

The Scientific Industrial Research and Development Centre was established in terms of the Research Act [*Chapter 10:22*]. The main activity of the Centre is to promote and enhance scientific and technological research capability through co-operative scientific activities in Zimbabwe.

I have audited the financial statements of Scientific Industrial Research and Development Centre for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Scientific Industrial Research and Development Centre as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on audit findings raised in my 2022 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Centre made progress in addressing the audit findings raised in my 2022 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on one (1) finding which was raised in my 2022 annual report. One (1) finding was addressed while the other finding was partially addressed as indicated below;

1.1. Procurement of incubator

The finding was addressed. The carbon dioxide incubator was delivered in July 2025.

1.2. Delivery of goods and services

The finding was partially addressed. All laptops were delivered however four (4) desktops had not been delivered.

TECHNOLOGICAL AND COMMERCIAL INFORMATION PROMOTION SYSTEM (TIPS) 2025

Background Information

Technological and Commercial Information Promotion System was established in terms of the Research Act [*Chapter 10:22*]. The entity's main activity is to offer research and capacity development for Micro, Small to Medium Enterprises (MSMEs), agribusiness support and career guidance.

I have audited the financial statements of Technological and Commercial Information Promotion System for the year ended December 31, 2025 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Technological and Commercial Information Promotion System as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUE

1.1. Monitoring of internal controls

Finding

Technological and Commercial Information Promotion System's operations were not subjected to internal audit review during the year. This was contrary to Public Entities Corporate Governance Act [*Chapter 10:31*] section 223 of the first schedule which requires internal audit arrangements to be put in place.

Risk / Implication

Errors and omission may not be detected on time.

Recommendation

The entity's operations should be subjected to internal audit review in line with section 223 of the first schedule of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

Management acknowledges the observation regarding the omission of the Technological and Commercial Information Promotion System from the 2025 Parent Internal Audit Plan. In future, TIPS will be included in the audit plan.

SECTION B - ARREAR ACCOUNTS

PUBLIC ENTITIES UNDER THE CATEGORY OF AUTHORITIES AND AGENCIES

Background Information

The Agricultural and Rural Development Authority was established in terms of Agricultural and Rural Development Authority Act [*Chapter 18:01*]. The Authority is responsible for promoting development through implementation of vibrant schemes in the agricultural sector with a view to reduce poverty especially in rural areas.

I have audited the consolidated financial statements of Agricultural and Rural Development Authority for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Agricultural and Rural Development Authority as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Statutory obligations

Finding

The Authority was not generating enough revenue to finance its operations. As a result, the Authority was not remitting PAYE, VAT and NSSA deductions on time. This was contrary to the 13th schedule paragraph 3 of the Income Tax Act [*Chapter 23:06*] which requires PAYE to be remitted on or before the 10th of the following month after deduction.

Risk / Implication

Financial losses due to penalties and interests that may be levied.

Recommendation

The Authority should remit the NSSA, VAT and PAYE payments in line with the statutory deadlines.

The Authority should come up with a revenue generation strategies to address the cash flow challenges.

Management response

Observation is noted. However, delays in remittance were primarily attributable to cash flow pressures inherent in the agricultural sector in which the Authority operates., which follows six-month production and marketing cycles.

As a result, cash inflows are largely realised post-harvest, while statutory obligations are continuous throughout the year, creating timing mismatches between revenue receipt and payment deadlines.

Management is engaging relevant authorities to regularise outstanding balances and will prioritise settlement as inflows are realised. Measures are also being considered to strengthen cash flow forecasting and improve alignment between seasonal revenues and statutory compliance going forward.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority addressed the audit finding outstanding in my 2024 annual report as indicated below;

2.1. Record keeping

The finding was addressed. The comprehensive record keeping system was put in place.

Background Information

The Agricultural Marketing Authority was established in terms of the Agricultural Marketing Authority Act [Chapter 18:24], with the objective of regulation of the production, marketing and processing of agricultural products in Zimbabwe.

I have audited the financial statements of the Agricultural Marketing Authority for the year ended December 31, 2024. I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Agricultural Marketing Authority as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

Non-compliance with International Public Sector Accounting Standard (IPSAS) 45 - "Property, Plant and Equipment", Public Sector Accounting Standard (IPSAS) 10 - "Financial Reporting in Hyperinflationary Economies" and International Public Sector Accounting Standard (IPSAS) 3 - "Accounting Policies, Changes in Accounting Estimates and Errors."

Opening balances

The prior year financial statements were modified due to non-compliance with IPSAS 45 - "Property, Plant and Equipment" on valuation of property, plant and equipment amounting to ZWG 37.3 million. The Authority adjusted land and buildings using the market values however, the other items of property, plant and equipment were adjusted using the gross replacement values. This was contrary to the requirements of IPSAS 45- "Property, Plant and Equipment" paragraph 27 and IPSAS 46- "Measurement" paragraph 17 which requires assets to be subsequently measured at current value. The Authority had not corrected this misstatement in the current year in line with the requirements of IPSAS 3 - "Accounting Policies, Change in Accounting Estimates and Errors".

Inflation adjusted amounts in terms of IPSAS 10 - "Financial Reporting in Hyperinflationary Economies" were determined basing on misstated historical property, plant and equipment balance, consequently, corresponding amounts for property and equipment on the inflation adjusted Statement of Financial Performance, the inflation adjusted Statement of Financial Position, the inflation adjusted Statement of Changes in Net Assets, and the inflation adjusted Statement of Cash Flows remain misstated. The effects of the misstatements have not been quantified.

I followed up on my audit findings raised in my 2023 and 2024 annual reports and below is the status.

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority made significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) audit findings in my 2024 annual report and followed up on two (2) findings outstanding in my 2023 annual report. Two (2) findings were addressed while the other two (2) were not addressed as indicated below;

1.1. Valuation of properties

The finding was addressed. The Authority performed asset revaluation in 2024 which addressed the requirements of International Public Sector Accounting Standard (IPSAS) 46 - "Measurement".

1.2. Statutory obligations

The finding was not addressed. The Authority was not up to date with NSSA and ZIMDEF and had a payment plan for PAYE.

1.3. Valuation of land and buildings

The finding was addressed. Land and buildings were separated following asset revaluation conducted in 2024.

1.4. Late payment of creditors

The finding was not addressed. The Authority still has an outstanding foreign liability of equivalent to ZWG2.3 million.

Background Information

The Broadcasting Authority of Zimbabwe was established in terms of the Broadcasting Services Act [*Chapter 12:06*]. Its mandate is the licensing and regulation of broadcasting services and systems in Zimbabwe.

I have audited the financial statements of the Broadcasting Authority of Zimbabwe for the years ended December 31, 2022, and 2023. I issued a Qualified Opinion for both years.

Qualified Opinion 2022

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Broadcasting Authority of Zimbabwe as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The Authority did not review the useful lives and residual values of its property, plant and equipment as required by IAS 16 – “Property, Plant and Equipment”. As a result, it had office equipment that was fully depreciated but was still in use. This was contrary to IAS 16 - “Property, Plant and Equipment” paragraph 51 which requires residual value and the useful life of an asset to be reviewed at least each financial year end. Had the useful life and residual values been reviewed annually, the amount disclosed in the financial statements would be materially different from the amount disclosed.

The prior year was also modified in respect of this matter. No adjustments have been done in respect of the current year financial statements in accordance with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

ii. Non-compliance with International Accounting Standard (IAS) 40 – ‘Investment Property’

The Authority did not remeasure the investment property at fair value at the end of the year despite adoption of fair value model. This was contrary to IAS 40 – “Investment Property” paragraph 33 which requires entities to measure investment property at fair value. I could not determine the extent of adjustments necessary.

Qualified Opinion 2023

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Broadcasting Authority of Zimbabwe as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The Authority did not review the useful lives and residual values of its property, plant and equipment as required by IAS 16 – “Property, Plant and Equipment”. As a result, it had office equipment that was fully depreciated but was still in use. This was contrary to IAS 16 - “Property, Plant and Equipment” paragraph 51 which requires residual value and the useful life of an asset to be reviewed at least each financial year end. Had the useful life and residual values been reviewed annually, the amount disclosed in the financial statements would be materially different from the amount disclosed.

The prior year was modified in respect of this matter. No adjustments had been made in respect of the current year financial statements in accordance with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

ii. Non-compliance with International Accounting Standard (IAS) 40 – ‘Investment Property’ and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The Authority did not remeasure the investment property at fair value at the end of the year despite adoption of fair value model. This was contrary to IAS 40 – “Investment Property” paragraph 33 which requires entities to measure investment property at fair value. I could not determine the extent of adjustments necessary.

The prior year was modified in respect of this matter. No adjustments had been made in respect of the current year financial statements in accordance with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Investment property

Finding

The Authority did not remeasure the investment property at fair value at the end of the year despite adoption of fair value model. is was contrary to IAS 40 – “Investment Property” paragraph 33 which requires entities to measure investment property at fair value.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Authority should remeasure its investment property in accordance with IAS 40 – “Investment Property”.

Management response

The observation has been noted. There is no change in applying the measurement policy. The Authority is still using the fair value measurement policy as per IAS 40 – “Investment Property”. There was an oversight on the part of the Authority not to carry out the valuation of the property in 2023. The property was measured at the fair value model based on the 2021 valuation report.

1.2. Board meetings

Finding

Board members were paid sitting allowances based on a standard of three (3) hour meeting during the period under review. As a result, excess sitting fees were paid for meetings that exceeded three (3) hours as if they were new meetings. This practice although documented in the Authority’s Board Charter, was not aligned with the requirements of Public Entities Corporate Governance Act [*Chapter 10:31*] section 12 which requires payment of sitting allowances based on attendance rather than the duration of the meeting.

Risk / Implication

Financial loss due to overpayment.

Recommendation

The Authority should recover excess sitting allowances processed during the year.

Board fees and allowances should be paid in line with Public Entities Corporate Governance [*Chapter 10:31*] and CGU guidance issued from time to time.

The Board Charter should be aligned with the requirements of the Public Entities Corporate Governance [*Chapter 10:31*].

Management response

The Board insisted that since Clause 17 of the Authority’s Board Charter provides that board meetings shall not exceed three (3) hours, a continuation of a meeting is to be considered as a different meeting. This is because there were adjournments for lunch and then continuation of the meeting after lunch as a different meeting under the principle explained above.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority did not make significant progress in addressing my audit findings and recommendations raised in my 2023 and 2024 annual reports. I raised six (6) audit findings in my 2024 annual report and followed up on two (2) findings outstanding in my 2023 annual report. Two (2) findings were addressed, one (1) finding was partially addressed while five (5) were not addressed as indicated below;

2.1. Submission of financial statements

The finding was not addressed. The Authority submitted its 2022 and 2023 financial statements on July 24, 2025.

2.2. Alignment of accounting procedures manual to reporting framework

The finding was not addressed. The Authority did not review the accounting procedure manual to align with the reporting framework.

2.3. Bank reconciliations

The finding was not addressed. The Authority's monthly bank reconciliation statements for 2022 and 2023 were reviewed and approved in 2025.

2.4. Budget

The finding was not addressed. The 2022 and 2023 budgets were not approved by the parent Ministry.

2.5. Purchase of laptops

The finding was addressed. All procurements are now supported by the requisite documentation in compliance with PRAZ requirements.

2.6. Supporting documents

The finding was not addressed. Expenditure was not supported by the invoices, goods received vouchers and quotations during the years 2022 and 2023.

2.7. Valuation of property, plant and equipment

The finding was addressed. Valuation of property, plant and equipment was conducted in 2023.

2.8. Trade receivables

The finding was partially addressed. There were ongoing engagements with debtors, and some have agreed on payment plans.

Background Information

The Environmental Management Agency was established in terms of the Environmental Management Act [*Chapter 20:27*]. Its core function is to manage and protect the environment.

I have audited the financial statements of the Environmental Management Agency for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Environmental Management Agency as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on findings raised in my 2020, 2023 and 2024 annual report and below is an update;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Agency made progress in addressing audit findings raised in my 2020, 2023 and 2024 annual reports. I raised six (6) audit findings in my 2024 annual report and followed up on three (3) findings outstanding in my 2020 and 2023 annual reports. Five (5) findings were addressed while four (4) were not addressed as indicated below;

1.1. Submission of financial statements

The finding was not addressed. The Agency submitted the 2024 financial statements for audit, five (5) months after the statutory deadline.

1.2. Non-compliance with International Accounting Standard (IAS) 7- “Statement of Cash flows”

The finding was addressed. The outstanding receipts have since been identified and the cash flow statement imbalance of ZWL\$1.03 million was cleared.

1.3. Business continuity arrangements

The finding was addressed. The Agency has since procured a new Enterprise Resource Planning system, which is running now after experiencing challenges with the old system.

1.4. Trade receivables

The finding was not addressed. In the current year, the Agency had unreconciled variance of USD358 187 (ZWG9.2 million) between the balances confirmed by the clients and balances included in the financial statements and my opinion was modified in respect of this matter.

1.5. Trade payables

The finding was addressed. In the current year, all the payables confirmations were received.

1.6. Supporting documentation

The finding was not addressed. The Agency did not provide supporting evidence for trade receivables during the year.

1.7. SAP accounting system

The finding was addressed. The Agency has since procured a new Enterprise Resource Planning system, which is running now after experiencing challenges with the old system.

1.8. Bank reconciliations

The finding was not addressed. Although the Agency acquired a new accounting system, the bank reconciliations were still not prepared on time.

1.9. Accounting policies and procedures manual

The finding was addressed. The Accounting Procedures Manual was updated to include changes in the Agency's business operations.

Background Information

The Medicines Control Authority of Zimbabwe was established in terms of the Medicines and Allied Substances Control Act [*Chapter 15:03*]. The main purpose of the Authority is to ensure the availability of safe and effective medicines on the market for human and animal consumption.

I have audited the financial statements for Medicines Control Authority of Zimbabwe for the year ended December 31, 2024 and I issued an unmodified / clean opinion on both the consolidated and separate financial statements.

Opinion on the Consolidated Financial Statements

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Medicines Control Authority of Zimbabwe as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the Authority's Financial Statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of Medicines Control Authority of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings raised in my 2024 annual report and below is the status.

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority addressed all the two (2) audit findings raised in my 2024 annual report as indicated below;

1.1. Board Charter

The finding was addressed. The Board Charter was approved in 2024.

1.2. Board evaluation

The finding was addressed. The 2024 board evaluations were done.

Background Information

The National Biotechnology Authority was established in terms of the National Biotechnology Authority Act [*Chapter 14:31*]. Its mandate is to manage the import, export, production, research, development, use and release into the environment of genetically modified organisms.

I have audited the financial statements for National Biotechnology Authority for the years ended December 31, 2022, and 2023. I issued a Qualified Opinion for both years.

Qualified Opinion 2022

In my opinion, except for effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Biotechnology Authority of Zimbabwe as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”

The Authority performed valuation of its property, plant and equipment as at December 31, 2022. The property, plant and equipment values were determined in USD and then translated to Zimbabwe dollars (ZWL\$) using the interbank rate as at December 31, 2022. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars.

Qualified Opinion 2023

In my opinion, except for effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Biotechnology Authority of Zimbabwe as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”

The Authority performed valuation of its property, plant and equipment as at December 31, 2023. The property, plant and equipment values were determined in USD and then translated to Zimbabwe dollars (ZWL\$) using the interbank rate as at December 31, 2023. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board attendance

Finding

Three (3) board members attended less than seventy-five percent (75%) of the meetings and one (1) board member did not attend any board meeting. This was contrary to Public Entities Corporate Governance Act [*Chapter 10:31*] section 143 which requires board members to attend not less than seventy-five percent of the board meetings in a year and seventy-five percent (75%) of the committee meetings.

Risk / Implication

Board oversight role maybe compromised.

Recommendation

Board members should improve their attendance of board and committee meetings.

Management response

The observation is well noted. In future board members will be encouraged to attend all board meetings.

1.2. Meetings with the line minister

Finding

I was not availed with evidence that the Authority's board met the line minister during the 2022 and 2023 financial year. This was contrary to section 33 (4) of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires, every line Minister to meet the Board at least twice a year to exercise his / her oversight responsibilities.

Risk / Implication

Oversight role may be compromised.

Recommendation

The Board should continuously engage the Parent Ministry for statutory meetings to be held in line with the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

This is well noted. In future the board will continuously engage the Parent Ministry for statutory meetings to be held between the Board and the line Minister in line with Public Entities Corporate Governance Act [*Chapter 10:31*]. Informal meetings were held.

2. MANAGEMENT OF ASSETS

2.1. Valuation of assets

Finding

The Authority performed valuation of its property, plant and equipment as at December 31, 2022. The property, plant and equipment values were determined in USD and then translated to Zimbabwe dollars (ZWL\$) using the interbank rate as at December 31, 2022. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should comply with financial reporting standards.

Management response

This is well noted.

3. REVENUE COLLECTION AND DEBT RECOVERY

3.1. Management of cash

Finding

The Authority’s controls over petty cash management were inadequate. For instance, petty cash was deposited into a supervisor’s personal bank account. Cash was stored insecurely in a small cashbox kept in an unlocked filing cabinet, and at one port office, the cashier shared an office with staff from other ministries.

Risk / Implication

Misappropriation of funds.

Recommendation

The Authority should use official bank accounts for its operations.

The Authority should put measures for the security of the cash receipted at its port Office.

Management response

The Authority will invest in security mechanisms to ensure security and safekeeping of authority funds. Opening ports bank accounts is not economic since some of the ports do not generate enough funds to sustain the accounts.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF PRIOR YEAR AUDIT RECOMMENDATIONS

The Authority made significant progress in addressing audit findings I raised in my 2024 and 2023 annual reports. I raised five (5) findings in my 2024 annual report and followed up on four (4) findings from the previous reports. Five (5) findings were addressed, one (1) was partially addressed and three (3) were not addressed as indicated below;

4.1 Opening balances

The finding was addressed. Management updated audit adjustments.

4.2 Alignment of accounting processes to the reporting framework

The finding was addressed. Asset revaluation was done which addressed the review of the useful life of assets.

4.3 Bank accounts

The finding was addressed. Official bank accounts for the project have been opened.

4.4 Development of Properties

The finding was not addressed. No development of stands has been done yet due to cash flow challenges.

4.5 Vehicles for operations

The finding was not addressed. Management has budgeted for purchase of vehicles, and these will be purchased when funds permit.

4.6 Policy Documents

The finding was partially addressed. The human resources policy was approved and while the accounting and administration manual were not approved.

4.7 Alignment of governance processes

The finding was addressed. Board charter was approved by the Board.

4.8 Review of payroll

The finding was addressed. The over payment was recovered from the employee leave days.

4.9 Security and safety of staff

The finding was not addressed. The Authority is yet to procure vehicles to transport its staff.

Background Information

The National Social Security Authority was established in terms of the National Social Security Authority Act [*Chapter 17:04*] to establish social security schemes for the provision of benefits to contributors of the schemes. It has a mandate to administer the Pension and Other Benefits Scheme (POBS), the Accident Prevention and Worker's Compensation Scheme (APWCS) and other schemes to be established in terms of the Act.

I have audited the consolidated financial statements of the National Social Security Authority for the year ended December 31, 2024, and I issued an Adverse Opinion for the Group and a Qualified Opinion on the Authority.

Adverse Opinion on the Consolidated Financial Statements

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the consolidated financial position of National Social Security Authority as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Inclusion of the unaudited financial statements of associate investees

The Group's financial statements included unaudited financial statements of its associate investees, OK Zimbabwe Limited and Tongaat Hulett (Botswana) (Proprietary) Limited, an associate of Star Africa Corporation Limited. In addition, the consolidated financial statements of the Group's associate, CBZ Holdings Limited included unaudited financial statements of its associates First Mutual Holdings Limited (FMHL) and First Mutual Properties. These investments were accounted for using the equity method based on unaudited amounts. As a result, I was unable to satisfy myself that all necessary adjustments and disclosures have been made to the unaudited financial statements of investee companies and to the consolidated financial statements of National Social Security Group for the year ended December 31, 2024. Accordingly, I was unable to determine the extent of adjustments necessary.

My opinion in the prior year was modified in respect of this matter, and the misstatements have not been corrected in the current year financial statements in accordance with the requirements of International Accounting Standard (IAS) 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". Had the Group applied the requirements of IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors" to restate the prior years' financial statements, the opening balances and comparative figures in the financial statements could have been materially different. I could not determine the extent with which the financial statements could have been misstated and any adjustments that could have been necessary.

ii. **Non-compliance with International Accounting Standard (IAS) 28 – “Investments in Associates and Joint Ventures” and International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”**

The Group disclosed investments in joint ventures amounting to ZWG 435.9 million for the year ended December 31, 2024. The Group did not recognise its share of profit or loss for one (1) of its joint venture during the year due to absence of audited financial statements. This was contrary to IAS 28 - "Investments in Associates and Joint Ventures," which requires the carrying amount of an investment in an associate to be increased or decreased to reflect the investor's share of the profit or loss of the investee after the date of acquisition. Had the Group recognised the change in its investments the carrying amount would have been materially different. As a result, I could not satisfy myself on the recognition, measurement and disclosure of these investments in the financial statements.

My opinion in the prior year was modified in respect of this matter, and the misstatements have not been corrected in the current year financial statements in accordance with requirements of International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”. Had the Group applied IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors” to restate the prior years’ financial statements, the opening balances and comparative figures in the financial statements could have been materially different. I could not determine the extent to which the financial statements could have been misstated and any adjustments that could have been necessary.

iii. **Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”**

The Group’s subsidiary, National Building Society had its investment property and property, plant and equipment valuations as at December 31, 2024 determined in USD. In order to determine the fair value of the investment property and the property, plant and equipment as at December 31, 2024, USD inputs were used and then translated into ZWG using the closing interbank exchange rate. The translated ZWG fair values were not in compliance with IFRS 13 - “Fair value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of investment property and property, plant and equipment in ZWG.

My opinion in the prior year was modified in respect of this matter, and the misstatements have not been corrected in the current year financial statements in accordance with the requirements of International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. Had the Group correctly applied IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors” the financial statements would be materially different. As a result, I could not satisfy myself with the Group’s valuation of its investment property and property, plant and equipment.

iv. **Non-compliance with International Financial Reporting Standard (IFRS) 17 – “Insurance Contracts”**

The Group’s did not apply the provisions of International Financial Reporting Standard (IFRS) 17 – “Insurance Contracts” in that, it did not determine its transition approach, group insurance contracts, measure Group contracts at the date of transition and restate its opening balances to the earliest comparative period that is practicable to reflect the requirements of IFRS 17 – “Insurance Contracts”. This was contrary to IFRS 17 – “Insurance Contracts” paragraphs C3-C33 which requires the Group to identify, recognise and measure each group of insurance contracts on the transition date.

Had the Group, applied IFRS 17 – “Insurance Contracts”, the financial statements would be materially different. The specific impact on these financial statement line items has not been determined. I was unable to quantify the extent of the misstatement.

The Group’s consolidated financial statements also include a share of profit from ZIMRE Holdings Limited, an associate accounted for using equity method. ZIMRE Holdings Limited’s consolidated financial statements include Fidelity Life Assurance, a significant component of ZIMRE Holdings Limited. Fidelity Life Assurance consolidated financial statements was modified due to non-alignment of its new information technology system with the measurement and disclosure requirements of IFRS 17– “Insurance Contracts”.

v. Non-compliance with International Financial Reporting Standards (IFRS) 11 – “Joint Arrangements”

The Group’s Scheme, Pension and Other Benefits Scheme did not account for the assets, liabilities and revenues related to a joint operation, Bindura goats project as at December 31, 2024. This was contrary to IFRS 11 – “Joint Arrangements”, paragraph 21 which requires the Scheme as a joint operator to account for the assets, liabilities, revenues and expenses relating to its interest in the joint operation. I was unable to satisfy myself on the completeness of the assets, liabilities and revenues reported by the Group as at December 31, 2024.

vi. Non-compliance with International Financial Reporting Standards (IFRS) 10 – “Consolidated Financial Statements”

The Group did not apply uniform accounting policies when preparing the consolidated financial statements for the year ended December 31, 2024. For instance, while the Authority uses the revaluation model for its property, plant and equipment, one of its subsidiaries, Rainbow Tourism Group (RTG) used the cost model. This was contrary to International Financial Reporting Standard (IFRS) 10 – “Consolidated Financial Statements” paragraph 19 and B87 which require appropriate adjustments to be made to the subsidiary’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. In addition, RTG subsidiary which had a different reporting currency from the parent used different rates to convert USD amounts to ZWG, resulting in the opening balances of the subsidiary differing from ones on the Group. Had the Group made the necessary adjustments to align the subsidiary’s financial statements to the Group’s accounting policies in line with IFRS10 - “Consolidated Financial Statements” the consolidated financial statements as at December 31, 2024 could have materially differed.

Qualified Opinion on the Authority Financial Statements

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Social Security Authority as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion on the Authority Financial Statements

i. Non-compliance with International Accounting Standard (IAS) 28 – “Investments in Associates and Joint Ventures” and IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”

The Authority disclosed investments in associates amounting to ZWG 405 million for the year ended December 31, 2024. The Authority did not recognise its share of profit or loss for one (1) of its joint ventures, during the year due to absence of audited financial statements. This was contrary to IAS 28 - "Investments in Associates and Joint Ventures," which requires the carrying amount of an investment in an associate or joint venture to be increased or decreased to reflect the investor's share of profit or loss of the investee after the date of acquisition. Had the Authority recognised the change in its investments the carrying amount would have been materially different. As a result, I could not satisfy myself on the recognition, measurement and disclosure of these investments in the financial statements.

Had the Authority applied IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors” to restate the prior years’ financial statements, the opening balances in the financial statements could have been materially different. I was unable to determine the extent to which the financial statements could have been misstated and any adjustments that could have been necessary.

ii. Non-compliance with International Financial Reporting Standard (IFRS) 17 – “Insurance Contracts”

The Authority did not apply the provisions of IFRS 17 – “Insurance Contracts” in that, it did not determine its transition approach, group insurance contracts, measure group contracts at the date of transition and restate its opening balances to the earliest comparative period that is practicable to reflect the requirements of IFRS 17 – “Insurance Contracts”. This was contrary to IFRS 17 – “Insurance Contracts” paragraphs C3-C33 which requires the Scheme to identify, recognise and measure each group of insurance contracts on transition date. Had the Scheme, applied IFRS 17 – “Insurance Contracts”, the financial statements would be materially different. The specific impact on these financial statement line items has not been determined. I was unable to quantify the extent of the misstatement.

iii. Non-compliance with International Financial Reporting Standards (IFRS) 11 – “Joint Arrangements”

The Authority’s Scheme, Pension and Other Benefits Scheme did not account for the assets, liabilities and revenues related to a joint operation, Bindura goats project as at December 31, 2024, due to absence of audited financial statements. This was contrary to International Financial Reporting Standard (IFRS) 11 – “Joint Arrangements”, paragraph 21 which requires the Scheme as a joint operator to account for the assets, liabilities, revenues and expenses relating to its interest in the joint operation. I was unable to satisfy myself on the completeness of the assets, liabilities and revenues reported by the Authority as at December 31, 2024.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Revenue recognition

Finding

The Authority's Accident Prevention and Workers Compensation Scheme did not apply the provisions of International Financial Reporting Standard (IFRS) 17 – "Insurance Contracts" in that, it did not determine its transition approach, Scheme insurance contracts, measure Scheme contracts at the date of transition and restate its opening balances to the earliest comparative period that is practicable to reflect the requirements of IFRS 17 – "Insurance Contracts". This was contrary to IFRS 17 – "Insurance Contracts" paragraphs C3-C33 which outlines the transition requirements from the application of IFRS 15 – "Revenue from Contracts with Customers" to IFRS 17 – "Insurance Contracts". Had the Scheme, applied IFRS 17 – "Insurance Contracts", the financial statements would be materially different. The specific impact on these financial statement line items has not been determined.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Authority should consider recognise its revenue in line with IFRS 17 – "Insurance Contracts".

Management response

The Scheme has commenced implementation of IFRS 17 – "Insurance Contracts", which became effective January 1, 2023. In 2024, the Scheme will not be in full compliance with the requirements of IFRS 17– "Insurance Contracts" due to ongoing system upgrades, data restructuring, and process enhancements necessary to meet the standard's measurement and disclosure requirements.

A consultant has been appointed to support the implementation process, and significant progress has been made in assessing the impact of IFRS 17– "Insurance Contracts" on our insurance contracts and financial reporting. The Company expects to achieve full compliance with IFRS 17– "Insurance Contracts" in the financial year ending December 31, 2025. Management remains committed to transparent reporting and will continue to provide updates on the implementation progress in future financial statements.

1.2. Application of uniform accounting policies

Finding

The Authority's accounting processes for consolidated financial reporting were not aligned to the reporting framework. As a result, the Authority did not apply uniform accounting policies when preparing the consolidated financial statements for the year ended December 31, 2024. For instance, while the Authority uses the revaluation model for its property, plant and equipment, one of its subsidiaries, Rainbow Tourism Group (RTG) used the cost model. This was contrary to International Financial Reporting Standard (IFRS) 10, "Consolidated Financial Statements" paragraph 19 and B87 which require appropriate adjustments to be made to the subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

In addition, RTG subsidiary, which had a different reporting currency from the parent used different rates to translate USD amounts to ZWG, resulting in the opening balances reported by the subsidiary differing from the balances reported by the Group.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Group should apply uniform accounting policies for consolidation purposes in line with IFRS 10 - "Consolidated Financial Statements".

Management response

Observation is noted. We acknowledge that the group entities currently apply varying accounting policies. While adjustments have not been made in the current reporting period, we are committed to aligning and standardising these policies across the group in the next financial year. This initiative is in line with the requirements of IFRS 10- "Consolidated Financial Statements" and we aim to ensure full compliance and consistency in future consolidated financial statements. The Authority is now up to date with its audited financial statements which makes the alignment of policies with the subsidiary's possible.

1.3. Accounting for interest in joint operations

Finding

The Authority's accounting processes over agreements and various arrangements with third parties were not aligned to the reporting framework. As a result, the Authority did not account for the assets, liabilities and revenues related to the Bindura goats joint operation as at December 31, 2024. While the memorandum of agreement between NSSA and the third-party states that all movable assets of the joint arrangement remain the sole and exclusive property of NSSA, these assets were not accounted for. This was contrary to International Financial Reporting Standard (IFRS) 11 - "Joint Arrangements", paragraph 21 which requires the Authority as a joint operator to account for the assets, liabilities, revenues and expenses relating to its interest in the joint operation in accordance with the standards applicable to the assets, liabilities, revenues and expenses.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management to account for the Authority's interest in the joint operation in line with the standards.

Management response

The audit observation is noted. We acknowledge the short comings within the joint venture agreement and the Authority will take out corrective action in the 2025 financial statements and ensure that the assets are adequately accounted for.

1.4. Compliance with tax laws

Finding

The Authority's Accounting Policy and Procedures did not provide guidance on the processing and remitting of taxes withheld from board fees and suppliers who were not tax compliant. As a result, withholding tax returns for both suppliers and board fees were not submitted on time. In addition, the Authority withheld tax on payments made to various suppliers without valid tax clearance certificates and did not remit to ZIMRA on time. For instance, tax withheld from January to June 2024 was only remitted in July 2024. This was contrary to Section 36J and Section 80 (2) of the Income Tax Act [*Chapter 23:06*] which requires tax withheld to be remitted within 10 days from the date of payment of the fees, and on the 10th day of the following month in which the tax was withheld for suppliers respectively.

Risk / Implication

Financial loss due to penalties levied by the ZIMRA for late submission of withholding tax.

Recommendation

The Authority should timeously remit withholding taxes in compliance with the Income Tax Act [*Chapter 23:06*].

Management response

Management will review and provide adequate guidance on the processing and remitting of taxes withheld from board fees and suppliers who were not tax compliant. To date all the withholding tax withheld were remitted to ZIMRA.

1.5. Payables and receivables reconciliations

Finding

There was no evidence to support the fact that the Authority was performing monthly payables and receivables reconciliations. This was contrary to Section 8 of the Authority's standard operating procedures which require monthly payables reconciliations to be prepared. In addition, the Authority did not maintain individual ledgers for its creditors, hence some invoices that were not paid during the year under review were not captured. In some instances, some 2024 invoices were paid in 2025 and expensed in 2025 contrary to the conceptual framework on matching principle.

Risk / Implication

Fraud and errors might go undetected.

Recommendation

The Company should perform creditors' reconciliations monthly.

Management response

The Authority is in the process of implementing a module in Sunsystem that will assist with maintaining creditors ledgers for purpose of reconciliation.

1.6. Management of inventory

Finding

The Authority's standard operating procedures did not provide adequate guidance on the management of inventory. As a result, the Rehabilitation Centre had expired inventory that has been in stock for nine (9) months and had not been disposed. In addition, Masvingo Regional Office had obsolete inventory items.

Risk / Implication

Financial loss due to expiry of inventory held in stores.

Recommendation

Clear policies and guidelines should be developed and put in place.

Management response

We confirm that the identified items were recognized during our internal stock verification processes. The Rehabilitation Centre follows the national policy on disposal of expired or obsolete medical and inventory items, in line with the medicines control guidelines.

Plans are already in place to dispose of these items through the approved channels. We will ensure that disposal of expired or obsolete medical-related items is formally included in both the Authority's year-end stock-take instructions and NSSA's Standard Operating Procedures (SOPs) to enhance compliance and accountability. Going forward, we are also developing a clear policy and internal procedures for timely identification and disposal of such items to prevent accumulation and ensure accurate reporting of inventory.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority did not make significant progress in addressing the audit findings raised in my 2022, 2023 and 2024 annual reports. I raised eleven (11) findings in my 2024 annual report and followed up on fourteen (14) findings outstanding in my 2023 annual report. Nine (9) findings were addressed, five (5) findings were partially addressed, and eleven (11) were not addressed as indicated below;

2.1. Evaluation of the board

The finding was not addressed. There was no Board evaluation during the period under review.

2.2. Interest in other entities

The finding was not addressed. The joint arrangement financial statements were not prepared.

2.3. Rental income

The finding was partially addressed. The Authority recruited credit controllers, however, there were rentals which remained uncollected during 2025.

2.4. Inspection visits

The finding was partially addressed. Management is strengthening its compliance and inspection unit to improve employer audits and identify unregistered employees more proactively. The Authority is in the process of digitizing its systems to better track contribution history and flag discrepancies in real time.

2.5. Safeguarding assets

The finding was not addressed. Management is working on the Asset Management policy to safeguard the assets.

2.6. Fuel register

The finding was addressed. The register is now being maintained with sign offs being done by senior officials.

2.7. Maintenance of properties

The finding was not addressed. Properties are still in dilapidated state. Management has not yet put in place a plan to refurbish the properties identified.

2.8. Benefits processing

The finding was addressed. The Authority is carrying out awareness programmes through the media educating clients on benefits paid under the Pension and Other Benefits Scheme, qualifying criteria and documents required.

2.9. Active contributors on pension payroll

The finding was not addressed. The auto termination functionality has not yet been finalised

2.10. Direct procurement

The finding was addressed. Due processes were being done during the period under review.

2.11. Contract management

The finding was not addressed. The Authority made a commitment to address the issues in 2025.

2.12. Accounting for interests in other entities

The finding was not addressed. One of the Authority's joint ventures did not prepare financial statements for the year ended December 31, 2024.

2.13. Conflict of interest

The finding was addressed. The Authority now has an approved Procedures Manual. Management has already started implementing the procedures.

2.14. Chegutu land

The finding was not addressed. The issue of the land offer had not yet been finalised.

2.15. Board of inquiries for motor vehicles

The finding was not addressed. The board of inquiries for motor vehicles involved in accidents in 2024 were not done.

2.16. Price variations

The finding was addressed. Management has put in place measures to make sure all price variations are awarded in line with laws and regulations. No price variations exceed the 20% threshold set in the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

2.17. Procurement plan

The finding was addressed. The Procurement Plan for 2025 was approved by PRAZ as per the requirements of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

2.18. Discharged members

The finding was addressed. All the amounts previously owed have been recovered.

2.19. Remuneration framework

The finding was partially addressed. The Authority's remuneration is aligned to the Cabinet approved remuneration framework. However, it still awaits a response from the Ministry on the request for a waiver on contractual benefits that were outside the Corporate Governance Unit new remuneration framework.

2.20. Board fees payment

The finding was addressed. Management is now paying retainer fees in arrears.

2.21. Policy on remote work

The finding was partially addressed. The Authority's Work from Home Policy is not yet approved and remains in draft form.

2.22. Unclassified deposits

The finding was partially addressed. Management is now holding quarterly meetings with the main bankers, who have been assisting to follow up deposits with insufficient remitter details.

2.23. Safeguarding of assets

The finding was not addressed. Management is working on the Asset Management policy to safeguard assets.

2.24. Automation of records

The finding was not addressed. The electronic document management system was not yet in place.

2.25. Properties, projects and human resources management manual and guidelines

The finding was addressed. The properties and projects procedures manual is now in place.

Background Information

The Procurement Regulatory Authority of Zimbabwe was established in terms of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*]. The main function of the Authority is to regulate public procurement.

I have audited the financial statements of Procurement Regulatory Authority of Zimbabwe for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Procurement Regulatory Authority of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below is a material issue noted during the audit;

1. EMPLOYMENT ISSUES

1.1. Employee benefits

Finding

Fuel benefit worth USD 105 300 was not processed through the payroll for taxation purposes. This was contrary to Section 8(1) of the Income Tax Act [*Chapter 23:06*] which requires all employee benefits to be included in gross income for taxation purposes.

Risk / Implication

Financial loss due to fines and penalties which may be levied.

Recommendation

The Authority should subject all employee benefits to tax.

Management response

Management undertakes to adjust moving forward and make all the statutory payments as advised.

Background Information

Radiation Protection Authority of Zimbabwe was incorporated in terms of Radiation Protection Act [*Chapter 15:15*]. The functions of the entity are to protect the public and workers from dangers resulting from the use or abuse of equipment, devices or materials capable of producing ionizing radiation and to provide for matters connected or incidental to the foregoing.

I have audited the financial statements of Radiation Protection Authority of Zimbabwe for the year ended December 31, 2024, and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of Radiation Protection Authority of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that, the Authority had a net current liability position of ZWG 5.6 million as at December 31, 2024. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Authority's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. MANAGEMENT OF ASSETS

1.1. Safeguarding of assets

Finding

The Authority's internal controls over movement of assets were inadequate during the period under review. For instance, two laptops and two television sets worth USD5 027 went missing due to a breach of access controls and inadequate monitoring. The assets had not been recovered as at December 31, 2024. This was contrary to the Asset Management Policy section 3.13.4, which requires the Authority to take reasonable action to recover the relevant assets before considering write-off.

Risk / Implication

Financial losses due to misappropriation of assets.

Recommendation

The Authority should institute investigations to recover the losses and to strengthen its controls on safeguard of assets.

Management response

The Authority has revised its internal control environment through enhancing the assets management policy and developing assets management standard operating procedures. All employees were trained in the handling of public assets. The security around stores where assets are kept when not in use has also been improved significantly. Above all, employees responsible for the missing assets faced disciplinary procedures, and such punitive measures are expected to enhance the alertness of responsible officers to manage the assets of the organisation.

No recoveries have been made to date. The matter is still under consideration by the Chief Executive Officer in consultation with the Board and is expected to give guidance on the recoveries.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority partially addressed the audit finding raised in my 2024 annual report as indicated below;

2.1. Construction works

The finding was partially addressed. The waste management facility project is yet to be finalised as the guardroom, perimeter fence and road that leads to the site is still outstanding.

Background Information

The Zimbabwe Investment and Development Agency was established in terms of the Zimbabwe Investment and Development Agency Act [Chapter 14:37]. Its mandate is to provide for the promotion, entry, protection and facilitation of investment in Zimbabwe.

I have audited the financial statements of Zimbabwe Investment and Development Agency for the year ended December 31, 2024 and I issued an Adverse Opinion.

Adverse Opinion

In my opinion, because of the significance of the matter discussed in the basis for Adverse Opinion section of my report, the financial statements do not present fairly the financial position of Zimbabwe Investment and Development Agency as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Adverse Opinion

Non-compliance with International Public Sector Accounting Standard (IPSAS) 4 - “The Effects of Changes in Foreign Exchange Rates”

The Agency did not comply with the requirements of International Public Sector Accounting Standard (IPSAS) 4 – “The Effect of Changes in Foreign Exchange Rates” as it recorded its transactions in ZWG despite having assessed its functional currency during the year ended December 31, 2023 to be USD based on the indicators stated in IPSAS 4 - “The Effect of Changes in Foreign Exchange Rates” paragraph 11 to 13. The financial impact of the non-compliance with IPSAS 4 - “The Effect of Changes in Foreign Exchange Rates” could not be determined but was considered material and pervasive to the financial statements.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Bank signatories

Finding

The internal controls over bank signatories were inadequate in that there was no evidence of timely following up with the bankers for implementation of the Agency’s communication to update the bank signatories. As a result, three (3) employees who left the organisation were still signatories to the Agency’s two (2) bank accounts.

Risk / Implication

Irregular transactions may be processed which may result in misappropriation of funds.

Recommendation

The Agency should strengthen its internal control processes to allow timely follow-up with its bankers on requests for change of signatories.

Management response

Letters to remove the signatories were sent to all the banks for the removal of the people indicated. The Agency will also send a confirmation request to the banks to confirm signatures on file and the reason why the sent instructions were not actioned.

1.2. Segregation of duties

Finding

The finance department was not adequately segregated. As a result, one (1) Officer has been granted permission to initiate invoice creation and post journal entries, functions which ordinarily would be performed by different officers.

Risk / Implication

Fraud or errors may go undetected.

Recommendation

Incompatible duties should be segregated.

Management response

Finance segregation of duties violations will be addressed by an approved segregation of duty matrix which will be validated by the Chief Finance Officer.

1.3. Policy documents

Finding

The Agency did not have a debtor's policy to provide guidance on management of the debtors. There was no evidence to support that follow ups were being done on receivables. As a result, there were long outstanding trade receivables amounting to ZWG 0.09 million. In addition, the Agency's Information, Communication and Technology (ICT) policy was in draft form and had not been approved by the executive committee.

Risk / Implication

Financial loss due to failure to recover amounts owed by customers.

Inconsistencies in processing of transactions.

Recommendation

Management should develop a policy on debt management system and finalise the ICT policy.

Management response

The debtor's policy will be implemented. The ICT Policy is being reviewed to include audit recommendations and changes in the ICT environment. Once finalised, this will be signed off by the Chief Executive Officer.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Agency made progress in addressing the audit findings raised in my 2023 annual report. I raised four (4) findings which were addressed as indicated below:

2.1. Value Added Tax (VAT) on fringe benefits

The finding was addressed. VAT is now being accounted for on fringe benefits.

2.2. Valuation of assets

The finding was addressed. Valuation of assets was conducted in 2024.

2.3. Standard operating manuals

The finding was addressed. The standard operating procedures were finalised and signed off.

2.4. Vacant posts

The finding was addressed. Vacancies in the finance department were filled.

Background Information

The Zimbabwe National Statistics Agency was established in terms of the Census and Statistics Act [Chapter 10:29]. The mandate of the Agency is to collect, collate, process, analyse and disseminate statistical information for the Government and other stakeholders to make informed decisions.

I have audited the financial statements for Zimbabwe National Statistics Agency for the year ended December 31, 2024, and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of the Zimbabwe National Statistics Agency as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Agency had a net current liability position of ZWG 4.78 million during the year ended December 31, 2024. This condition indicated the existence of material uncertainty that may cast significant doubt about the Agency's ability to continue as a going concern. However, my opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. MANAGEMENT OF ASSETS

1.1. Security of buildings

Finding

There was no adequate security over one (1) of the Agency's properties that I visited during the audit. This was contrary to the requirement of section 102 (1) of the Statutory Instrument 144 of 2019 Public Funds Management (Treasury instructions) which requires assets to be safeguarded. The premises were left unattended without security for an extended period. As a result, significant vandalism was noted, with extensive damage to the windows, ceiling, other fittings, plumbing pipes, electrical wirings, elevator equipment and doors.

Risk / Implication

Assets may be misappropriated.

Cost to restore the asset to its usable state may affect other plans.

Recommendation

Management should maintain adequate security at the building to avoid further damage.

Management response

It is regrettable that the vandalism happened. The matter has since been reported to the police and investigations have been carried out. Procurement of security Company took longer than expected. To date the property is being manned day and night by security guards.

1.2. Motor vehicle insurance

Finding

The Agency was not renewing insurance cover on time. As a result, when one (1) of its vehicles was involved in an accident they could not secure a compensation or repair the vehicle. This was contrary to the requirement of section 11.11 of the Finance standard operating procedure manual which requires assets to be insured to guard against financial loss.

Risk / Implication

Service delivery may be compromised by lack of adequate transportation.

Recommendation

Management should renew insurance cover on time.

Management response

Noted. In 2024, the Agency had a motor vehicle insurance payable every three (3) months. The vehicle was involved in an accident when the insurance had expired, and the Agency had not paid the premiums due to shortage of financial resources. Management has increased the payment cover period from 3 to 6 months. The insurance policy premiums are up to date. Keeping the premiums up to date will be prioritised going forward. Procurement process for the vehicle repairs is under way.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Agency made progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised three (3) audit findings in the 2024 annual report and followed up on eight (8) findings outstanding in my 2022 and 2023 annual reports. Eight (8) findings were addressed, two (2) findings were partially addressed, and one (1) finding was not addressed as indicated below;

2.1. Handover take over procedures

The finding was partially addressed. The management applied for deduction from terminal benefits.

2.2. Authorisation of expenditure

The finding was addressed. Management is now authorising expenditure before payments are processed.

2.3. Redundant assets

The finding was not addressed. The Agency has not disposed of the redundant assets.

2.4. Alignment of accounting processes to reporting framework

The finding was addressed. Agency revalued its assets and reviewed the useful life of the assets.

2.5. Impairment of assets

The finding was addressed. Impairment assessment was carried out.

2.6. Delivery of furniture

The finding was addressed. The furniture was delivered.

2.7. Reconciliation of census tablets

The finding was addressed. The tablets have been counted, reconciled and prepared for disposal.

2.8. Disposal of motor vehicles

The finding was not addressed. The Agency has not recovered the vehicle.

2.9. Leave pay provision

The finding was addressed. Employee with 90 days leave took leave their days.

2.10. Segregation of duties

The finding was addressed. The Agency migrated from palladium to SAP with new functionalities.

2.11. Office leases

The finding was addressed. The lease agreements are now in place.

Background Information

Zimbabwe National Water Authority was established in terms of the Zimbabwe National Water Authority Act [*Chapter 20:25*]. The Authority is responsible for the planning, development, operation and management of water resources within Zimbabwe.

I have audited the financial statements for Zimbabwe National Water Authority for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe National Water Authority as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Completeness and accuracy of revenue and trade receivables

The Authority had prior year missing invoices as well as duplicate invoice numbers in sales invoice listing for clear and raw water. I could not perform alternative procedures to obtain reasonable assurance that all clear and raw water sales and corresponding trade receivables were properly recorded. I was therefore, unable to satisfy myself on the completeness and accuracy of clear and raw water sales. As a result, I could not determine the extent of adjustments necessary to revenue and trade receivables in the financial statements. The prior year was also modified in respect of this matter. No adjustments have been done in respect of the current year financial statements of the Authority in line with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Contracts Management

Finding

The Authority was billing some water customers without valid raw water contracts during the year under review. For instance, it had two operating accounts with last contract dates as October 31, 2023, and March 31, 2023, respectively. This was contrary to the Accounting and Internal Control Policies and Procedures section 7.1 (iv), which requires billing of raw water customers to be based on allocation as per signed agreements.

Risk / Implication

Legal recourse may be compromised in case of dispute.

Recommendation

All billed customers should have valid raw water contracts.

Management response

The Authority has initiated a process to monitor and ensuring that every farmer has a current and duly signed agreement in place. Measures have also been put in place to strengthen contract management practices, including timely renewals, proper filing, and improved documentation for ease of retrieval.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority made progress in addressing audit findings raised in my 2020, 2021 and 2024 annual reports. I raised one (1) finding in the 2024 annual report and followed up on six (6) findings outstanding in my 2020 and 2021 annual reports. Four (4) findings were addressed, two (2) were partially addressed, and one (1) was not addressed as indicated below;

2.1 Sales invoices

The finding was not addressed. No adjustments or reconciliations were carried out.

2.2 Raw water usage

The finding was addressed. The Authority bills raw water users using contract agreements that specify their required volumes for the season. The onus of installing a meter now lies with the client.

2.3 Shortages of operational vehicles

The finding was addressed. The Authority purchased additional operational vehicles.

2.4 Cracks on segmentation water tanks

The finding was partially addressed. The Authority has concluded a contract for the supply of materials for sealing of cracks at forty-seven (47) water supply stations and eighteen (18) stations have already been attended to.

2.5 Chemical feeders for water supply stations

The finding was partially addressed. Fifty-three (53) out of 55 chlorine dosing points now have chemo feeders. Fifty (50) out of 133 aluminium sulphate dosing points have chemo feeders and 170 pumps and 10 klorman units are still to be received and these will be installed.

2.6 Provision of services

The finding was addressed. Fifty-six (56) generators were installed at critical stations. The running contract provides for supply of more generators when the need arises. The Authority also installed solar power for 7 stations

2.7 Customer billings

The finding was addressed. A new billing system was implemented which has significantly enhanced billing administration, account management, monitoring controls and reporting capabilities.

Background Information

Zimbabwe Parks and Wildlife Management Authority was established in terms of the Parks and Wildlife Act [*Chapter 20:14*]. The functions of the Authority are to control, manage and maintain national parks, botanical reserves and gardens, sanctuaries, safari areas and recreational parks.

I have audited the financial statements of the Zimbabwe Parks and Wildlife Management Authority for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Parks and Wildlife Management Authority as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Withholding tax on board fees

Finding

The Authority did not remit withholding tax deducted on board fees and allowances on time during the period under review. This was contrary to paragraph 36(J) of the Income Tax Act [*Chapter 23:06*] as read with 33rd schedule which requires withholding taxes to be remitted within 10 days from the date of payment.

Risk / Implication

Financial loss due to interests and penalties.

Recommendation

The Authority should submit withholding tax returns on time in line with Income Tax Act [*Chapter 23:06*].

Management response

Observation is noted. Management will ensure timely submission of returns as required by the Income Tax Act [*Chapter 23:06*] going forward.

1.2. Vehicle management

Finding

The Authority did not enforce compliance with its driver qualification procedures during the period. As a result, many accidents have occurred and some drivers involved in vehicle accidents had not completed the mandatory Defensive Driving Course and for others compliance could not be confirmed. This was contrary to section 11 of the Authority's Administration Policies and Procedures Manual, which requires all employee drivers to complete a defensive driving course.

Risk / Implication

Financial loss due to vehicle damages.

Service delivery may be compromised.

Recommendation

The Authority should comply with Administration Policies and Procedures Manual.

Management response

The observation is noted. The transport policy will be reviewed, and the Authority will ensure that all drivers are sent for a Defensive Driving course. Additionally, the Authority will ensure that all drivers with expired Government Authorities (GAs) are sent for renewal and verify all pre-requisite documents and their validity when conducting Vehicle Care Committees meetings.

2. MANAGEMENT OF ASSETS

2.1. Premises occupancy agreement

Finding

I was not availed with documentation in the form of either lease agreement or ownership documents supporting the occupation of buildings in one of its sub offices in Harare. The building was deteriorating with visible defects, and the Authority could not carry out or request repairs due to unclear property ownership. This was contrary to the Public Finance Management Act [*Chapter 22:19*], sections 6 and 10 which mandate public entities to ensure proper management and accountability for all public resources under their control.

Risk / Implication

Security of assets, health and safety of employees may be compromised.

Recommendation

The Authority should regularise the occupancy of one of its properties in Harare.

Management response

Observation is noted. The Authority will engage the relevant authorities so that the arrangement can be documented and regularised.

3. REVENUE COLLECTION AND DEBT RECOVERY

3.1. Interest on outstanding debts

Finding

The Authority's controls over debt management were inadequate. As a result, the Authority had significant amounts of overdue receivables amounting to ZWG22 million which were over 30 days due. However, the Authority did not charge interest for more than 30 days' overdue debts. This was contrary to Authority's accounting policy and procedures manual paragraph 23.4 which requires that all invoices outstanding for more than 30 days will attract an interest at the current bank interest rate charge per annum.

Risk / Implication

Loss of potential revenue.

Recommendation

The Authority should comply with established policies and procedures and charge interest on 30 days' overdue debts.

Management response

Observation is noted. The Authority is revising the interest rate effective 2025 financial period.

3.2. Contract management

Finding

The Authority's controls over lease contract management were inadequate as one of its regions had lease debtors amounting to USD 311 158. These leases remained in effect even though no lease rentals had been paid for periods exceeding two and a half (2 ½) years to three (3) years. This was contrary to section 27.1.8 of the Memorandum of Agreement entered between the Authority and its tenants, which requires recovery and termination of the lease when there is payment default by the tenant.

Risk / Implication

Loss of revenue and accumulation of irrecoverable debts.

Recommendation

The Authority should recover its lease rentals.

Management response

Observation is noted. Management engaged the debtors in line with the Authority debtor's policy by writing letters of demand and subsequently escalated the issue to the Corporate legal section to handle the cases. Management will work on aligning the debtor's policy with the Memorandum of Agreements.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority made progress in addressing audit findings raised in my 2020, 2022, 2023 and 2024 annual reports. I raised eight (8) audit findings in my 2024 report and followed up on four (4) audit findings outstanding in my 2020, 2022 and 2023 annual reports. Eight (8) findings were addressed, two (2) findings were partially addressed and two (2) findings were not addressed as indicated below:

4.1. Sustainability of service

The finding was partially addressed. The Authority witnessed an increase in revenue resulting in a surplus in the current period. However, the Authority was still in a net current liability position in the current year.

4.2. Petty cash management

The finding was partially addressed. All the necessary approvals were now being done before any payments. However, in the current year, payment petty cash transactions exceeding USD100 were processed contrary to Authority's policy.

4.3. Payment of gratuity

The finding was not addressed. Appropriate authority for the payment was not subsequently sought.

4.4. Fiscalisation of retail outlets

The finding was addressed. All the revenue collection points were now fiscalised.

4.5. Asset register

The finding was addressed. All the laptop serial numbers were captured in the asset register.

4.6. Annual procurement plan

The finding was addressed. The 2024 annual procurement plan was approved.

4.7. Evaluation committee appointment

The finding was addressed. Procurement committee members were appointed and training was conducted during the period.

4.8. Segregation of duties

The finding was addressed. There was segregation of duties on payroll processing.

4.9. Management of joint arrangement

The finding was addressed. The Accounting procedures manual was updated to include guidance on accounting for joint ventures.

4.10. Lease arrangement and conservation support

The finding was addressed. The Accounting procedures manual was updated to include accounting for conservation support.

4.11. Asset maintenance plan

The finding was addressed. Asset maintenance plans were included in the budget.

4.12. Revenue system

The finding was not addressed. The Authority was working on integration of the systems.

Background Information

The Zimbabwe Tourism Authority was established in terms of the Tourism Act [*Chapter 14:20*] with a mandate of developing, managing, promoting and marketing Zimbabwe as a tourist destination in both the local and international markets.

I have audited the financial statements of Zimbabwe Tourism Authority for the years ended December 31, 2023 and 2024. I issued an unmodified / clean opinion for 2023 and Qualified Opinion for 2024.

Opinion 2023

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Tourism Authority as at December 31, 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Qualified Opinion 2024

In my opinion, except for the effect of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Tourism Authority as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

Non-compliance with International Public Sector Accounting Standard (IPSAS) 43 – “Leases”

The Authority did not account for lease payments and depreciation charge in the determination of carrying amounts for lease liability and right of use assets as at December 31, 2024. This was contrary to paragraph 37 of IPSAS 43 – “Leases” which requires a lessee to remeasure the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the cash payments made on lease liability and right of use assets. As a result, I could not ascertain the accuracy of amounts disclosed in the financial statements.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUE

1.1. Lease management

Finding

The Authority did not account for lease payments and depreciation charge in the determination of carrying amounts for lease liability and right of use assets as at December 31, 2024. This was contrary to paragraph 37 of IPSAS 43 – “Leases” which requires a lessee to remeasure the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the cash payments made on lease liability and right of use assets.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Authority should align its accounting policies on measurement of lease arrangements to the requirements of IPSAS 43 – “Leases”.

Management response

Observation is noted. The Authority will comply with recommendation on accounting for right of use of asset and lease liability in line with IPSAS 43 – “Leases”.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Authority did not make significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised four (4) findings in my 2024 annual report and followed up on two (2) findings outstanding from the 2023 annual report. One (1) finding was addressed and five (5) findings were not addressed as indicated below;

2.1. Audit committee composition

The finding was not addressed. There was no Board during the period under review.

2.2. Declaration of assets and interest

The finding was not addressed. There was no Board during the period under review.

2.3. Internal audit function performance

The finding was not addressed. The performance of the internal audit function was not assessed as there was no Board.

2.4. Annual general meeting

The finding was not addressed. No annual general meeting was conducted during 2024 as there was no board of directors.

2.5. Board remuneration

The finding was addressed. The Board benefits in form of grocery allowances and holiday benefits were discontinued.

2.6. Board charter and code of ethics

The finding was not addressed. Board charter was not availed and there was no Board in place.

PUBLIC ENTITIES UNDER THE CATEGORY OF BOARDS

Background Information

The Grain Marketing Board was incorporated in terms of the Grain Marketing Act [Chapter 18:14]. The Board's main activities are buying, storing of grain, managing of the Strategic Grain Reserve and the Input Scheme on behalf of the Government of Zimbabwe.

I have audited the financial statements of Grain Marketing Board for the years ended March 31, 2022, 2023 and 2024 and I issued a Qualified Opinion for all the years.

Qualified Opinion 2022

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Grain Marketing Board as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 10 - "Consolidated Financial Statements"

The Board did not consolidate the financial statements of its wholly owned subsidiary, Silo Foods Industries (Private) Limited. This was contrary to IFRS 10 - "Consolidated Financial Statements" paragraph 4 which requires an entity that is a parent to present consolidated financial statements. Had the Board prepared consolidated financial statements, the financial statements would have been materially different.

Qualified Opinion 2023

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Grain Marketing Board as at March 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Financial Reporting Standard (IFRS) 10 - "Consolidated Financial Statements"

The Board did not consolidate the financial statements of its wholly owned subsidiary, Silo Food Industries Limited. This was contrary to IFRS 10 - "Consolidated Financial Statements" paragraph 4 which requires an entity that is a parent to present consolidated financial statements. Had the Board prepared consolidated financial statements, the financial statements would have been materially different.

ii. Non-compliance with International Accounting Standard (IAS) 36 - “Impairment of assets”

There was no evidence that the Board assessed whether there was any indication that assets may be impaired. This was contrary to the requirements of IAS 36 - “Impairment of assets” paragraph 9 which requires an entity to assess at the end of each reporting period whether there is any indication that an asset may be impaired and if any such indication exists, the entity shall estimate the recoverable amount of the asset. As a result, I could not satisfy myself on the valuation of property, plant and equipment amounting to ZWL\$445.1 billion disclosed in the financial statements.

iii. Non-compliance with International Accounting Standard (IAS) 40 - “Investment Property”

The Board adopted the fair value model for measurement of its investment property and at the year-end it did not remeasure the property in line with its accounting policy. IAS 40 – “Investment Property” paragraph 33 requires entities which chooses fair value model to measure investment property at fair value. This resulted in the investment property being measured at its carrying amount instead of fair value.

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Grain Marketing Board as at March 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 40- “Investment Property”

The Board adopted the fair value model for measurement of its investment property, however, at year end, it did not remeasure the property in accordance with International Accounting Standard (IAS) 40 – “Investment Property” paragraph 33 which requires entities which choose fair value model to measure investment property at fair value. This resulted in the investment property being measured at its carrying amount instead of fair value.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Investment in subsidiary

Finding

The Board did not consolidate the financial statements of its wholly owned subsidiary, Silo Foods Industries (Private) Limited due to the non-submission of audited financial statements of the subsidiary. This was contrary to International Financial Reporting Standard (IFRS) 10 - “Consolidated Financial Statements” paragraph 4 which requires an entity that is a parent to present consolidated financial statements.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Board should prepare the consolidated financial statements in line with the requirements of International Financial Reporting Standard (IFRS) 10 - "Consolidated Financial Statements".

Management response

The Board has not received audited financial statements from the subsidiary to enable it to produce the consolidated financial statements.

1.2. Asset impairment assessment**Finding**

There was no evidence that the Board assessed whether there is any indication that assets may be impaired. This was contrary to the requirements of IAS 36 - "Impairment of assets" paragraph 9 which requires an entity to assess at the end of each reporting period whether there is any indication that an asset may be impaired and if any such indication exists, the entity shall estimate the recoverable amount of the asset.

Risk / Implication

Misstatement of financial statements.

Recommendation

The impairment assessment of assets should be conducted.

Management response

Observation noted. The Board had planned to conduct asset verification and impairment assessment during the asset revaluation exercise by an external consultant. However, the consultant was unable to do the revaluation in time for the finalisation of the financial statements for the period under review.

1.3. Investment property**Finding**

The Board adopted the fair value model for measurement of its investment property, however, at year end, it did not remeasure the property in accordance with its accounting policy and International Accounting Standard (IAS) 40 – "Investment Property" paragraph 33 requires entities which chooses fair value model to measure investment property at fair value.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Board should account for its investment property at fair value in line with its accounting policy and IAS 40 - "Investment Property".

Management response

An independent valuation exercise was subsequently done in the year ending March 31, 2025, hence the adjustments shall be incorporated in the financial year ended March 31, 2025.

2. PROCUREMENT OF GOODS AND SERVICES

2.1. Long outstanding creditors

Finding

The Board was experiencing liquidity challenges, as result, there were long outstanding payables over 90 days amounting to over ZWL\$1.34 billion as at March 31, 2024.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Board should consider other revenue generating strategies to address liquidity challenges.

Management should consider payment of suppliers on time and arranging for payment plans.

Management response

Observation is noted. The delay was due to limited funding from Treasury as the Board is fully funded by government.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF AUDIT RECOMMENDATIONS.

The Board made progress in addressing audit findings raised in my 2023 annual report. I raised three (3) findings, two (2) findings were addressed and one (1) finding was partially addressed as indicated below;

3.1. Board Minutes

The finding was addressed. The Board was now recording and keeping minutes of meetings.

3.2. Staff quarters status

The finding was partially addressed. The maintenance of staff quarters is ongoing due to cashflow challenges.

3.3. Lease rentals

The finding was addressed. The signed lease agreement was in place.

Background Information

Zimbabwe Boxing and Wrestling Control Board was established through the Zimbabwe Boxing and Wrestling Control Act [*Chapter 25:02*]. The mandate of the Zimbabwe National Boxing and Wrestling Control Board are to facilitate the advancement of boxing and wrestling in Zimbabwe through regulation and promoting of the sport.

I have audited the financial statements of the Zimbabwe National Boxing and Wrestling Control Board for the years ended December 31, 2023 and 2024 and I issued an Adverse Opinion for both years.

Adverse Opinion 2023

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Zimbabwe National Boxing and Wrestling Control Board as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Unsupported foreign exchange gain

I was unable to obtain sufficient appropriate audit evidence on foreign exchange gain amounting to ZWG13.6 million due to unavailability of supporting documentation. I was therefore not able to verify the completeness and accuracy of the foreign exchange gain disclosed in the financial statements.

ii. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The Board translated United States Dollar (USD) denominated transactions and balances into the reporting currency, Zimbabwe Gold (ZWG), using the month-end and/or year-end interbank exchange rate as the spot rate. However, the applied month-end or year-end interbank exchange rates did not meet the criteria for an appropriate exchange rate under IAS 21 - “The Effects of Changes in Foreign Exchange Rates”, as they did not reflect the willing buyer and willing seller concept of transactions and this was contrary to the requirements of IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. The impact of this non-compliance on the financial statements was considered material and pervasive to the financial statements taken as a whole.

In addition, the prior year financial statements were qualified due to non-compliance with IAS 21 - “The Effects of Changes in Foreign Exchange Rates” and the errors were not corrected in accordance with IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. Had the prior year figures been corrected, the financial statements could have been materially different.

Adverse Opinion 2024

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Zimbabwe National Boxing and Wrestling Control Board as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Unsupported foreign exchange gain

I was unable to obtain sufficient appropriate audit evidence on foreign exchange gain amounting to ZWG196 312 due to unavailability of supporting documentation. I was therefore not able to verify the completeness and accuracy of the foreign exchange gain disclosed in the financial statements.

ii. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The Board translated United States Dollar (USD) denominated transactions and balances into the reporting currency, Zimbabwe Gold (ZWG), using the month-end and/or year-end interbank exchange rate as the spot rate. However, the applied month-end or year-end interbank exchange rates did not meet the criteria for an appropriate exchange rate under IAS 21 - “The Effects of Changes in Foreign Exchange Rates”, as they did not reflect the willing buyer and willing seller concept of transactions and this was contrary to the requirements of IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. The impact of this non-compliance on the financial statements was considered material and pervasive to the financial statements taken as a whole.

In addition, the prior year financial statements were qualified due to non-compliance with IAS 21 - “The Effects of Changes in Foreign Exchange Rates” and the errors were not corrected in accordance with IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. Had the prior year figures been corrected, the financial statements could have been materially different.

Below are other material issues noted during the audit.

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Board submitted the 2023 and 2024 financial statements for audit on June 9, 2025 which was 14 months and 2 months later respectively. This was contrary to section 49 (1) (c) of the Public Finance Management Act [Chapter 22:19] which requires the accounting officer of a public entity to submit the financial statements for audit within two (2) months after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Board should submit financial statements according to the requirements of Public Finance Management Act [*Chapter 22:19*].

Management response

The observation is acknowledged. The finance manager has since been appointed, and measures are in place to ensure timely submission of future financial statements in line with section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*].

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Board did not address the audit findings raised in my 2023 and 2024 annual reports. I raised four (4) audit findings and followed up on two (2) outstanding audit findings in my 2023 annual report. Five (5) findings were not addressed while one (1) was partially addressed as indicated below;

2.1. Bank reconciliations

The finding was not addressed. Bank reconciliations were not being prepared on regular basis.

2.2. Procedure manuals

The finding was not addressed. The procedure manuals were still at draft stage.

2.3. Board composition

The finding was not addressed. The Board member with financial expertise is yet to be appointed.

2.4. Foreign currency transactions

The finding was not addressed. The 2023 and 2024 financial statements have been modified due to inappropriate accounting for foreign currency transactions.

2.5. Supporting documentation

The finding was partially addressed. The Board is now attaching invoices to payment vouchers however not all payments were adequately supported for 2023 and 2024 transactions.

2.6. Segregation of duties

The finding was not addressed. The structure has not been reviewed to allow for segregation of duties.

PUBLIC ENTITIES UNDER THE CATEGORY OF COMMISSIONS

Background Information

The Forestry Commission was established in terms of the Forest Act [*Chapter 19:05*] and Communal Land Forest Produce Act [*Chapter 19:04*]. The functions of the Commission are; administration, control and management of State forests, to provide for the setting aside of State forests and for the protection of private forests, trees and forest produce.

I have audited the financial statements of Forestry Commission for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Forestry Commission as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board resolutions

Finding

There was no evidence to support that Board resolutions for the second, third and fourth quarter were submitted to the parent Ministry for the year under review. This was contrary to section 35 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires board resolutions to be submitted to both parent Ministry and Corporate Governance Unit.

Risk / Implication

Oversight role may be compromised.

Recommendation

The board resolutions should be submitted to the parent Ministry in line with section 35 of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

Observation is noted and this will be rectified.

1.2. Withholding tax on board fees

Finding

The Commission did not remit tax withheld on board fees to the relevant authority amounting to USD5 757 during the period under review. This was contrary to section 36 (j) of the Income Tax Act [*Chapter 23:06*] which requires tax withheld to be remitted within ten (10) days.

Risk / Implication

Financial loss due to penalties and interests that may be levied.

Recommendation

The Commission should remit all the withheld tax on time.

Management response

Observation is noted and this will be rectified. This was as a result of financial challenges that the Commission was facing during the period under review. The Commission has however, negotiated for a payment plan with ZIMRA to clear all outstanding arrears, withholding tax on board fees included.

1.3. Use of staff bank accounts

Finding

The Commission operated without bank accounts for its stations. As a result, transport allowances of staff members were transferred to personal bank account of station managers. However, there was no board approval for use of station managers bank accounts for the Commission's business. This was contrary to Section 12.6 of Commission's Accounting Procedure Manual which requires salaries to be deposited directly into the individual bank accounts.

Risk / Implication

Misappropriation of funds.

Recommendation

The Commission should deposit transport allowances into individual bank accounts.

Management response

Observation is noted. When the facility of giving bus fares to workers was started, the Commission thought it was a temporary relief and was going to be short lived. Management believed that processing them through the bank would be uneconomic in terms of bank charges to the Commission as well as to the workers concerned. The Commission already has several provincial bank accounts in ZWG and opening some in USD for these transfers would have ended with so many accounts against the challenge of processing and reconciliations.

1.4. Petty cash management

Finding

The Commission was not reviewing its accounting policy and procedures manual in light of changes in the economic environment. As a result, petty cash withdrawals and payments exceeded the maximum amounts set in the procedures manual. This was contrary to section 3.1 and 3.2.7 of the Commission's Accounting Policy and Procedures Manual which requires petty cash withdrawals to not exceed USD1 000 while petty cash payments should not exceed USD 500.

Risk / Implication

Irregular transactions may not be detected on time.

Financial loss as cash is susceptible to theft and fraud.

Recommendation

The Commission should comply with its policies and procedures manual.

The Commission should strengthen internal controls over petty cash management.

Management response

Observation is noted. Non-adherence was as a result of currency changes in the past which rendered the set petty cash limits not aligned to the prevailing economic conditions. Management has however, reactivated the petty cash limits provided for in the accounting procedure manual and is now enforcing strict adherence to imprest petty cash management as required by the Commission's policy.

1.5. Payroll processing

Finding

The Commission was not remitting NSSA and PAYE deductions in the currency in which the payroll was processed. For instance, salaries for October, November and December 2024 were processed in USD however, the respective PAYE and NSSA deductions were declared and paid Zimbabwe Gold (ZWG). This was contrary to the Finance Act [*Chapter 23:06*] section 4A and Statutory Instrument 169 of 2021 section 8(b)(4) which requires taxes and contributions to be paid in the currency in which income was earned.

In addition, cushioning and transport allowances to employees were processed outside the payroll and were not subjected to taxation. This was contrary to 13th Schedule to the Income Tax Act [*Chapter 23:06*], which requires employee benefits to be subjected to tax.

Risk / Implication

Financial loss due to penalties and interest.

Recommendation

Statutory obligations should be paid in the currency in which payroll has been processed in line with Finance Act [*Chapter 23:06*] section 4A and Statutory Instrument 169 of 2021 section 8(b)(4).

All employee allowances and benefits should be subjected to PAYE in line with Income Tax Act [*Chapter 23:06*].

Management response

Observation is noted. This was as a result of net salaries being processed in the available currency despite wage bill being denominated in local currency (ZWG). Efforts are currently underway to align the Commission's salary structure with the prevailing macro-economic conditions.

The Commission paid a flat amount of cushion allowance to all its employees

regardless of employee grade. Efforts were made to seek exemption on taxation of the allowances in an attempt to cushion employees from rising cost of living as the Commission was struggling to mobilize resources to settle salaries in time. The Commission, however, started process of payroll dualization to incorporate the USD allowances in July this year and the process is expected to be completed by end of November 2025.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Cash management

Finding

The Commission's internal controls over revenue collection were inadequate. For instance, the Commission was not issuing cash receipts upon cash payments contrary to section 3.3.1 of the Commission's Accounting Procedures manual which requires cash receipts to be issued for cash payment.

Permits (security items) issued did not contain the necessary details required for inspection such as origin and destination of the consignment, permit validity period, and the identification number or company registration number of the permit holder. This was contrary to SI-116 of 2012 Forest Control of Firewood Timber and Forest Produce Regulations, 2012 section 16 which requires adequate documentation. In addition, there were no periodic reviews and reconciliations on the issuance of permits authorising movement of timber.

Risk / Implication

Loss of revenue through fraud or misappropriation.

Irregular transactions may go undetected.

Recommendation

All collections should be receipted in line with section 3.3.1 of the Commission's Accounting Procedures manual.

Supervisors should review and sign off on completed permits before issuance.

Management response

The Commission is investigating the issues.

2.2. Interest on overdue debts

Finding

The Commission's procedures on management of overdue accounts were not adequate. As a result, the Commission did not charge interest on overdue customer accounts. This was contrary to section 5.4.1.1 (c) of the Forestry Commission Accounting procedure manual which requires interest of 1% per month to be charged on overdue accounts.

Risk / Implication

Loss of revenue.

Recommendation

The Commission should comply with established policies and procedures on levying of interest on overdue accounts.

Management response

Observation is noted and the anomaly will be rectified.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised six (6) findings in my 2024 annual report and followed up on ten (10) findings outstanding in my 2023 annual report. Eight (8) findings were addressed, one (1) finding was partially addressed and seven (7) findings were not addressed as indicated below;

3.1. Declaration of assets

The finding was addressed. The Board appointed in 2024 declared their assets.

3.2. Submission of internal audit reports

The finding was addressed. Internal audit reports were availed for audit.

3.3. Board meetings attendance

The finding was addressed. The Ministry representative attended board meetings in 2024.

3.4. Fiscalisation

The finding was addressed. Invoices were raised in the accounting system.

3.5. Revenue collection

The finding was addressed. The booking conditions were reviewed in line with the current business environment.

3.6. Safeguarding of assets

The finding was not addressed. The fire suppression system had not yet been serviced.

3.7. Sustainability of service

The finding was not addressed. The Commission's aged vehicles were not yet replaced, buildings were not maintained and statutory obligations were not yet settled.

3.8. Statutory obligations

The finding was not addressed. Forestry Commission was still facing financial challenges during the period under review. However, efforts were being made to boost the revenue inflows and also engagement of Treasury for funding support.

3.9. Bank reconciliations

The finding was not addressed. Bank reconciliations were still not being prepared on time in the current year.

3.10. Contract management

The finding was addressed. All the tenants had valid lease agreements for the period under review.

3.11. Revenue management

The finding was addressed. The Commission had a new accounting system in place.

3.12. Medical Aid scheme

The finding was partially addressed. The Commission was paying medical expenses on behalf of its staff members during the year.

3.13. Segregation of duties

The finding was addressed. Receipting and banking functions were segregated between the administration officer and the acting lodge manager. The lodge has since been leased to an external partner effective January 2026.

3.14. Loan benefit

The finding was not addressed. The loan benefits were being taxed.

3.15. Submission of financial statements

The finding was not addressed. The 2024 financial statements were submitted on August 27, 2025, after the statutory deadline.

3.16. Salary advance

The finding was not addressed. The position was still the same in 2024 however, policy formulation was in progress and was expected to be finalised by third quarter of 2026.

Background Information

The Health Service Commission was established in terms of the Health Services Act [*Chapter 15:16*]. Its core function is to manage and provide the appropriate working environment, and conditions of service for medical staff working in Public Health Institutions.

I have audited the financial statements for Health Service Commission for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Health Service Commission, as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Internal audit

Finding

The Commission's internal controls relating to monitoring and timely resolution of internal audit findings were inadequate. As a result, management did not respond to issues raised in the internal audit reports. This was contrary to Statutory Instrument 144 of 2019 Public Finance Management (Treasury Instructions), paragraph 161 (4) which requires internal audit reports to be responded to within two months of receipt.

Risk / Implication

Internal control deficiencies may not be addressed in time.

Recommendation

Commission should respond to the internal audit findings.

Management response

Management responds to internal audit queries are important and mechanisms will be put in place to ensure maximum cooperation is obtained by respective functional areas.

2. MANAGEMENT OF ASSETS

2.1. Vehicle registration

Finding

The Commission had not yet registered three (3) vehicles that were received in 2023. This was contrary to the requirements of section 6(1) of the Vehicle Registration and Licensing Act [*Chapter 13:14*], which requires entities to register their vehicles.

Risk / Implication

Misappropriation of assets.

Recommendation

Commission should regularize the registration of vehicles.

Management response

Three (3) vehicles that were received from the Ministry of Finance, Economic Development and Investment Promotion in 2023 were waiting for customs clearance certificate numbers to facilitate registration.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission did not make significant progress in addressing audit findings raised in my 2024 annual report. I raised four (4) findings in the 2024 annual report, one (1) finding was addressed while the other three (3) findings were not addressed as indicated below;

3.1. Board of Commissioners

The finding was addressed. The Board of Commissioners is now in place.

3.2. Procedure manuals

The finding was not addressed. The Finance and Administration procedure manual was updated in 2023 and awaits approval by the Commissioners.

3.3. Whistle-blower facility

The finding was not addressed. The whistle-blower policy is still not in place.

3.4. Code of ethics

The finding was not addressed. Code of ethics is being drafted.

Background Information

The Commission was established in terms of the National Competitiveness Commission Act [Chapter 14:36]. Its core function is to enable a competitive environment for Zimbabwean businesses through the development, coordination, and implementation of key policy improvements.

I have audited the financial statements for National Competitiveness Commission for the years ended December 31, 2024 and. I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of National Competitiveness Commission as at December 31, 2024, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Commission's current liabilities exceeded its current assets by ZWG816 955 (2023: ZWG1 374 858). This condition indicates the existence of a material uncertainty that may cast significant doubt on the Commission's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are material issues noted during the audit;

1. PROCUREMENT OF GOODS AND SERVICES

1.1 Withholding tax

Finding

The Commission did not withhold tax on ZWG128 050 which was equivalent to USD4 963 for a payment to a supplier without a tax clearance certificate. This was contrary to Section 80 (2) of the Income Tax Act [Chapter 23:06] which requires that the paying officer must withhold thirty per centum (30%) of the amount payable to the payee if they do not have a valid tax clearance certificate.

Risk / Implication

Financial loss due to penalties and fines.

Recommendation

Management should adhere to tax legislation requirements.

Management response

The Commission takes note of the audit recommendation regarding compliance with tax legislation. Management acknowledges the importance of ensuring that payments to suppliers are only made upon receipt of a valid tax clearance certificate, or alternatively withholding tax on future payments.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission made progress in addressing audit findings raised in my 2021, 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up two (2) findings that were outstanding in my 2021 and 2023 annual reports. One (1) finding was addressed whilst the other two (2) findings were partially addressed as indicated below;

2.1 Lease agreement

The audit finding was addressed. The lease agreement is now in place.

2.2 Board composition

The audit finding was partially addressed. Seven (7) board members were appointed, leaving a vacancy of two (2).

2.3 Policy documents

The finding was partially addressed. Three (3) out of four (4) policy documents were approved by the Board.

Background Information

The Zimbabwe Anti-Corruption Commission was incorporated in terms of the Anti-Corruption Commission Act [Chapter 9:22]. The mandate of the Commission is to combat corruption, economic crimes, abuse of power and improprieties in Zimbabwe through public education, prevention and prosecution after thorough investigation.

I have audited the financial statements of Zimbabwe Anti-Corruption Commission for the years ended December 31, 2022, 2023 and 2024 . I issued a Qualified Opinion for 2022 and an unmodified / clean opinion for the years 2023 and 2024 .

Qualified Opinion 2022

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Anti-Corruption Commission as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 21 - “The Effects of Changes in Foreign Exchange Rates”

Opening balances

The prior year financial statements did not comply with the requirements of IAS 21 - “The Effects of Changes in Foreign Exchange Rates”, as the Commission had been unable to use an appropriate exchange rate on change of functional currency. The Commission translated its comparative financial statements using the interbank rate which came into existence on February 22, 2019, through Exchange Control Directive RU 28 of 2019 issued by the Reserve Bank of Zimbabwe.

The Commission used January 1, 2019 as the date of change in functional currency and translated its foreign denominated balances to Zimbabwe dollar at a rate of 1:1 per Statutory Instrument (SI) 33 of 2019 which prescribed that all assets and liabilities that were denominated in United States dollar before February 22, 2019 be deemed to be RTGS dollars at a rate of 1:1 and all transactions subsequent to February 22, 2019 at interbank rate. The Commission’s inability to assess the appropriateness of using the interbank rate in achieving fair presentation was primarily due to the need to comply with SI 33 of 2019 and the fact that there were no official exchange rates between October 2018 and February 2019 due to lack of an observable foreign exchange market. In that regard the Commission’s opening balances misstatements had an impact on the current year financial statements.

Opinion 2023

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Anti-Corruption Commission as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Anti-Corruption Commission as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Donation

Finding

The Commission received donations amounting to USD39 254 and ZWL\$2.1 million without seeking Treasury concurrence during the year ended December 31, 2024. This was contrary to Section 112 of the Public Finance Management Act [*Chapter 22:19*] which requires the entity to obtain authority from Treasury before acceptance of any donations.

Risk / Implication

Oversight over acceptance of donations may be compromised.

Misappropriation of assets.

Recommendation

The Commission should obtain authority from Treasury before acceptance of any donations.

Management response

The observation is noted. The Commission is seeking treasury concurrence in retrospect for donations.

1.2. Completeness of standard operating procedures

Finding

The Commission's Investigations Standard Operating Procedures (SOPs) were incomplete as they did not incorporate all processes performed during investigations.

Risk / Implication

Inconsistences in carrying investigative procedures.

Recommendation

The Commission should develop comprehensive investigative standard operating procedures.

Management response

Management acknowledges the inadequacy of Commission's Investigation Policy and Procedure Manual and will review the manual to address all shortcomings.

2. MANAGEMENT OF ASSETS

2.1. Asset register

Finding

The Commission did not maintain a comprehensive and up-to-date asset register. The physical condition of assets was not documented, some assets listed in the register lacked identification particulars such as asset numbers or serial codes and certain assets could not be easily verified due to the absence of these unique identifiers. This was contrary to Section 100(4)(j) of Statutory Instrument 144 of 2019, Public Finance Management (Treasury Instructions), 2019, which requires the asset register to reflect all the essential details.

Risk / Implication

Accountability of assets may be compromised.

Recommendation

The Commission should update the asset register with all pertinent details.

Management response

The observation has been noted. However, the relevant sections have been updated to address the observation. Going forward the Commission shall ensure that a commentary section providing details of the status of the assets shall be provided on the Asset register.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission did not address the outstanding audit finding raised in my 2022 annual report as indicated below;

3.1. Motor vehicles

The finding was not addressed. The supplier liquidated without having supplied the five (5) vehicles outstanding.

Background Information

Zimbabwe Media Commission was established in terms of the Zimbabwe Media Commission Act [*Chapter 10: 35*]. The Commission's function is the development and promotion of media ethics, the registration and regulation of mass media services, the accreditation of journalists, the improvement of media training and assessment, the improvement of citizen's access to information and the adjudication of media complaints and disputes.

I have audited the financial statements of Zimbabwe Media Commission for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Media Commission as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board Charter and Code of Ethics

Finding

The Commission did not publish its Board Charter and Code of Ethics on its website. This was contrary to section 30(b) of the Public Entities Corporate Governance Act [*Chapter 10:31*], which requires the Board Charter and Code of Ethics of every public entity to be published or made available on its website.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Commission should expedite the redevelopment of the website and upload the relevant documents.

Management response

The observation is noted. The Commission's website was not working due to technical problems. As a result, a tender was issued and completed to redevelop the website. Once the website is completed, the Commission will upload the relevant documents.

1.2. Board resolutions

Finding

The Commission did not submit the 2024 Board resolutions to the Parent Ministry and the Corporate Governance Unit (CGU). This was contrary to section 35(4) of the Public Entities Corporate Governance Act [*Chapter 10:31*], which requires resolutions to be sent to the CGU and the Parent Ministry.

Risk / Implication

Oversight role may be compromised.

Recommendation

The Commission should submit Board resolutions to the Parent Ministry in line with section 35 (4) of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

The observation has been noted. Going forward the Commission will work to align with the provisions of the referred legal instruments.

1.3. Code of conduct and ethics related policy

Finding

The Commission was operating without a code of conduct and ethics related policy due to inadequate human resources. This was contrary to section 244(e) of the First Schedule of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the Commission to have a code of conduct and ethics related policy.

Risk / Implication

Absence of ethical guidance to the Commission's employees may compromise service delivery.

Recommendation

The Commission should develop and implement the code of conduct and ethics related policy.

Management response

The Commission, through the Human Resources and Legal Units is working to produce the draft code of conduct for adoption by the Board. This process, however, has been hampered by inadequate human resources.

1.4. Renewal of media houses

Finding

There was no adequate legal framework in place to enforce compliance on registration and renewal of media houses licenses. From the records that I examined, eleven (11) media houses were operating without valid licenses, with some licenses having expired as far as 2012.

Risk / Implication

Revenue leakages.

Service delivery may be compromised.

Recommendation

Legal framework on the conduct, registration and license renewals for media houses should be considered.

Management response

The Commission finds it difficult to enforce compliance as there is no adequate legal framework to compelling compliance. The Commission is riding on a Statutory Instrument (SI) linked to the Access to Information and Protection of Privacy Act [*Chapter 10:27*] and not Zimbabwe Media Commission Act [*Chapter 10:35*]. The Commission has been lobbying for Zimbabwe Media Commission Act amendments and enactment of other statutes in order to strengthen legal provisions for the collection of levies. The Commission conducts regular inquiry and sending reminders, raising awareness and encouraging media services to pay the annual levy.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Penalty on late payments

Finding

The Commission's debt recovery efforts were not effective during the period under review. For instance, the Commission did not charge penalty for late payments by the Media Houses. This was contrary to Zimbabwe Media Commission Act [*Chapter 10:35*] section 24 (3) which requires late payments to attract penalty.

Risk / Implication

The liquidity position of the Commission may be negatively affected thereby impacting service delivery.

Financial loss due to non-recovery of debts.

Recommendation

The Commission should enforce the levying of penalties to long outstanding debts in line with section 24(3) of the Zimbabwe Media Commission Act [*Chapter 10:35*].

Management response

The observation is noted and the Commission will initiate processes as regulated at law. However, this provision must be implemented bearing in mind sustainability issues in the print media.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Commission did not make significant progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on four (4) audit findings outstanding from my 2022 and 2023 annual reports. Two (2) findings were addressed, one (1) finding was partially addressed, and five (5) findings were not addressed as indicated below;

3.1. Board evaluation

The finding was addressed. The Commission managed to do Board training and evaluation in November 2024.

3.2. Complaints management

The finding was not addressed. There was no guiding framework in place for management of complaints.

3.3. Debtors' management

The finding was not addressed. The policy was not updated to provide guidance on management of trade receivables.

3.4. Key vacant posts

The finding was not addressed. The posts for Director Legal and Corporate Affairs and Director Public Information Compliance were still vacant.

3.5. Submission of financial statements

The finding was not addressed. The Commission submitted 2024 financial statements on September 4, 2025.

3.6. Contract management

The finding was partially addressed. The Commission received five (5) vehicles however, four (4) vehicles are still outstanding.

3.7. Composition of the Audit Committee

The finding was not addressed. The Commission still had no member with accounting and financial background.

3.8. Whistle blower policy

The finding was addressed. The Whistle Blower Policy is now in place.

PUBLIC ENTITIES UNDER THE CATEGORY OF COMPANIES AND CORPORATIONS

Background Information

Airports Company of Zimbabwe was established in terms of the Civil Aviation Amendment Act [No 10 of 2018] and incorporated in terms of Companies and Other Businesses Entities Act [Chapter 24:31]. The Company's mandate is to acquire, develop, manage, and operate airports. It also focuses on commercializing airport infrastructure, ensuring safety or security, and improving cargo and passenger facilities across strategic airports in Zimbabwe.

I have audited the financial statements of the Airports Company of Zimbabwe (Private) Limited, for the year ended December 31, 2022 and I issued a Qualified Opinion with a report on going concern.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Airports Company of Zimbabwe (Private) Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Unreceipted funds

The Company received funds amounting to ZWL\$38.65 million which were not receipted as at December 31, 2022, due to insufficient client details. As a result, I could not ascertain the accuracy of the revenue, valuation of receivables and payables disclosed.

ii. Expected credit losses

There were inconsistencies in the accounting for increase in allowance for expected credit losses in the financial statements. The Company charged ZWL\$2.13 billion credit losses in the administration expenses whilst there was an actual movement of ZWL\$2.11 billion leaving an unsupported variance of ZWL\$26.54 million between charge in the statement of profit or loss and the adjustment in the statement of cash flows. As a result, I could not ascertain the accuracy of amounts disclosed in the financial statements.

iii. Non-compliance with International Accounting Standard (IAS) 16 - "Property, Plant and Equipment" and International Accounting Standard (IAS) 36 - "Impairment of Assets"

The Company did not review the useful lives and residual values during the year under review. This was contrary to IAS 16 - "Property, Plant and Equipment" paragraph 51 which requires a review of useful life and residual value of its assets at each year end. In addition, the Company did not perform impairment assessment as at December 31, 2022. The impairment assessment for the year was carried out in 2025 and did not contain any assumptions, judgements and estimates used to roll back in order to ascertain the condition of assets as at December 31, 2022. As a result, I could not obtain reasonable assurance on the assumptions, judgements and estimates used in determining the impairment assessment report.

Had the Company carried out impairment assessment and reassessed useful lives and residual values of its property, plant and equipment on time the financial statements would have been materially different.

Report on going concern

I draw your attention to the fact that the Company had long-term loans amounting to ZWL\$107.25 billion. In addition, the Company incurred a loss for the year of ZWL\$18 billion and the current liabilities exceeded current assets by ZWL\$136.38 billion. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Taxation of board allowances

Finding

The Board received 10 200 litres of fuel worth ZWL\$75.3 million during the period under review. There was no evidence that withholding tax was charged on board fuel allowances. This was contrary to the 33rd schedule of the Income Tax Act [*Chapter 23:06*] section 2(1) which requires that withholding tax be charged on board fees and allowances.

Risk / Implication

Financial loss due to fines and penalties.

Recommendation

Withholding tax should be charged on all allowances as required by the Income Tax Act [*Chapter 23:06*].

Management response

The observation is noted. The Company shall ensure withholding tax is deducted from allowances and remitted to tax authorities accordingly.

1.2. Aviation Infrastructure Development Fund (AIDEF)

Finding

The Company utilised ZWL\$5.2 billion (USD6.9million) which was collected for the Aviation Infrastructure Development Fund (AIDEF) to meet other operational costs. However, no reimbursement of the funds was done as at December 31, 2022. This was contrary to the Aeronautical Information Circular (AIC) A002/12 of January 2012 which requires the funds to be utilised for the purpose of infrastructure development and modernisation of equipment.

Risk / Implication

Delays in the implementation of AIDEF projects.

Service delivery for the Fund may be compromised.

Recommendation

Management should reimburse the funds to AIDEF.

Management response

Management notes the finding and by recognizing it as an amount owed to AIDEF was to acknowledge the utilization of the fund towards operational expenditure which had been as result of increased uncontrollable operational costs whilst building up on the revenue structures for the repayment of the amount utilized.

1.3. Fines and penalties

Finding

The Company incurred penalties and fines amounting to ZWL\$1. 25 million. The penalties and fines arose from continued use of two (2) shuttle buses that were on ZIMRA embargo issued on June 24, 2022. The use was contrary to the Customs and Excise Act [*Chapter 23:02*] section 192 which prohibits use of goods placed on embargo.

In addition, the Company did not timeously apply for extension of acquittal timelines for foreign currency funds obtained from the Reserve Bank of Zimbabwe and was therefore penalised during the year under review.

Risk / Implication

Financial loss due to fines and penalties.

Recommendation

The Company should prioritise timely acquittal of funds and comply with the laws and regulations in respect of goods on embargo.

Management response

Management acknowledges the audit finding and recommendation and has since strengthened monitoring of compliance with applicable laws and regulations to prevent fines and penalties.

1.4. Rental receivables

Finding

The Company did not enforce the clauses of its lease agreements with tenants. For instance, the Company had not exercised the provision requiring cancellation of lease agreement due to non-payments of rent or any portion thereof on due date. As a result, four (4) tenants with a total debt of ZWL\$24.33 million had not paid their accounts for over 180 days despite continued occupation of the property.

Risk / Implication

Financial loss due to non-recovery of debts.

Recommendation

The lease agreements terms and conditions should be adhered to.

Management response

Management notes the observation and recommendation. Management is continuously following up on rentals due and legal action is pursued through the Agent assigned to manage the properties.

1.5. Travel and subsistence allowances

Finding

The Company was not enforcing compliance with travel and subsistence policy on acquittals of travel advances. For instance, staff members were acquitting on average from thirteen (13) to six hundred and thirty-five (635) days after returning from the trip. This was contrary to the Company travel and subsistence policy which requires acquittals to be done within five (5) days upon return from the business travel.

Risk / Implication

Transparency and accountability may be comprised.

Recommendation

Travel and subsistence acquittals should be done within five (5) days after returning as per the travel and subsistence policy.

Management response

Management acknowledges the audit finding and recommendation. Management will ensure acquittals are done within timelines and any late submissions to be deducted through payroll as per the travel and subsistence policy.

1.6. Valuation of property, plant and equipment

Finding

The Company did not review the useful lives and residual values during the period under review. This was contrary to IAS 16 - "Property, Plant and Equipment" paragraph 51 which requires a review of useful life and residual value of its assets at each year end. This was contrary to IAS 16 – "Property, Plant and Equipment" paragraph 31 which requires revaluations to be carried out with sufficient regularity to ensure that carrying amounts do not differ materially from fair values at the reporting date.

In addition the Company did not perform impairment assessment during the period under review. The impairment assessment for the year was carried out in 2025 and did not contain any assumptions, judgements and estimates used to roll back in order to ascertain the condition of assets as at December 31, 2022.

Risk / Implication

Misstatement of the financial statements.

Recommendation

Management should conduct impairment assessment, review use life and residual values of its assets annually.

Management response

Management notes that there were no assumptions documented regarding how the physical condition of the assets were determined. Management has considered all other indicators of impairment as prescribed in IAS 36 - "Impairment of Assets" paragraph 12 other than the physical condition of the assets. Management will perform a physical assessment of the assets in 2026.

After year end, the Company approved and adopted a comprehensive Fixed Asset Management Policy, which provides guidance on asset recognition, measurement, revaluation frequency, useful life reviews, impairment assessments and governance over property, plant and equipment in line with the requirements of IAS 16 - "Property, Plant and Equipment" and IAS 36 - "Impairment of Assets".

2. REVENUE COLLECTION AND DEBT RECOVERY**2.1. Revenue collection and remittances****Finding**

The Company collected fees on behalf of a third party amounting to USD123 866 and remitted USD66 756 leaving a balance of USD57 110 as at December 31, 2022. This was contrary to section 7.4 of the Memorandum of Agreement between the Company and third party which requires the Company to remit all collected fees into third party's bank account monthly.

Risk / Implication

Reputational risk.

Recommendation

The Company should remit revenue collected on behalf of third party at the agreed timelines.

Management response

The observation is noted. The Company will ensure timeous settlement of the obligations relating to third parties.

2.2. Unreceipted funds

Finding

The Company received funds amounting to ZWL\$38.65 million which were not receipted as at December 31, 2022, due to insufficient client details. There was no evidence that the deposits had been cleared in the subsequent year.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Company should consider further engagements with clients and banks to clear these unclaimed deposits.

Management response

Management takes note of the recommendation to further engage the clients and the banks for the clearance of unclaimed deposits.

2.3. Unsupported variance

Finding

There were inconsistencies in the accounting for increase in allowance for expected credit losses in the financial statements. The Company recognised ZWL\$2.13 billion credit losses in the statement of profit and loss whilst the actual movement was ZWL\$2.11 billion resulting in an unsupported variance of ZWL\$26.54 million between the amount disclosed in the statement of profit or loss and the adjustment in the statement of cash flows. This was contrary to Public Finance Management Act [Chapter 22:19] section 49 (1) (a) which requires a public entity to keep full records of its financial affairs.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Company should support all disclosed amounts.

Management response

Management takes note of the recommendation. The variance of ZWL\$26.54 million relates to AIDEF allowance for credit losses which had been included in the closing balance for ACZ in 2021. The anomaly was corrected in 2022 impacting the movement in allowance for credit losses and the charge to the statement of profit or loss and other comprehensive income.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make significant progress in addressing the audit findings raised in my 2024 annual report. I raised four (4) audit findings and two (2) findings finding were addressed, one (1) was partially addressed and one (1) finding was not addressed as indicated below;

3.1. Submission of financial statements

The finding was not addressed. The 2022 financial statements were submitted on July 08, 2025 two (2) years after the deadline.

3.2. Allowance for credit loss

The finding was addressed. The Company did complied with the provisions of IFRS 9 - "Financial Instruments" by determining the allowance for credit losses in 2022.

3.3. Leases management

The finding was addressed. The Company was letting out office space at no consideration to CAAZ as guided by Parent Ministry.

3.4. Staff housing

The finding was partially addressed. The Company painted the houses and other renovations are ongoing.

Background Information

Air Zimbabwe (Private) Limited was established in terms of the Air Zimbabwe Corporation Act [Chapter 13:02] and incorporated in terms of the Companies and Other Business Entities Act [Chapter 24:31]. The main business of the Company is to provide clients with passenger and cargo air transport, aircraft maintenance and technical commercial training courses.

I have audited the financial statements of Air Zimbabwe (Private) Limited for the year ended December 31, 2024 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Air Zimbabwe (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred a loss before tax of USD11.6 million (2023USD10.4 million). In addition, the Company's current liabilities exceeded current assets by USD26 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit:

1. GOVERNANCE ISSUES

1.1. Tax and statutory obligations

Finding

The Company was not generating enough cash flows during the year under review. As a result, the Company did not pay its statutory obligations amounting to USD20 498 as at December 31, 2024. This was contrary to section 3 (2)(c) of the National Social Security Authority Act [Chapter 17:04] and section 71 (1) of the Income Tax Act [Chapter 23:06] which both requires payment of the amounts due to these statutory obligations on specified dates.

Risk / Implication

Financial loss due to penalties and interest.

Recommendations

The Company should also enhance revenue generation strategies to improve its cash flows.

Management response

Observation is noted. Owing to liquidity constraints, the airline at times delays payments. This is being attended to through various strategies aimed at improving revenue inflows.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and I followed up on two (2) findings outstanding from my 2023 annual report. One (1) finding was addressed, three (3) findings were partially addressed and one (1) finding was not addressed as indicated below;

2.1. Investment property income

The finding was not addressed. The investment property has not been maintained and is not currently inhabitable.

2.2. Asset ownership

The finding was partially addressed. The Company has secured title to three (3) of its properties while sixteen (16) are being sort after.

2.3. Value Added Tax

The finding was partially addressed. The Airline was filling returns but however, experiencing delays in payments.

2.4. Bank reconciliations

The finding was addressed. The Airline was now preparing and reviewing the bank reconciliations on time

2.5. Key vacant posts

The finding was partially addressed. Some posts were filled while others were still vacant.

Background Information

Allied Timbers Zimbabwe (Private) Limited was incorporated in terms of Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is involved in the plantation, development harvesting, processing, marketing and selling of pine and gum timber.

I have audited the consolidated financial statements of Allied Timbers Zimbabwe (Private) Limited for the year ended December 31, 2024 and I issued an Adverse Opinion with a report on going concern.

Adverse Opinion on Consolidated financial statements

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the consolidated financial position of Allied Timbers Zimbabwe (Private) Limited and its subsidiaries as at December 31, 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”

The Group presented its financial statements in Zimbabwe Gold (ZWG) which management had assessed to be the functional and presentation currency. The assessment by management did not comply with the requirements of IAS 21- “The Effects of Changes in Foreign Exchange Rates” as the functional currency indicators were not considered. My independent assessment based on the functional currency indicators confirmed the functional currency for the Group had changed to United States Dollar (USD) in 2024. However, management maintained ZWG as its functional currency. The non- compliance with IAS 21- “The Effects of Changes in Foreign Exchange Rates” was considered material and pervasive to the financial statements.

ii. Valuation of biological assets

The Group recognised fair value gains on biological assets amounting to ZWG 671.86 million in the financial statements. The Group performed valuation of its biological assets which was determined in USD and translated to ZWG using the interbank rate. This was contrary to International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement paragraph 2 which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). It is not likely that the ZWG price derived from translating the USD value at the interbank exchange rate would be the price at which a ZWG denominated transaction would occur. As a result, I could not determine whether adjustments to the carrying amounts of biological assets and fair value gains were appropriate in these circumstances. The prior year opinion was also modified in respect of this matter.

Report on going concern status of Allied Timbers Saligna

I draw your attention to the fact that, Allied Timbers Saligna (Private) Limited, a significant subsidiary, suspended operations pending shareholder negotiations on shareholding and business strategy going forward. For the year ended December 31, 2024, the significant subsidiary incurred an operating loss of ZWG3.22 million (2023: ZWG3.23 million). As at December 31, 2024, the significant subsidiary's current liabilities exceeded its current assets by ZWG1.39 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the significant subsidiary's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Functional currency

The Group presented its financial statements in Zimbabwe Gold (ZWG) which management had assessed to be the functional and presentation currency. The assessment by management did not comply with the requirements of IAS 21- "The Effects of Changes in Foreign Exchange Rates" as the functional currency indicators were not considered. My independent assessment based on the functional currency indicators confirmed the functional currency for the Group had changed to United States Dollar (USD) in 2024. For instance, 70% of sales were in USD, payroll cost 60% in USD, trade receivables were 70% USD, 56% of receipts from operating activities were retained in USD during the year. However, management maintained its functional currency as the ZWG.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should comply with the requirements of IAS 21- "The Effects of Changes in Foreign Exchange Rates".

Management response

The observation is noted. Approval was granted by the Board to change the functional currency from ZWG to USD, following consent from the shareholder. The conversion will be effected on January 01, 2026, as agreed in the most recent Finance Committee meeting.

1.2. Valuation of biological assets

Finding

The Group recognised fair value gains on biological assets amounting to ZWG 671.86 million in the financial statements. The Group performed valuation of its biological assets which was determined in USD and translated to ZWG using the interbank rate. This was contrary to International Financial Reporting Standard (IFRS) 13 - "Fair Value Measurement paragraph 2 which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). It is not likely that the ZWG price derived from translating the USD value at the interbank exchange rate would be the price at which a ZWG denominated transaction would occur.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should comply with the requirements of IFRS 13 - "Fair Value Measurement"

Management response

A decision has already been made and approved by the Board to change the company functional currency effective January 01, 2026.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 report, followed up on two (2) audit findings from my 2023 annual report. Four (4) findings were addressed, and two (2) audit findings were not addressed as indicated below;

2.1. Creditors reconciliations

The finding was addressed. The reconciliations were now being done.

2.2. Cash sales

The finding was addressed. The resultant overstated receivables balances from the prior years were written off and the cash control account no longer had the imbalance in 2025.

2.3. Receivables reconciliations

The finding was addressed. The reconciliations were now being performed, and no reportable misstatements have been noted during the year under reviewed.

2.4. Sustainability of harvesting operations

The finding was addressed. In 2024, the Company's total allowable cut for both eucalyptus and pine trees was 1 523 hectares and only harvested 1 247 hectares implying that it is sustainably harvesting the timber resources.

2.5. Occupation of the Company's estates

The finding was not addressed. Key stakeholders were engaged and the matter is still outstanding.

2.6. Training of staff

The finding was not addressed. Training staff was not conducted to minimize errors in processing transactions.

Background Information

Allied Timber Saligna (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and is a wholly owned subsidiary of Allied Timbers Zimbabwe (Private) Limited. The main function of the Company is to provide sustainably sourced, premium quality timber for construction and design needs.

I have audited the financial statements of Allied Timber Saligna (Private) Limited for the year ended December 31, 2024. I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Allied Timbers Saligna (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company suspended operations pending shareholder negotiations on shareholding and business strategy going forward. In addition, the Company incurred an operating loss of ZWG3.22 million (2023: ZWG3.23 million) as at December 31, 2024, and as of that date, the current liabilities exceeded its current assets by ZWG1.39 million. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below is a material issue noted during the audit:

1. GOVERNANCE ISSUE

1.1. Statutory obligations

Finding

The Company was not submitting VAT returns on time. For instance, the June 2024 return was submitted thirty-eight (38) days after due date, November return was submitted twenty-one (21) days after due date whilst the December 2024 return was submitted after forty-eight (48) days from the due date. This was contrary to section 28(1) of the Value Added Tax Act [*Chapter 23:12*] which requires tax returns and payments to be submitted within the period ending on the 25th of the following month.

Risk / Implication

Financial losses due to penalties and interests.

Recommendation

The Company should consider alternative strategies to enhance its revenue.

Management response

The observation is noted. Statutory obligations will be paid once the Company's cash flows improve.

Background Information

The Bindura University Printing Press (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] with the sole purpose of providing lithographic and digital printing services to the Bindura University of Science Education and the public. The Printing Press is a strategic business unit of Bindura University of Science Education.

I have audited the financial statements of the Bindura University Printing Press (Private) Limited for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Bindura University Printing Press (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings that I raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2024 annual report. I raised two (2) audit findings in my 2024 annual report, one (1) audit finding was addressed while the other audit finding was not addressed as indicated below;

1.1. Board meetings

The finding was not addressed. The Board only met once during the 2024 financial year.

1.2. Submission of annual returns

The finding was addressed. All outstanding company secretarial filings are updated and lodged at the Registrar of Companies offices.

Background Information

CMED Fuels (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and is a wholly owned subsidiary of CMED (Private) Limited. Its mandate is to supply fuel to the government and the public on a commercial basis.

I have audited the financial statements of CMED Fuels (Private) Limited for the year ended December 31, 2024 and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of CMED Fuels (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company had a net current liability position of ZWG62 million and incurred an operating loss of ZWG34.7 million as at December 31, 2024. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. SERVICE DELIVERY

1.1. Business development and sustainability of services

Finding

The Company's operational service stations decreased by thirty-nine percent (39%) from twenty-eight (28) service stations to seventeen (17) as at December 31, 2024 due to funding constraints. As a result, the Company could not meet its sales performance target of 12 million litres as sales of 6.1 million litres were realised during the year. In addition, the Company was in a net current liabilities position.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should enhance its revenue generation strategies.

Management response

The Company has embarked on a project to upgrade the existing infrastructure and build new infrastructure at strategic location through internal skills as well as Public Private Partnerships (PPP) in line with CMED strategic plan.

Background Information

CMED (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [Chapter 24:31]. Its mandate is to provide transport and operate transport services, plant and equipment hire for the construction of roads, dams, bridges and other infrastructure.

I have audited the financial statements of CMED (Private) Limited for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion on the consolidated financial statements

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of CMED (Private) Limited as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the Company financial statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of CMED (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Contract management

The Company's controls over contract management were not effective during the period under review. For instance, six (6) projects had no contracts in place. In addition, projects that were completed in 2022 had outstanding amounts of USD2.77 million.

Risk / Implication

Irregular expenditure may go undetected.

Service delivery may be compromised due to cash flow constraints.

Recommendation

The Company should strengthen its contract management by ensuring that verbal, constructive and outstanding contracts are put in place.

Management response

The Company will continue to pursue payments from the parent Ministry. This remains an ongoing process and will continue to provide services on credit that will always be paid for. The remaining projects are still in the process of finalising contracts.

1.2. Board committee meetings

Finding

There were three (3) board members who did not attend at least seventy-five percent (75%) of Integrity Committee meetings held during the year under review. Out of the scheduled committee meetings, the board members attended only fifty percent (50%) of the meetings. This was contrary to the Public Entities Corporate Governance Act [*Chapter 10:31*] paragraph 143 of the First Schedule which requires board members to attend at least seventy-five percent of all board and committee meetings.

Risk / Implication

Board oversight role may be compromised.

Recommendation

Board members should attend at least seventy-five percent of board and committee meetings in line with the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

As regards attendances for Board Committee meetings, members of the Board Integrity Committee will be urged to improve attendance going forward.

1.3. Statutory obligations

Finding

The Company did not settle statutory obligations amounting to ZWG93.9 million in respect of PAYE, VAT and corporate tax due to cash flow constraints emanating from non-payment by government. This was contrary to sections 72 and 73 of the Income Tax Act [*Chapter 23:06*] which requires employers to deduct PAYE from employees' earnings and remit both the tax and associated returns by the 10th day of the month following the month of deduction, and the VAT Act [*Chapter 23:12*].

Risk / Implication

Financial loss due to penalties.

Recommendation

The Company should engage ZIMRA in order for their VAT arrangements to be aligned to customer receipts.

The Company should engage its debtors (government) for regular release of funds.

Management response

Management continues to engage with ZIMRA and other agencies regarding the obligations and consistently propose payment plans. However, the Company often fail to honor these plans due to non-payment by the major customer, the Government of Zimbabwe. Despite this, the effort are being made to settle these statutory obligations, although the amounts paid are often insignificant or fall far below the required amounts. Management will continue to settle these obligations as funds become available.

The main challenge is that our statutory obligations become due as soon as the customer is invoiced, yet payment for those invoices may take as long as six months to a year to be received. This creates significant cash flow constraints, making it difficult to meet our obligations to ZIMRA on time. To address this, management will continue lobbying with Ministry of Finance, Economic Development and Investment Promotion to assist with setoffs and it has already written to ZIMRA to stop garnishing government essential service providers.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised seven (7) findings in my 2024 annual report and followed up on two (2) findings outstanding in my 2023 and 2022 annual reports. Four (4) findings were addressed while five (5) were partially addressed as indicated below;

2.1. Vehicle and equipment fleet

The finding was partially addressed. Most of the non-runners were disposed and the physical units on the ground are serviceable.

2.2. Working capital management

The finding was partially addressed. The biggest client and debtor is the Parent Ministry, and the Company is receiving constant payments.

2.3. Due diligence

The finding was addressed. The dispute was settled, ZIMRA exonerated CMED from the liability.

2.4. Asset register

The finding was addressed. The asset register had been updated to include location of assets.

2.5. Board of inquiries

The finding was partially addressed. A disciplinary hearing was held on December 20, 2024, in respect of the accident involving one of the vehicles. Two (2) board of inquiries of the outstanding inquiries were still pending.

2.6. Vehicle hire billing

The finding was addressed. Opening and closing mileages for vehicles and equipment are now being recorded.

2.7. Procurement of motor vehicles

The finding was partially addressed. Three (3) vehicles out of the eight (8) were still outstanding from one (1) supplier, whilst the other supplier had not yet delivered fifteen (15) vehicles. The motorbike supplier delivered twenty-two (22) bikes out of fifty (50).

2.8. Delivery of goods and services

The finding was partially addressed. The supplier of roller drums refunded USD40 000 leaving an outstanding balance of USD8 000.

2.9. Corporate tax

The finding was addressed. The Company was now submitting quarterly tax returns during the year ended December 31, 2024.

Background Information

Conflor Investments (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is an investment vehicle for Small and Medium Development Corporation (SMEDCO).

I have audited the financial statements of Conflor Investments (Private) Limited for the year ended December 31, 2024 and I issued a Qualified Opinion..

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Conflor Investments (Private) Limited as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Accounting for operating expenditure

The Company did not account for operating expenditure incurred on its operations during the year under review. Although the Company owned the building where service charges, maintenance costs and other rates were incurred, these were not presented in the financial statements of the Company for the year ended December 31, 2024. As a result, I could not ascertain the completeness of the financial statements.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Bank accounts

Finding

The Company did not have a separate bank account for its cash transactions. As a result, the Company's expenses amounting to ZWG 87 317 were paid through the Corporation's (parent) bank accounts and not presented in the separate financial statements of the subsidiary.

Risk / Implication

Misstatements of financial statements.

Recommendation

A separate bank account to record the cash transactions of the Company should be maintained.

Management response

Accepted. The Corporation will explore creating a separate bank account for the Company.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings that I raised in my 2024 annual report. I raised five (5) audit findings, three (3) findings were addressed and two (2) were not addressed as indicated below;

2.1. Annual returns submission

The finding was addressed. The previous year returns were filed.

2.2. Lease agreements

The finding was addressed. The lease agreement between the Subsidiary and Parent is now in place.

2.3. Board meetings

The finding was not addressed. No meetings were held as the subsidiary still does not have a separate Board of Directors.

2.4. Submission of financial statements

The finding was addressed. The Company prepared and submitted financial statements for audit and opening balances were verified.

2.5. Accounting for expenditure

The finding was not addressed. The Company did not account for expenditure relating to the building.

Background Information

The Company was incorporated under the Companies and Other Business Entities Act [Chapter 24:31]. Its main business is provision of courier services in Zimbabwe and beyond.

I have audited the financial statements of Courier Connect (Private) Limited for the year ended December 31, 2020 and I issued a Disclaimer of Opinion.

Disclaimer of Opinion

I do not express an opinion on the financial statements of the Courier Connect (Private) Limited for the year ended December 31, 2020. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

i. Non-compliance with International Accounting Standard (IAS) 36 - "Impairment of assets" International Accounting Standard (IAS) 8 - "Accounting Policies, Changes in Accounting Estimates and Errors"

I was not availed with evidence that the Company conducted an annual impairment assessment of its property, plant and equipment as at December 31, 2020. This was contrary to IAS 36 – "Impairment of Assets" paragraph 9 which requires the entities to assess at the end of each reporting period whether there is any indication that any assets may be impaired. My opinion in the prior year was modified in respect of this matter and the misstatements have not been corrected in line with the requirements of IAS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" in the financial statements for the year ended December 31, 2020.

ii. Non-compliance with International Accounting Standard (IAS) 21 - "The Effects of Changes in Foreign Exchange Rates" and International Accounting Standard (IAS) 8 – "Accounting Policies, Changes in Accounting Estimates and Errors"

The prior year financial statements were modified based on non-compliance with the requirements of IAS 21 – "The Effects of Changes in Foreign Exchange Rates". The opening balances of assets and reserves had misstatements that materially affected the current period's financial statements. The effects of the misstatements were not corrected in the current period in line with the requirements of IAS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" I could not determine the extent of adjustments necessary.

iii. Non-compliance with International Accounting Standard (IAS) 29 - "Financial Reporting in Hyperinflationary Economies"

The Company did not restate its financial statements in terms of the measuring unit current at the end of the reporting period. This was contrary to IAS 29 - "Financial Reporting in Hyperinflationary Economies" which requires entities operating in hyperinflationary economies to apply the provisions of the standard to reflect the changing purchasing power of the functional currency. I was therefore unable to obtain sufficient and appropriate audit evidence to serve as a basis for an audit opinion. My opinion in the prior year was also modified in respect of this matter.

iv. Supporting documentation - fuel

I was not availed with adequate supporting documents for the purchase of fuel amounting to ZWL\$12.5 million. The Company only availed bank statements which showed the bulk payments for fuel purchases which were not supported by payment vouchers and goods received vouchers. I could not therefore, ascertain whether the amounts paid related all to fuel purchases and that the quantities procured and delivered were accurate.

v. Income tax computation

The Company did not prepare or provide an income tax computation supporting the income tax disclosures in the financial statements. As a result, I was unable to validate the Company's tax liability or assess compliance with income tax regulations.

vi. Non-compliance with International Accounting Standard (IAS) 24 – “Related Party Disclosures.”

The Company did not disclose related party information in its financial statements despite having key management personnel and board of directors who meet the definition of related parties. This was contrary to IAS 24 - “Related Party Disclosures” paragraph 34a-c which requires disclosures of related party information. I was unable to determine the accuracy and completeness of disclosures in the financial statements.

vii. Opening balances

The opening balances were not adjusted to address several issues that were reported in the previous year's audit report which resulted in a Disclaimer of Opinion. These misstatements pertained to payables, receivables, cash and cash equivalents and inventory. I could not ascertain the accuracy of the opening balances.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Company submitted its 2020 financial statements in September 2024 which was four (4) years after the statutory deadline. This was contrary to section 49 (1) c of the Public Finance Management Act [*Chapter 22:19*] which requires public entities to submit the financial statements for audit within two (2) months after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Company should submit financial statements within two (2) months after the year end in line with Public Finance Management Act [*Chapter 22:19*].

Management response

Observation is noted. The Company is currently lagging due to loss of data in 2017 because of system failure which resulted in backlog of audited financial statements. Management takes note of the need to ensure that audits are completed in accordance with Public Finance Management Act [Chapter 22:19] and efforts are being made to clear the outstanding audits.

1.2. Inflation accounting

Finding

The Company did not restate its financial statements in terms of the measuring unit current at the end of the reporting period. This was contrary to IAS 29 - "Financial Reporting in Hyperinflationary Economies" which requires entities operating in hyperinflationary economies to apply the provisions of the standard to reflect the changing purchasing power of the functional currency.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Company should comply with International Accounting Standard (IAS) 29 - "Financial Reporting in Hyperinflationary Economies".

Management response

Management takes note of the requirements of International Accounting Standard (IAS) 29 - "Financial Reporting in Hyperinflationary Economies" and will restate the financial statements for consolidation.

1.3. Statutory obligations

Finding

The Company experienced cash flow challenges during the period under review. As a result, statutory obligations that include PAYE and NSSA contributions were not being remitted. This was contrary to the requirements of section 72 of the Income Tax Act [Chapter 23:06] and section 13 of the National Social Security Authority (Pension and Other Benefits Scheme) (Rates of Benefits) Notice, 1993, which requires employers to remit taxes and social security contributions.

Risk / Implication

Financial loss due to penalties that may be levied.

Recommendation

The Company should enhance revenue generation strategies to improve its cash flows.

Management response

Courier Connect had challenges in cashflows hence had outstating statutory obligations.

1.4. Supporting documentation - fuel

Finding

I was not availed with adequate supporting documents for the purchase of fuel amounting to ZWL\$12.5 million. The Company only availed bank statements which showed the bulk payments for fuel purchases which were not supported by payment vouchers and goods received vouchers. This was contrary to section 10(c) of the Public Finance Management Act [Chapter 22:19] which requires proper documentation of financial transactions.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should maintain adequate documentation of all transactions.

Management response

Management takes note of need to improve internal controls on expenditure. Most documents at branch levels could not be retrieved due to misfiling as most of the staff have left the organization.

2. PROGRESS TOWARDS ADDRESSING AND IMPLEMENTATION OF PRIOR YEAR AUDIT FINDINGS AND RECOMMENDATIONS

The Company did not make significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised five (5) audit findings in my 2024 annual report and followed up on four (4) findings outstanding in my 2023 annual report. Two (2) findings were addressed, one (1) finding was partially addressed and six (6) findings were not addressed as indicated below;

2.1. Impairment of property, plant and equipment

The finding was not addressed. Impairment assessment on assets was not performed in the current year and my opinion was modified in respect of this matter.

2.2. Litigations and claims

The finding was not addressed. Responses to the legal confirmations were not received in the current year.

2.3. Provision of audit information

The finding was not addressed. Statutory returns and income tax computations were not provided for audit in the current year.

2.4. Cash and cash equivalents

The finding was addressed. Bank confirmations and bank statements were availed for audit.

2.5. Asset register

The finding was partially addressed. The asset register was availed in the current year however, there were still some discrepancies in the asset register.

2.6. Bank reconciliations

The finding was addressed. Bank reconciliations for 2020 were availed during the audit.

2.7. Supporting documentation

The finding was not addressed. Supporting documentation for fuel purchases were not availed in the current year.

2.8. Trade and other payables

The finding was not addressed. Responses from creditors confirmations were not received for the current period and my opinion was modified.

2.9. Trade and other receivables

The finding was not addressed. Responses from receivables confirmations were not received for the current period and my opinion was modified.

Background Information

The Defold Mine (Private) Limited is a special purpose vehicle under the Ministry of Mines and Mining Development. The Company is a holding company which owns one wholly owned subsidiary, Zimbabwe Consolidated Mining Company (ZCDC) which is into diamond mining.

I have audited the financial statements for Defold Mine (Private) Limited and its subsidiary for the years ended December 31, 2021, 2022 and 2023. I issued adverse opinions for all the years and a report on going concern in 2023.

Adverse Opinion 2021

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the consolidated financial position of Defold Mine (Private) Limited as at December 31, 2021, and its consolidated financial performance and its consolidated cashflows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion**i. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”**

The subsidiary, ZCDC in the prior year changed its functional currency from USD to RTGS dollar following the promulgation of Statutory Instrument 33 of 2019. The RTGS dollar became part of the multi-currency system in Zimbabwe through the issuance of Statutory Instrument 33 of 2019, with an effective date of February 22, 2019. The Statutory Instrument 33 of 2019 provided that for accounting and other purposes, all assets and liabilities that were immediately before the effective date, valued and expressed in United States dollars shall on and after the effective date be deemed to be values in RTGS dollars at a rate of 1:1 to the United States dollar. This was not consistent with IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

In 2021, management presented the ZCDC financial statements in the Zimbabwe Dollars (ZWL\$) although the functional currency had been determined to be the USD contrary to the requirements of IAS 21, – “The Effects of Changes in Foreign Exchange Rates” which requires an entity’s functional currency to reflects the underlying transactions, events and conditions that are relevant to it. Notwithstanding the assessment and determination of the USD as ZCDC’s functional currency, ZCDC continued to use the ZWL\$ as its functional currency. ZCDC’s sales, cost of sales, expenses are predominantly in the United States Dollars. The continued use of the ZWL\$ as its functional currency when the underlying transactions, events and conditions of the entity reflect the USD as the functional currency, constitutes a departure from the requirements of IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

In addition, the foreign currency denominated transactions and balances of the Group were translated into ZWL\$ using the interbank exchange rates which were not considered appropriate spot rates for translations as required by IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

ii. Non-compliance with International Accounting Standard (IAS) 29 – Financial Reporting in Hyperinflationary Economies

The consolidated financial statements were adjusted for IAS 29 – “Financial Reporting in Hyperinflationary Economies” correctly, however, its application was based on prior and current year’s financial information which was not in compliance with IAS 21 – “The Effects of Changes in Foreign Exchange Rates” as described above. Had the correct base numbers been used, most elements of the consolidated financial statements would have been materially different. The impact of the departure from the requirements of these standards is considered material and pervasive to the consolidated financial statements for the year ended December 31, 2021.

Adverse Opinion 2022

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the consolidated financial position of Defold Mine (Private) Limited as at December 31, 2022, and its consolidated financial performance and its consolidated cashflows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Non-compliance with International Accounting Standard 21 -The Effects of Changes in Foreign Exchange Rates

The subsidiary, Zimbabwe Consolidated Diamond Company (ZCDC) in the prior year changed its functional currency from USD to RTGS dollar following the promulgation of Statutory Instrument 33 of 2019. The RTGS dollar became part of the multi-currency system in Zimbabwe through the issuance of Statutory Instrument 33 of 2019, with an effective date of February 22, 2019. The Statutory Instrument 33 of 2019 provided that for accounting and other purposes, all assets and liabilities that were immediately before the effective date, valued and expressed in United States dollars shall on and after the effective date be deemed to be values in RTGS dollars at a rate of 1:1 to the United States dollar. This was not consistent with IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

In 2022, management presented the ZCDC financial statements in the Zimbabwe Dollars (ZWL\$) although the functional currency had been determined to be the USD contrary to the requirements of IAS 21, – “The Effects of Changes in Foreign Exchange Rates” which requires an entity’s functional currency to reflects the underlying transactions, events and conditions that are relevant to it. Notwithstanding the assessment and determination of the USD as ZCDC’s functional currency, ZCDC continued to use the ZWL\$ as its functional currency. ZCDC’s sales, cost of sales, expenses are predominantly in the United States Dollars. The continued use of the ZWL\$ as its functional currency when the underlying transactions, events and conditions of the entity reflect the USD as the functional currency, constitutes a departure from the requirements of IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

In addition, the foreign currency denominated transactions and balances of the Group were translated into ZWL\$ using the interbank exchange rates which were not considered appropriate spot rates for translations as required by IAS 21 – “The Effects of Changes in Foreign Exchange Rates”.

ii. Non-compliance with International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”

The consolidated financial statements were adjusted for IAS 29 – “Financial Reporting in Hyperinflationary Economies” correctly, however, its application was based on prior and current year’s financial information which was not in compliance with IAS 21 – “The Effects of Changes in Foreign Exchange Rates” as described above. Had the correct base numbers been used, most elements of the consolidated financial statements would have been materially different. The impact of the departure from the requirements of these standards is considered material and pervasive to the consolidated financial statements for the year ended December 31, 2021.

Adverse Opinion 2023

In my opinion, because of the significance of the matter discussed in the basis for Adverse Opinion section of my report, the consolidated financial statements do not present fairly, the financial position of Defold Mine (Private) Limited and its subsidiaries as at December 31, 2023, and its consolidated financial performance and its consolidated cashflows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”

The subsidiary of Defold Mine (Private) Limited, Zimbabwe Consolidated Diamond Company (ZCDC) (Private) Limited prepared its financial statements for the year ended December 31, 2023 by applying Zimbabwean dollars (ZWL\$) as its functional and presentation currency. However, the assessment of functional currency was not aligned to the requirements of IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” paragraph 9 which requires entities to determine their functional currency based on the primary economic environment in which they operate. My assessment based on the primary indicators, that is the currency in which the ZCDC was generating revenue, concluded USD to be the functional currency. I could not determine the adjustments necessary to correct this departure from IAS 21 - “The Effects of Changes in Foreign Exchange Rates” and the misstatements were considered material to the financial statements.

Report on going concern

I draw your attention to the fact that the Group incurred a loss before tax of ZWL\$127.9 billion (2022: ZWL\$58.3 billion) during the year ended December 31, 2023. In addition, the Group’s current liabilities exceeded its current assets by ZWL\$325.9 billion (2022:ZWL\$104.7billion) as at December 31, 2023. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Bank reconciliations

Finding

The Company was not preparing and reviewing bank reconciliations monthly for its two (2) accounts except for the month of December 2022.

Risk / Implication

Fraud or errors may go undetected.

Recommendation

Management should prepare and review bank reconciliations monthly.

Management response

Due to a backlog and limited time, the accounts department prepared one comprehensive bank reconciliation covering all previous months. This was carefully completed and encompassed the entire year. Bank reconciliations for the current year are now being completed monthly.

1.2. Supporting documents

Finding

The Company's records management processes were inadequate during the period under review. As a result, I was not availed with expenditure records relating to NSSA and PAYE.

Risk / Implication

Fraud and errors may not be detected on time.

Recommendation

Employee files and records should be adequately maintained to ensure that there is proper audit trail.

Management response

Due to lean structure, there were no specialized and qualified personnel dedicated to Human resources functions, and these responsibilities were incorporated into the Accountant's duties. Management appointed a Human Resources Officer on the 1st of March 2024 specifically tasked with overseeing human resources functions, including maintaining proper record-keeping to ensure a reliable audit trail.

1.3. Functional currency assessment

Finding

The subsidiary, Zimbabwe Consolidated Diamond Company (ZCDC) (Private) Limited prepared its financial statements for the year ended December 31, 2023 by applying Zimbabwean dollars (ZWL\$) as its functional and presentation currency. However, the assessment of functional currency was not aligned to the requirements of IAS 21 – “The Effects of Changes in Foreign Exchange Rates” paragraph 9 which requires entities to determine their functional currency based on the primary economic environment in which they operate. My assessment based on the primary indicators, that is the currency in which the subsidiary was generating revenue, concluded USD to be the functional currency.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Company should perform functional currency assessment in line with IAS 21 - “The Effects of Changes in Foreign Exchange Rates”.

Management response

Observation is noted. Management would like to highlight that during the period under review, the Group operated in compliance with the requirements of Statutory Instrument 33 of 2019, which mandated the use of the Zimbabwe Dollar (ZWL) for accounting and reporting purposes. Accordingly, accounting records and financial statements were maintained in ZWL\$ in line with prevailing regulatory requirements at the time. Notwithstanding the above, management recognises the need to fully align with IAS 21 requirements in determining and applying the appropriate functional currency based on the underlying economic environment.

The Group has initiated processes to transition towards maintaining accounting records in United States Dollars (USD), in line with the assessed functional currency. Systems and processes are currently being updated to support USD-based accounting and reporting. Management is in the process of documenting the functional currency assessment, including the basis and effective date of the determination. Necessary adjustments and disclosures will be incorporated in the financial statements to ensure compliance with IAS 21. Management confirms that the Group will fully adopt USD as the functional and reporting currency, and financial reporting in USD is expected to be implemented with effect from the 2026 financial year going forward.

1.4. Going concern

Finding

The Group was not generating sufficient revenue. As a result the Group incurred a loss before tax of ZWL\$127.9 billion (2022: ZWL\$58.3 billion) during the year ended December 31, 2023. The Group's current liabilities exceeded its current assets by ZWL\$325.9 billion (2022: ZWL\$104.7 billion) as at December 31, 2023.

In addition, the Company's internal controls over debt collection and management were inadequate. For instance, the Company had ZWL\$8.78 billion trade receivables which were outstanding for more than 90 days.

Risk / Implication

Going concern and service delivery may be compromised.

Recommendation

The Group should come up with a revenue generation strategy to address the cash flow challenges.

The Company should strengthen credit control and debt collection procedures.

Management response

Management believes that the group will continue to realise its assets and settle its obligations in the ordinary course of business. Further to that the group remains operational and continues to generate revenue from its core mining activities. The ability of the Group to continue as a going concern depends on the continued support from the shareholder, the expected high production levels, cost containment measures implemented by the Group, and short- and long-term funding arrangements. While the operating environment remains challenging, management has implemented measures to mitigate the impact of losses, including; cost rationalisation and prioritisation of essential expenditure, optimisation of mining and processing operations to improve margins, ongoing financial support and funding flexibility from the shareholder and other financiers.

Background Information

EasyGo Car Hire and Travel (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] and is a wholly owned subsidiary of CMED (Private) Limited. The main functions of the Company are to provide transport hire and learner training services for drivers.

I have audited the financial statements of EasyGo Car Hire and Travel (Private) Limited for the year ended December 31, 2024, and I issued an unmodified / clean opinion with a report on going concern.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of EasyGo Car Hire and Travel (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Report on going concern

I draw your attention to the fact that the Company incurred an inflation adjusted loss of ZWG25.2 million during the year ended December 31, 2024. In addition, the Company's current liabilities exceeded its current assets by ZWG4.7 million as at December 31, 2024. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Whistle-blower facility

Finding

The Company had no whistle-blower policy in place. This was contrary to Section 259 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires the Company to take measures to manage whistleblowing. As a result, grievances that would have not been rectified using normal channels may remain unaddressed.

Risk / Implication

Fraud risk management strategies may be compromised.

Recommendation

Whistle blower policy should be considered for the Company.

Management response

The Whistleblower policy is work in progress. The draft policy is being taken through the approval process to comply with Section 259 of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Meanwhile, the Company has a Toll-free line for the purposes of receiving feedback from its clients. The toll-free line was put in place in 2014 when the company got the first ISO certification. Also, the Company makes use of the Integrity Committee to address grievances.

2. EMPLOYMENT ISSUES

2.1. Fuel benefit

Finding

I was not availed with the Company's policy on the apportionment of fuel benefits for private and business purposes. As a result, fuel benefits granted to staff were not being processed through the payroll hence they were not subject to tax. This was contrary to section 8(1)(f) of the Income Tax Act [*Chapter 23:06*] which requires all employee benefits to be included in gross income for taxation purposes.

Risk / Implication

Financial loss due to penalties for non-compliance.

Recommendation

The Company should subject employee benefits to tax in line with section 8(1)(f) of the Income Tax Act [*Chapter 23:06*].

Management response

The recommendation is accepted, and management will comply.

Background Information

The Industrial Development Corporation of Zimbabwe was established in terms of Industrial Development Corporation Act [*Chapter 14:10*]. For its role in catalysing industrialization, the IDCZ is classified as a Development Finance Institution (DFI).

I have audited the financial statements of Industrial Development Corporation of Zimbabwe Limited for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Industrial Development Corporation of Zimbabwe as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings that I raised in my 2023 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on one (1) finding outstanding in my 2023 annual report. One (1) finding was addressed while the other finding was not addressed as indicated below;

1.1. Statutory obligations

The finding was not addressed. The Corporation continued to experience cash flow challenges during the year under review.

1.2. Procurement of motor vehicles

The finding was addressed. A board resolution was passed and the tax invoice was obtained.

Background Information

The Minerals Marketing Corporation of Zimbabwe was established in terms of the Minerals Marketing Corporation of Zimbabwe Act [*Chapter 21:04*]. Its functions are to act as the sole marketing and selling agent for all minerals, except gold and silver and to provide for the control and regulation of stock piling of minerals.

I have audited the consolidated financial statements of the Minerals Marketing Corporation of Zimbabwe for the year ended December 31, 2024. I issued an unmodified / clean opinion with an emphasis of matter paragraph.

Opinion on the Consolidated Financial Statements 2024

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Minerals Marketing Corporation of Zimbabwe (MMCZ), as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the Corporation Financial Statements 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Minerals Marketing Corporation of Zimbabwe, as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Emphasis of matter

I draw your attention to the fact that the financial statements of the subsidiary, Mellofieldde Chemicals (Private) Limited were prepared on a breakup basis. The Board resolved in October 2024 to transfer Bindura Nickel Corporation shares held by Mellofieldde Chemicals (Private) Limited to the parent company, Minerals Marketing Corporation of Zimbabwe and to classify the subsidiary as dormant. My opinion was not modified in respect of this matter.

I followed up on audit findings raised in my 2020 and 2023 annual reports, below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation did not make progress in addressing audit findings raised in my 2020 and 2023 annual reports. I raised one (1) finding in my 2023 annual report and followed up on two (2) outstanding findings from my 2020 annual report. Two (2) findings were partially addressed whilst one (1) finding was not addressed as indicated below;

1.1. Alignment of processes with legislative change

The finding was partially addressed. Identification of the bank accounts was still in progress.

1.2. Assay laboratory

The finding was partially addressed. To date the phase 1 equipment for the laboratory has been purchased installed and commissioned by the vendors for use.

1.3. Strategic direction of Mellofieldde Chemicals (Private) Limited

The finding was not addressed. The Company is still dormant.

Background Information

Mosi Oa Tunya Development Company (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The mandate of the Company is to develop tourism infrastructure in the country.

I have audited the financial statements of Mosi Oa Tunya Development Company (Private) Limited for the years ended December 31, 2023, and 2024. I issued a Qualified Opinion for 2023 and an unmodified / clean opinion in 2024.

Qualified Opinion 2023

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Mosi Oa Tunya Development Company (Private) Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”

The property, plant and equipment valuations were determined in USD and then translated to Zimbabwe dollars (ZWL\$) using the interbank rate as at December 31, 2023. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars. I could not determine the extent of the adjustments that were necessary.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects the financial position of Mosi Oa Tunya Development Company (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Valuation of property, plant and equipment

Finding

The property, plant and equipment valuations were determined in USD and then translated to Zimbabwe dollars (ZWL\$) using the interbank rate as at December 31, 2023. The translated property, plant and equipment values in Zimbabwe dollar could not meet the fair value requirement of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in Zimbabwe dollars.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Company should comply with the requirements of International Financial Reporting Standard (IFRS) 13 - "Fair Value Measurement".

Management response

Management acknowledges the observation. For reporting periods from 2024 onwards, the independent valuer has been instructed to perform valuations in both USD and ZWL (RTGS) to ensure compliance with IFRS 13 - "Fair Value Measurement".

1.2. Board meetings

Finding

The Board was not holding its quarterly meetings on time. Board meetings were held on average of 54 to 134 days after the end of each quarter. This was contrary to the requirements of Public Entities Corporate Governance Act [*Chapter 10:31*] section 33 (1) which requires board meetings to be held once every three months.

Risk / Implication

Oversight role maybe compromised due to delayed meetings.

Recommendation

Board meetings should be held on time after the end of each of quarter.

Management response

The observation is noted. However, while it is ideal from a corporate governance perspective, in certain unavoidable circumstances, it becomes necessary to conduct meetings in retrospect to ensure that the Board remains compliant with statutory requirements.

These retrospective meetings help to formally document and approve matters that fall within the respective reporting periods, thus maintaining governance completeness and adherence to oversight obligations. Going forward the Company will strive to hold board meetings within the required time frames.

1.3. Submission of financial statements

Finding

The Company's 2024 financial statements were submitted for audit on June 24, 2025. This was contrary to Section 49 sub section 1(c) of the Public Finance Management Act [*Chapter 22:19*] which requires the accounting officer of a public entity to submit the financial statements for audit within two months after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Company should submit its financial statements on time in line with the requirements of Public Finance Management Act [*Chapter 22:19*].

Management response

Management acknowledges the importance of complying with the statutory timelines outlined in the Public Finance Management Act [*Chapter 22:19*]. Submitting the 2024 financial statements before the finalization of the 2022 audit would have posed challenges, particularly with respect to the accuracy of opening balances. Management is committed to improving the timeliness of financial reporting and will ensure that future financial statements are submitted within the required timeframe.

1.4. Supporting documentation

Finding

The Company's internal controls over procurement of goods and services were inadequate. For instance, in 2023 the Company made payments amounting to ZWL\$11.24 million based on quotations which were not supported by invoices. This was contrary to section 59(3)(c) of the Public Finance Management Regulations [Treasury Instructions] of 2019 which requires payments to be made based on an original invoice by the supplier.

Risk / Implication

Financial loss due to fraud and error.

Recommendation

All payments should be adequately supported with invoices before processing of payments.

Management response

The observation regarding the missing invoices has been noted. Please be advised that suppliers generally treat the quotation document as both the invoice and the delivery reference. Goods and services are typically supplied based on the quotation, and separate invoices are only issued upon request particularly in cases where a tax invoice is required.

2. EMPLOYMENT ISSUES

2.1. Key vacant posts

Finding

The Company was facing financial constraints, as a result key posts was vacant during the period under review. These included the post of the Managing Director, Head Technical Services and Business Development, Head Finance, Human Resources and Administration, Project Engineer and Internal Auditor.

Risk / Implication

Service delivery and decision making may be compromised.

Recommendation

The Company should enhance its revenue generating strategy.

Management response

While the organogram was duly approved, the Board made a deliberate decision to operate with a lean staff structure in the interim due to resource constraints. Nevertheless, efforts were made to prioritize the recruitment of the most critical personnel, particularly within the technical departments. However, the onboarding of such staff could not proceed due to insufficient financial resources.

2.2. Performance management**Finding**

The Company's controls over employee performance management were inadequate. As a result, documented employee performance appraisals were not done during the year under review. This was contrary to section 11 of the Company's performance management policy which require employee performance appraisals to be conducted annually.

Risk / Implication

Performance management and service delivery may be compromised.

Recommendation

Performance appraisals should be conducted in line with Company's performance management policy.

Management response

Management acknowledges the observation regarding the non-conduct of formal employee performance appraisals during the year under review. The primary reason for this was the deployment of a skeletal staff structure during the period, which necessitated multi-tasking. Employees were often required to perform duties outside their job descriptions to ensure continuity of operations. This situation disrupted the proper rollout of the performance management cycle, as staff were focused more on operational demands than on tasks strictly aligned with their contracted roles.

Despite the absence of formal appraisals, employee performance was monitored informally through regular supervision, task-based assignments, and output tracking at the departmental level.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND

IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing the audit findings raised in my 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2023 annual report. Three (3) findings were addressed while the other finding was not addressed as indicated below;

3.1. Accounting procedures manual

The finding was addressed. The manual was reviewed in 2025.

3.2. Monitoring of internal controls

The finding was not addressed. There were no internal audit arrangements in place during the period under review.

3.3. Travelling and subsistence

The finding was addressed. Acquittals were now being done.

3.4. Valuation of property, plant and equipment

The finding was addressed. The revaluation was performed in 2024.

Background Information

National Handling Services (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] primarily for the provision of ground handling services for both passengers and cargo.

I have audited the consolidated financial statements of National Handling Services (Private) Limited for the year ended December 31, 2024, and I issued a Qualified Opinion for both the Group and the Company with a report on going concern.

Qualified Opinion on consolidated financial statements

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the consolidated financial position of National Handling Services and its subsidiary as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. **Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment”**

The Group did not review the residual values and useful lives of property, plant, and equipment at year end. As a result, it had office equipment that was fully depreciated but still in use. This was contrary to IAS 16 - “Property, Plant, and Equipment” paragraph 51 which requires an entity to review the useful life and residual value of an asset at each year end.

ii. **Non-compliance with International Financial Reporting Standard (IFRS) 16 - “Leases”**

The parent Company was operating from a building for which they do not have ownership documentation, lease contract or any form of evidence of occupancy rights. Despite the absence of such documentation, the parent Company continues to utilise the building for its operations. In accordance with International Financial Reporting Standard (IFRS) 16 - “Leases” an entity is required to recognise a right-of-use asset and a corresponding lease liability for all leases, when it obtains the right to control the use of an identified asset. As a result, I was unable to determine the financial impact on the consolidated financial statements.

Report on going concern

I draw your attention to the fact that the Group incurred a loss amounting to ZWG107.6 million (2023: ZWG19.3 million) and current liabilities exceeded current assets by ZWG121.6 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. My opinion was not modified in respect of these matters.

Qualified Opinion on the Company financial statements

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Handling Services as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment”

The Company did not review the residual values and useful lives of property, plant, and equipment at year end. As a result, it had office equipment that was fully depreciated but was still in use. This was contrary to International Accounting Standard (IAS) 16 - “Property, Plant and Equipment” paragraph 51 which requires an entity to review the useful life and residual value of an asset at each year end.

ii. Non-compliance with International Financial Reporting Standard (IFRS) 16 - “Leases”

The Company occupied a building for which they did not have ownership documentation, lease contract or any form of evidence of occupancy rights. Despite the absence of such documentation, the Company continues to utilise the building for its operations. In accordance with International Financial Reporting Standard (IFRS) 16 – “Leases”, an entity is required to recognise a right-of-use asset and a corresponding lease liability for all leases, when it obtains the right to control the use of an identified asset. As a result, I was unable to determine the financial impact on the financial statements.

Report on going concern

I draw your attention to the fact that the Company incurred a loss amounting to ZWG126 million (2023: ZWG 2.6 million) and the Company’s current liabilities exceeded current assets by ZWG134.1 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of Financial Statements

Finding

The Company had backlogs in posting transactions. As a result, financial statements for the year ended December 31, 2024, were submitted on June 11, 2025, which was three months later than the 60-day requirement stipulated in section 49(1) (c) of the Public Finance Management Act [*Chapter 22:19*].

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Company should post transactions as they occur.

Financial statements should be submitted for audit within 60 days after the year end as required by section 49(1) c of the Public Finance Management Act [*Chapter 22:19*].

Management response

Due to existing backlogs, the Financial Statements were submitted after the statutory deadline. This issue is expected to be resolved in 2025, as the Company plans to implement real-time transaction posting to prevent future delays.

1.2. Statutory remittances

Finding

The Company had financial challenges. As a result, statutory deductions were not remitted on time. Pay As You Earn for January, July, October and December 2024 were submitted on an average of a month after the due date. Withholding tax for January, August, September, October, November were submitted on average of three months after the due date.

Risk / Implication

Financial loss due to penalties and interest charges.

Recommendation

Management should prioritize timely settlement of statutory obligations to avoid penalties.

Management response

The finding has been acknowledged, and management is making every effort to ensure that all outstanding debts are settled. The Company continues to face challenges due to non-payment of handling fees and delayed remittances for services provided. Management is actively pursuing these outstanding payments and prioritizing the settlement of statutory payments accordingly.

1.3. Bank reconciliations

Finding

The internal controls over management of cash and bank were not effective during the year as bank reconciliations for the Company's eleven (11) bank accounts for the months January to November 2024 were not prepared. This was contrary to the Company's Accounting policies and procedures manual section 2.7 which requires bank reconciliations to be prepared monthly and reviewed by the Chief Finance Officer.

Risk / Implication

Fraud and error may not be detected on time.

Recommendation

Management should perform monthly bank reconciliations for all bank accounts on time.

Management response

The Company experienced backlogs in posting bank transactions. To address this, monthly bank reconciliations will be performed. Due to the absence of internal accounting system expertise, the Company relied on external consultants. Additionally, challenges related to currency conversion contributed to delays in transaction posting.

1.4. Procurement of vehicles

Finding

The Company's due diligence processes on procurement of goods and services were not adequate during the period. For instance, the Company made a prepayment amounting to USD68 845 for the acquisition of a motor vehicle from a supplier who agreed to deliver the vehicle within eight (8) weeks. However, the vehicle was not delivered.

Risk / Implication

Financial loss due to non-delivery of goods.

Service delivery may be compromised.

Recommendation

Management should follow up and recover the outstanding motor vehicle.

Management response

The supplier has failed to deliver within agreed and promised timelines reasons cited initially was that there was a challenge with clearing at the Port but no updates have been received to date.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1 Outstanding receivables

Finding

The Company's debt recovery or collection procedures were not adequate. As a result, the Company had long outstanding receivables amounting to ZWG 65.19 million from 2022. Due to the lapse of time, some customers were no longer in business, while others had been referred to the Company's legal office for recovery through legal action.

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should make efforts to recover the outstanding debts.

Management response

The Company has been following up on the outstanding debts.

3. MANAGEMENT OF ASSETS**3.1 Valuation of Property, Plant and Equipment****Finding**

The Company did not assess remaining useful lives and residual values of its assets, as some with nil values were still in use. This was contrary to International Accounting Standard (IAS) 16 – “Property, Plant and Equipment” paragraph 51, which requires that the useful lives and residual values of assets be reviewed at each reporting date.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should assess the residual values and useful lives of property, plant and equipment, and perform revaluations in line with the applicable accounting standards.

Management response

The Company did not carry out the assessment of residual values and useful lives of assets. This will be done as at December 31, 2025. The last revaluation was done in December 2022 internally. The assets with nil values are still in use and we have targeted to have another revaluation for the end of 2025.

4. EMPLOYMENT ISSUES**4.1. Tax on disposal of staff assets****Finding**

The Company calculated taxable benefit on the disposal of motor vehicle and computer equipment using the disposal values which were less than the market values. This has resulted in the under-declaration of employee benefits worth USD 7 114. This was contrary to section 8 (1) (f) of the Income Tax Act [*Chapter 23:06*] which requires the use of market values to determine the deemed benefit on the disposal of assets to staff.

Risk / Implication

Financial loss due to penalties.

Recommendation

The Company should adhere to section 8(1)(f) of the Income Tax Act [*Chapter 23:06*] when disposing assets to employees.

Management response

This is noted and market values will be used to determine deemed benefit on the disposal of assets going forward. We will engage the former employee to rectify the anomaly.

5. SERVICE DELIVERY ISSUES**5.1. Equipment repairs and maintenance**

One of the Company's branches had one conveyor loader/belt, due to the unavailability of spare parts both at the station stores and at Head Office. This resulted in delays in luggage movement and compromised operational efficiency. In addition, the number of litter washing rooms service vehicles was inadequate to meet the service requirements of all clients.

Risk / Implication

Services delivery may be compromised.

Recommendation

Management should strengthen maintenance planning and ensure timely procurement of spare parts for critical equipment.

Management response

Management is actively prioritizing the repair and maintenance of equipment. However, the process is being negatively affected by limited availability of spare parts in the market. Currently some spares for conveyor belts have been imported and are in transit. Meanwhile, one conveyor belt was relocated to mitigate the challenge. Management is also planning to procure a litter washing rooms service vehicle in 2026 to augment what is there.

6. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company addressed the finding that I raised in my 2022 annual report as indicated below;

6.1 Clearing accounts reconciliations

The finding was addressed. The suspense account was cleared.

Background Information

The National Railways of Zimbabwe was established in terms of the Railways Act [Chapter 13:09]. It was established to provide, operate and maintain an efficient system of public transportation of goods and passengers by rail.

I have audited the financial statements of National Railways of Zimbabwe for the year ended December 31, 2023 and I issued an Adverse Opinion with a report on going concern.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly the financial position of the National Railways of Zimbabwe as at December 31, 2023, and its financial performance, and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS).

Basis of Adverse Opinion

i. **Non-compliance with International Accounting Standard (IAS) 21- “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”**

The prior year financial statements were modified due to non-compliance with IAS 21- “The Effects of Changes in Foreign Exchange Rates”. The Company translated the foreign currency denominated transactions to ZWL\$ using the interbank exchange rates which were not considered appropriate spot rates for translation as required by IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. The misstatements have not been corrected in the financial statements for the year ended December 31, 2022 in line with IAS 8- “Accounting Policies, Changes in Accounting Estimates and Errors”. The effects of the above non-compliance were considered to be material and pervasive to the financial statements.

ii. **Non-compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”**

The prior year financial statements were modified due to non-compliance with IFRS 13 - “Fair Value Measurement”. Management performed valuation of property and equipment as at December 31, 2021. The valuations were determined in USD and then translated to ZWL\$ at the interbank rate as at December 31, 2021. The translated ZWL\$ values were not in compliance with IFRS 13 - “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property and equipment in ZWL\$. In the current year, no restatement of prior year balances was done in the current year in accordance with IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors” to correct the misstatements. I could not determine the extent of any adjustments necessary.

iii. Non-compliance with International Accounting Standard (IAS) 29 - “Financial Reporting in Hyperinflationary Economies” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The prior year financial statements were modified based on non-compliance with the requirements of IAS 29 - “Financial Reporting in Hyperinflationary Economies”. The opening balances of assets and reserves had misstatements that materially affected the current period’s financial statements. The effects of the misstatements were not corrected in the current period in line with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors.” Had the correct base numbers been used, the assets and reserves balances would have been materially different.

iv. Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurements” on right of use assets

The Company revalued its right of use of assets as at December 31, 2023 (ZWL\$32.08 billion (2022: ZWL\$5.29 billion)). The Company performed a valuation to determine the fair values for revaluation purposes in United States Dollar, and management subsequently determined the ZWL\$ equivalent fair values by translating those USD valuations using the closing ZWL\$/USD exchange rate as at December 31, 2023. IFRS 13 - “Fair Value Measurement” defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at a measurable date. I was unable to obtain sufficient appropriate evidence to support the appropriateness of applying the closing ZWL\$/USD exchange rate in determining the ZWL\$ fair value of right of use of assets, without further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of right of use of asset in ZWL\$.

v. Valuation of inventory

The inventory balance of ZWL\$31.52 billion (2022: ZWL\$65.48 billion) disclosed in the statement of financial position includes spares for rail infrastructure and locomotives totaling ZWL\$31.94 billion (2022: ZWL\$ 10.51 billion). Most of these spares are for antiquated, decommissioned equipment and rail infrastructure. Management did not adequately perform proper assessment of these spares. I was unable to obtain sufficient evidence to support the appropriateness of inventory balance as at December 31, 2023. In addition, I was unable to obtain sufficient evidence to support the appropriateness of the provision for obsolete spares in the statement of profit or loss.

vi. Completeness, existence and accuracy of loans and borrowings

The Company’s loans and borrowings were carried at ZWL\$109.35 billion (2022: ZWL\$41.29 billion) as at December 31, 2023. Included in these loan balances are long overdue government guaranteed loans from foreign lenders amounting to ZWL\$76.37 billion (2022: ZWL\$41.14 billion). However, for the International Development for Central Africa Electrification Loan, I could not obtain the loan terms and conditions as per the loan agreements. I was unable to confirm the terms and conditions of the loan by alternative means. As a result, I could not obtain sufficient, appropriate audit evidence to verify the completeness, existence and accuracy of the loans and borrowings balance.

vii. Accuracy of income tax

The Company did not avail sufficient audit evidence on the accuracy of income tax stated in the statement of profit and loss and other comprehensive income as ZWL\$169.01 billion (2022 ZWL\$140.41 billion). I was unable to quantify the extent of such misstatement.

viii. Completeness and existence of trade and other receivables

The Company did not avail sufficient and appropriate audit evidence relating to the receivable balances amounting to ZWL\$148.84 billion (2022: ZWL\$32.44 billion). I was unable to confirm the accuracy and existence of these balances by alternative procedures. In addition, the balances include foreign currency denominated amounts that were translated using spot exchange rates prevailing during the year and were not subsequently restated at the closing rate as required by IAS 21 – “The Effects of Changes in Foreign Exchange Rates”. I was unable to quantify the misstatement and therefore could not determine the adjustments necessary to correctly account for these balances.

ix. Completeness and existence of trade and other payables

The Company did not avail sufficient and appropriate audit evidence relating to the payable’s balances amounting to ZWL\$127.25 billion (2022: ZWL\$54.57 billion). I was unable to confirm the accuracy and existence of these balances by alternative procedures. In addition, the balances include foreign currency denominated amounts that were translated using spot exchange rates prevailing during the year and were not subsequently restated at the closing rate as required by IAS 21 – “The Effects of Changes in Foreign Exchange Rates”. I was unable to quantify the misstatement and therefore could not determine the adjustments necessary to correctly account for these balances.

x. Completeness and accuracy of real estate income

Real estate revenue of ZWL\$48.21 billion was not recognised in accordance with IFRS 15 - “Revenue from Contracts with Customers” paragraph 9 (e) which requires revenue to be recognised only when management has assessed the collectability of the transaction price and determine the collectable consideration. However, the retail estate revenue was 497 days long overdue, indicating significant risks related to the collectability of these amounts. As a result, I was unable to quantify the misstatement and therefore cannot determine the adjustments necessary to correctly account for these balances.

Report on going concern

I draw your attention to the fact that the Company had a net current liability position of ZWL\$61.8 billion (2022: ZWL\$14.1 billion) as at December 31, 2023. In addition, the Company had loans amounting to ZWL\$109.3 billion (2022: ZWL\$41.2 billion) as at December 31, 2023 of which was the current portion and the Company was not in a position to service these loans.

The Company also had a significant foreign exchange gap as at December 31, 2023 due to significant foreign exchange exposure in: USDs; British Pounds; Euros and South African Rands. As a result, the Company incurred significant exchange losses. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Company was not writing books of accounts as and when the transactions occur. For instance, 2023 transactions were being captured in 2025. As a result, the 2023 complete final trial balance was availed on June 16, 2025 and the financial statements were submitted on July 31, 2025. This was contrary to section 49(1) (c) of the Public Finance Management Act [*Chapter 22:19*] which requires that financial statements should be submitted within two (2) months after year end.

Risk / Implication

Transparency and accountability may be compromised.

Errors and irregular transactions may go undetected.

Recommendation

Management should study ways of expediting clearance of backlogs.

Management response

Observation is noted. This situation arose in 2019 and 2020 when the Currency Conversion project was protracted which resulted in the accumulation of backlog of transactions which were outside the accounting system. The Currency Conversion project was only completed in 2021. The delayed completion of the project resulted in a backlog in capturing transactions in accounting system. However, capturing of backlog transactions into the accounting system is currently in progress.

1.2. Fuel storage tanks

Finding

The Company was not regularly maintaining its fuel storage tanks. For instance, I noted that the Company's three fuel storage tanks had faulty inflow meters which were in need of repairs, cleaning and pressure testing. As a result, there was a variance of 77 833 litres that were noted at three (3) fuel centres.

Risk / Implication

Misappropriation of fuel.

Financial loss as further delays would result in costly repairs.

Recommendation

Maintenance of fuel storage tanks should be prioritised.

Management response

Audit observation and recommendations have been noted. These variances were caused by aging fuel maintenance equipment, and these require replacement. However, management is implementing measures to address and mitigate risk.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make progress in addressing audit findings raised in my 2019, 2020, 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on ten (10) findings outstanding in my 2019, 2020 and 2023 annual reports. Six (6) findings were partially addressed while eight (8) were not addressed as indicated below;

2.1. Measurement of right of use asset

The finding was not addressed. The Company translated the closing balances of right of use assets from USD to ZWL\$ using the interbank exchange rate which was not in line with requirements of IFRS 13 – “Fair Value Measurement” and in the current year the Company was qualified based on this matter.

2.2. Lease management

The finding was partially addressed. The Company had eight (8) tenants who occupied the properties without lease agreements during the year under review.

2.3. Maintenance of assets

The finding was not addressed. In the current year, the Company was still not maintaining its assets and there were buildings, motor vehicles and generators that needed repairs and maintenance.

2.4. Capacity utilisation of assets

The finding was partially addressed. The Company refurbished six (6) locomotive and hundred (100) wagons however, the Company was able to move 2.2 million tonnes against a capacity target of three (3) million tonnes.

2.5. Trade and other receivables

The finding was not addressed. During the period under review, I was unable to obtain sufficient and appropriate audit evidence pertaining to trade and other receivables balances. My opinion was modified in respect of this matter. In addition, the Company had long outstanding receivables amounting to over ZWL\$73.49 billion which were over 580 days as at December 31, 2023.

2.6. Trade and other payables

The finding was partially addressed. Management was not preparing monthly payable reconciliations except at year end.

2.7. Inventory

The finding was not addressed. Strategic spares were not valued, and no impairment assessment was performed on these assets during the year and the current year opinion was modified due to this matter.

2.8. Fraud and theft

The finding was not addressed. A review of the internal audit reports revealed that there are still a number of cases relating to theft of Company assets and inventories.

2.9. Real estate management

The finding was not addressed. Most leases both residential and commercial are still in need of updating in terms of respective applicable running rates being charged.

2.10. Loan documentation and valuation

The finding was partially addressed. Government guaranteed loans were confirmed however, International Development for Central Africa Electrification loan documents were not availed.

2.11. Weighing of goods

The finding was partially addressed. Weigh bridges were installed in some sites and the remaining sites to be installed once funding has been secured.

2.12. Valuation of property, plant and equipment

The finding was not addressed. In 2023, the Company did not revalue its assets and my opinion was modified in respect of this matter.

2.13. Investment policy

The finding was not addressed. The policy is still in draft form.

2.14. Insurance on assets

The finding was partially addressed. Some assets were insured while others are yet to be insured.

Background Information

NetOne Cellular (Private) Limited was incorporated in terms of Companies and Other Business Entities Act [Chapter 24:31]. Its focus and objective is to provide mobile telecommunications and related value-added services.

I have audited the financial statements of NetOne Cellular (Private) Limited for the year ended December 31, 2024, and I issued a Qualified Opinion with a report on going concern.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of NetOne Cellular (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

Management performed valuation of property and equipment as at December 31, 2024. The valuations were determined in USD and then translated to ZWG at the interbank rate as at December 31, 2024. The translated ZWG values were not in compliance with IFRS 13 - “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property and equipment in ZWG.

The prior year financial statements were also modified in respect of this matter, and the misstatements have not been corrected in accordance with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. I was unable to determine the extent of adjustments necessary to the financial statements.

Report on going concern

I draw your attention to the fact that the Company incurred a loss of ZWG 2.36 billion (2023; ZWG 2.02 billion). This condition indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Fuel inventory

Finding

The Company experienced fuel stock losses ranging from 1% to 100% at its three (3) shops due to meter reading overthrow and bad weather. This was contrary to the Inventory Management Policy Section 8.4 and 9.4 which requires fuel gains or losses not to exceed +/- 0.5% and +/-0.1% for losses relating to evaporation, temperature loss and calibration issues.

In addition, there were variances of 17 311 litres of diesel between the theoretical fuel inventory and physical count fuel inventory.

Risk / Implication

Misappropriation of fuel.

Recommendation

Management should investigate and address fuel variances exceeding the tolerable losses.

Controls over maintenance of fuel inventory records should be enhanced.

Management response

Observation well noted. Measures will be taken to ensure fuel losses remain within the acceptable limits as stipulated in the Inventory Management Policy. Regular servicing and calibration of fuel dispensing equipment will be conducted to minimise losses arising from equipment-related issues. In addition, enhanced monitoring and control mechanisms will be implemented to detect and prevent potential pilferage. Stock Receipts are now being processed / captured in real time.

1.2 Inventory management

Finding

The Company's internal controls over recruitment of brand ambassadors were ineffective during the period under review. As a result, inventory items entrusted to the brand ambassadors could not be accounted for and inventory loss amounting to USD 8 874 was incurred. The inventory had not been recovered as at December 31, 2024.

Risk / Implication

Financial loss due to misappropriation of inventory.

Recommendation

Due diligence should be considered on recruitment of brand ambassadors.

Controls over inventory management should also be enhanced.

Management response

The observation and recommendation are acknowledged. As of 1 January 2025, the company no longer engages brand ambassadors. Should the need arise to recruit brand ambassadors in the future, management will implement robust recruitment and selection procedures, including background checks and probation monitoring. Efforts to recover inventory losses due to theft remain ongoing.

1.3 Unallocated deposits

Finding

The Company had deposits amounting to ZWG40.36 million which could not be allocated to individual customers due to insufficient details on the deposits. I was not availed with the age analysis of these unallocated deposits as at December 31, 2024. This was contrary to the Unallocated deposit policy, section 6.6.1 and 6.6.2 which requires all unallocated deposits to be aged monthly and be transferred to sundry income after 6 months.

Risk / Implication

Fraud and error may go undetected.

Recommendation

Management should age the unallocated deposits monthly as required by the Unallocated deposit policy, section 6.61.

Management response

Management acknowledges the observation. A listing of unallocated deposits was maintained. Going forward, all unallocated deposits will be properly aged monthly in accordance with section 6.61 of the Unallocated deposit policy, effective Q3 2025.

1.4 Contract management

Finding

The Company's internal controls over contract management were inadequate during the period under review. For instance, the Company did not charge penalty of 0.05% to a supplier engaged on July 12, 2024, who could not complete the expected works within two (2) months from the date of payment of contract price. This was contrary to the signed agreement between the Company and the supplier which requires penalty of 0.05% of the contract price per week to be charged from the date the work became due to the date of completion of the works.

Risk / Implication

Financial losses due to non-delivery of services.

Recommendation

Management should follow up with the supplier for the delivery of contracted works.

Management should enforce the penalty clauses of the agreement in the event of default.

Management response

Management notes the auditor's observations. While certain operational circumstances may have influenced the execution of the contract, management acknowledges the need to enhance oversight and enforcement of supplier agreements. Management remains committed to strengthening contract management processes and promoting greater accountability, efficiency, and value for money in supplier engagements. Measures being implemented include reducing reliance on full advance payments, enforcing penalty clauses and bond guarantees where applicable, and incorporating more stringent performance conditions in future contracts.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1 Auction proceeds

Finding

The Company had not recovered proceeds from the disposal of five (5) vehicles made through an auction held on July 13, 2024. In addition, no penalties were levied to the auctioneer for failure to remit the auction proceeds within the agreed timelines. This was contrary to section 2.2 of the contract between the Company and the auctioneer which requires remittance of auction proceeds into the Company's bank account within 48 hours after the auction and to charge damages at 0.05% per day in the event of non-remittance of auction proceeds.

Risk / Implication

Financial loss due to non-remittance of proceeds.

Recommendation

Management should recover the funds from the auction of the five (5) vehicles.

Management response

Observation noted. Efforts are underway to obtain the necessary documentation from the auctioneer regarding the asset disposals of July 13, 2024. Relevant accounting entries, including recognition of gains or losses, have now been processed. Management is also reviewing the contractual terms to assess the enforceability of penalties. and will take appropriate action to safeguard the Company's financial interests.

3. MANAGEMENT OF ASSETS

3.1 Motor vehicle logbook

Finding

The Company was not enforcing compliance with the Human Resources Policy on the management of pool vehicles. As a result, the motor vehicle logbooks were not being appropriately recorded. Details such as destination, fuel purchases (costs and litres), oil purchases and business mileage were not completed. This was contrary to Section 46.15.1 of the Human Resources Policy Handbook, which requires logbooks of all pool vehicles to be completed including all essential details.

Risk / Implication

Misappropriation of Company vehicles.

Recommendation

Motor vehicle logbooks should be completed in line with the requirements of the Human Resources Policy Handbook.

Management response

Observation well noted. Management will reinforce adherence to the Human Resources Policy by ensuring all motor vehicle logbooks are accurately and consistently updated. Periodic checks by supervisors will be implemented to monitor compliance and promptly address any lapses.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised seven (7) audit findings in my 2024 annual report and followed up on two (2) findings outstanding in my 2022 and 2023 annual reports. Two (2) findings were addressed while the other six (6) findings were partially addressed, and one(1) finding was not addressed as indicated below;

4.1 Airtime disbursement

The finding was not addressed. The Company also experienced theft cases of airtime in the current period.

4.2 Motoring benefits

The finding was addressed. With effect from January 1, 2024, exempt supplies such as fuel benefit are excluded from computation.

4.3 Supporting documentation

The finding was partially addressed. Management is working to ensure that supporting documentation for journals is properly filed as there is an improved data/journal management process with effect from January 1, 2025.

4.4 Inventory variances

The finding was partially addressed. Follow-ups and investigations were being conducted and will be finalised in the second quarter of 2025.

4.5 Accounting for leases

The finding was partially addressed. Efforts are being made to ensure that lease addendums are made and signed by both parties so as to reflect amounts being remitted to landlords.

4.6 Key vacant posts

The finding was partially addressed. Recruitment for the Head of Data Analytics and Software Development post was in progress.

4.7 Computer equipment upgrade

The finding was partially addressed. Upgrade of the system was yet to be completed.

4.8 Lease agreements

The finding was partially addressed. The Company is engaging the landlords to regularize the lease agreements. However, renewal of expired leases was still on-going.

4.9 Residential property

The finding was addressed. The matter was settled out of Court on July 3, 2024, following the approval by the Shareholder.

Background Information

Percentage Discount (Private) Limited was incorporated in Zimbabwe by an Act of Parliament, Companies and Other Business Entities Act [*Chapter 24:31*]. The functions of the entity are to make profit and increase shareholder wealth.

I have audited the financial statements of Percentage Discount (Private) Limited for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Percentage Discount (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUE

1.1. Statutory obligations

Finding

The Company was not effectively monitoring the remittance of statutory obligations. As a result, VAT was remitted after the statutory due date, contrary to Section 28 of the Value Added Tax Act [*Chapter 23:12*], which requires VAT returns and payments to be submitted by the 25th of the month following the end of a tax period. In addition, the Company deducted withholding tax on board fees but did not remit the tax to ZIMRA within the prescribed period, contrary to the Income Tax Act [*Chapter 23:06*], which requires remittances of withholding tax within ten (10) days from the date of payment.

Risk / Implication

Financial loss due to fines and penalties.

Recommendation

The Company should remit taxes in line with tax regulations.

Management response

Management acknowledge the finding and would like to assure that the identified gaps have since been addressed. All tax obligations are now being met in a timely manner, and appropriate controls have been implemented to ensure ongoing compliance.

Background Information

Printflow (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [Chapter 24:31]. The main function of the Company is printing, publishing, buying and selling of all forms of office supplies.

I have audited the financial statements of Printflow (Private) Limited for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Printflow (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Annual report

Finding

The Company did not submit its annual report to the Minister within three (3) months after the end of the financial year. This was contrary to the Public Entities Corporate Governance Act [Chapter 10:31] Section 24 (3) which requires the board to submit the report to the line Minister within three months after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

Management should submit the annual report on time.

Management response

Consolidated departmental reports that make up the annual report were not submitted within three months as stipulated. The reports will be submitted to the Minister together with documents that will be presented at the Annual General Meeting scheduled for December 2025.

1.2 Submission of financial statements

Finding

The Company submitted its financial statements for the year ended December 31, 2024, in July 2025, five (5) months after the statutory deadline. This was contrary to section 49 (1) (c) of the Public Finance Management Act [Chapter 22:19] which requires public entities to submit for audit the financial statements within sixty (60) days following the financial year end.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

Financial statements should be submitted for audit within sixty (60) days after the year end as required by section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*].

Management response

The recommendation is noted. However, late submission was prompted by: Staffing challenges within Printflow. Key positions in the Finance Department were vacant. In addition, the accounting system's capacity was constrained, resulting in delays in processing transactions. Management is working on improving the submission delays for the year 2025 for audit to meet the statutory requirements.

1.3 Statutory payments

Finding

The Company experienced cash flow challenges in 2024, resulting in late remittance of PAYE, VAT and NSSA obligations. For instance, the PAYE for February and March were paid in April. This was contrary to statutory deadlines set under the Income Tax Act [*Chapter 23:06*], National Social Security Act [*Chapter 17:04*] and Value Added Tax Act [*Chapter 23:12*]. As a result, the company was garnished by the tax authority.

Risk / Implication

Financial loss due to penalties, interest and garnish orders.

Recommendation

Management should enhance their debt recovery and revenue generation strategies.

Management should negotiate payment plans for settling statutory obligations.

Management response

The Government MDAs, being the major customer of the company, delayed in settling their obligations with Printflow. As a result, the company was hampered by liquidity challenges which restricted spending even towards accumulated statutory obligations.

2. MANAGEMENT OF ASSETS

2.1 Repairs and maintenance

Finding

The Company had funding constraints resulting in poor maintenance of key infrastructure. Leaking and aging roofing at the Head Office exposed high-value printing equipment, customer materials and finished goods to potential damage. Similar maintenance issues were observed at two (2) branches, where delayed decisions on the future use of buildings and deteriorating roofing affected the Company's operations and the charging of competitive rentals.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Company should enhance their revenue strategies.

Management should repair and maintain the buildings.

Management response

The correction of the roof leaks at head office has been ongoing since 2022 and done in phases due to funding constraints. The process is on the recommendation by the Ministry of Public Works who are monitoring and inspecting the work that is being carried out. Currently 30% of the roof has been attended and management ensures that machines, work in progress and raw material are protected from weather elements.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2024 and 2023 annual reports. I raised six (6) findings in my 2024 report and followed up on four (4) findings outstanding in my 2023 annual report. Four (4) findings were addressed, two (2) findings were partially addressed, and four (4) findings were not addressed as indicated below;

3.1 Alignment of governance processes

The finding was addressed. The Board was inducted.

3.2 Board resolutions

The finding was addressed. CGU responses in writing to resolutions submitted whilst parent Ministry acknowledges receipt through the delivery books. All correspondences are traced through the parent Ministry's registry department.

3.3 Contracts management

The finding was addressed. The invoice for USD475 313 was reversed from the 2023 accounts following a board resolution. The Commercial Department is now ensuring that all dockets opened into the factory have a signed contract with the customer.

3.4 Advance payments

The finding was not addressed. The Company continued to pay advance payments to suppliers who do not deliver. In the current year the Company paid ZWL\$6.49 million in advance for the supply of Highway Code.

3.5 Continuous professional development

The finding was not addressed. Management to write to all employees in professional posts to ensure they continue develop themselves. Implement the Training and development policy.

3.6 Probation performance assessment

The finding was partially addressed. Development of a probation performance assessment template is in process.

3.7 Statutory obligations

The finding was partially addressed. ZIMRA and NSSA USD payments are up to date, except for NSSA ZWG payments.

3.8 Management of contracts

The finding was addressed. The outstanding debt was cleared by means of a set off against the supplier's stock held by the Company as repayment security. The Company no longer accepts jobs into the factory without a valid contract.

3.9 Prepayments

The finding was not addressed. The Company is still pursuing the recovery of the funds for borehole drilling.

3.10 Employment contracts

The finding was not addressed. The contracts are not yet in place.

Background Information

The Company was incorporated in terms of the Companies and Other Business Entities Act [Chapter 24:31]. It specialises in scientific research on gas, energy projects and production plants.

I have audited the financial statements of Verify Engineering (Private) Limited for the year ended December 31, 2023 and I issued a Qualified Opinion with a report on going concern.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Verify Engineering (Private) Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion**i. Valuation of inventories**

The inventory valuation report contained several anomalies, including negative inventory values and no unit prices for other items. The inconsistencies indicated potential errors in the underlying inventory records and valuation process. Due to these anomalies, I was unable to obtain sufficient and appropriate audit evidence regarding the accuracy, completeness and valuation of inventory balances disclosed in the financial statements.

In addition, there was an unreconciled variance of ZWL\$13.71 billion between the ledger balance and the balance as per inventory valuation report. Inventory adjustment amounting to ZWL\$14.87 billion was not adequately supported.

The Company also included in the inventory balance, ZWL\$387.96 million for unprocessed coal at one of its locations, the coal was for a fertiliser project that was yet to commence. There was no reasonable certainty that the Company will generate economic benefit from the unprocessed coal in the foreseeable future. As a result, I could not satisfy myself as to the existence and valuation of inventories and cost of sales.

ii. Existence and accuracy of expenses

The Company disclosed operating expenses in the financial statements amounting to ZWL\$8.6 billion as at December 31, 2023. Included in operating expenses were costs amounting to ZWL\$ 271.8 million for which I was not availed with supporting evidence. As a result, I could not satisfy myself as to the occurrence and accuracy of operating expenses.

Report on going concern

I draw your attention to the fact that the Company incurred net loss for the year ended December 31, 2023 of ZWL\$ 2.63 billion (2022: ZWL\$302.04 million) and as of that date its current liabilities exceeded its current assets by ZWL\$1.36 billion (2022: ZWL\$7.93 billion). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue operating as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Taxation on employee benefits

Finding

The Company had no policy on apportionment of benefits for private and business purpose during the period under review. As a result, transport allowances, fuel and airtime benefits granted to employees were not subjected to PAYE. This was contrary to section 8(1) of Income Tax Act [*Chapter 23:06*], which requires taxation on benefits arising from employment.

Risk / Implication

Financial loss due to penalties and interests.

Recommendation

The Company should comply with the requirements of the Income Tax Act [*Chapter 23:06*].

Management response

The observation is noted. With regards to non-remittance of tax on fuel and airtime benefits for staff, the Company adopted a policy to have such taxes paid. A policy to determine the ratio of business/ personal benefits is being crafted to avoid over taxing employees.

1.2. Inventory valuation

Finding

The inventory valuation report contained several anomalies, including negative inventory values and no unit prices for other items. The inconsistencies indicated potential errors in the underlying inventory records and valuation process. In addition, there was an unreconciled variance of ZWL\$13.71 billion between the ledger balance and the balance as per inventory valuation report. Inventory adjustment amounting to ZWL\$14.87 billion was not adequately supported.

The Company also included in the inventory balance, ZWL\$387.96 million for unprocessed coal at one of its locations, the coal was for a fertiliser project that was yet to commence. There was no reasonable certainty that the Company will generate economic benefit from the unprocessed coal in the foreseeable future.

Risk / Implication

Misstatements of financial statements.

Recommendation

Management should investigate the unreconciled variances.

Management response

Audit observation is noted. During the production process, Liquid Oxygen (LOX) is manufactured in a specific quantity. However, upon undergoing vaporization into Medical or Industrial Oxygen gas cylinders, product losses occur. The Company observed that these losses were not adequately documented during the 2023 audit period, and procedures for accounting for these losses are currently being developed and implemented.

1.3. Bank signatories

Finding

The Company was not regularly following up on the implementation of its correspondence/ instructions to its bankers. As a result, three (3) former employees who had left the Company in 2019 were still bank signatories as at December 31, 2023.

Risk / Implication

Fraud and irregular transactions may go undetected.

Recommendation

Management should ensure only current employees and directors are listed as signatories for the banks.

Management response

Management acknowledges the finding. An instruction will be sent to the bank to remove the listed former directors from the Company's bank signatory panel mandate. Going forward, signatory mandates will be reviewed periodically to ensure they are up to date and aligned with current directors and employees.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) audit findings in my 2024 report and followed up on two (2) outstanding issues in my 2023 annual report. Two (2) findings were addressed and two (2) were not addressed as indicated below;

2.1. Gas cylinder rentals and gas cylinder deposits

The finding was addressed. The Company now has a policy for administration of gas cylinders for rentals and deposits.

2.2. Board composition

The finding was not addressed. The gender balance and appointment of Executive Director for Finance on the Board was still outstanding.

2.3. Provision for rehabilitation

The finding was addressed. Management engaged an expert to do the valuation of the provision for rehabilitation during the year.

2.4. Taxation

The finding was not addressed. The Company was still seeking clarification on the corporate tax status with Ministry of Finance, Economic Development and Investment Promotion.

Background Information

ZESA Holdings (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [Chapter 24:31] and the Electricity Act [Chapter 13:19]. The Company manages its 100% owned subsidiaries which are, Zimbabwe Power Company (Private) Limited, Zimbabwe Electricity Transmission and Distribution Company (Private) Limited, Powertel Communications (Private) Limited and ZESA Enterprises (Private) Limited.

I have audited the consolidated financial statements of ZESA Holdings (Private) Limited and its subsidiaries for the year ended December 31, 2024, and I issued a Qualified Opinion with a report on going concern.

Qualified opinion on the consolidated financial statements

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the consolidated financial statements present fairly, the consolidated financial position of ZESA Holdings (Private) Limited and its subsidiaries as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for qualified opinion on the Consolidated financial statements

Non – compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”

The property, plant and equipment valuations were determined in United States Dollars (USD) and then translated to Zimbabwe Gold (ZWG) using interbank rate as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirements of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of the adjustments that were necessary.

Qualified opinion on the Company financial statements

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly the statement of financial position of ZESA Holdings (Private) Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for qualified opinion on the Company financial statements

Non – compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”

The property, plant and equipment valuations were determined in United States Dollars (USD) and then translated to Zimbabwe Gold (ZWG) using interbank rate as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirements of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of the adjustments that were necessary.

Report on going concern

I draw your attention to the fact that the Group's current liabilities exceeded its current assets by ZWG 23.3 billion (2023:ZWG 21.3billion). This condition indicated the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue operating as a going concern. My opinion was not modified in respect of this matter.

I followed up on audit findings that I raised in my 2024 annual report and below is the status;

1 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not address the three (3) audit findings raised in my 2023 annual report as indicated below;

1.1 Statutory deductions

The finding was not addressed. The company was facing cash flow challenges to meet financial commitments. Creditors have been engaged by making payment arrangements.

1.2 Valuation of assets

The finding was not addressed. The valuation of assets was not in compliance with the requirements of IFRS 13 - "Fair Value Measurement".

1.3 Loan payment

The finding was not addressed. The loans are still outstanding.

Background Information

The Zimbabwe Broadcasting Corporation was established in terms of the Broadcasting Services Act [*Chapter 12:06*]. Its core function is to carry out broadcasting services for the information, education and entertainment of listeners in and outside Zimbabwe.

I have audited the financial statements of Zimbabwe Broadcasting Corporation for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Broadcasting Corporation as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Completeness of revenue

The Corporation's listeners database was in manual form. As a result, the Corporation could not reliably ascertain amounts due from listeners. Amounts recorded were based on cash collected to determine the revenue from listener's licenses. The manual system was making it difficult to keep track of customers' payment history. I could not therefore ascertain the completeness of revenue recorded in the financial statements. The prior year audit opinion was modified based on this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Rental income

Finding

The Corporation was not performing monthly reconciliations for rental income received. As a result, rentals amounting to ZWG 2 million (USD 80 400) received during the year as detailed in the statement from the property manager were not recorded in the books of the Corporation. The rentals were eventually recorded as audit adjustments.

Risk / Implication

Fraud and error may go undetected.

Recommendation

Management should ensure that reconciliations are done timeously.

Management response

There was information gap between the Property Manager and the Finance department, as the former was not availing reconciliations for rent received per month for the latter to record. The gap has since been closed and the rental income is now being recorded.

1.2 Lease agreements

Finding

I was not availed with valid lease agreements for three (3) tenants staying in different properties covering the period from January 1, 2024, to July 31, 2024.

Risk / Implication

There may be no legal recourse in the event of dispute.

Recommendation

The Corporation should regularise all lease arrangements with third parties.

Management response

All lease agreements have been updated as part of the portfolio regularisation process.

2. PROGRESS MADE TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation did not make progress in addressing the audit findings I raised in my 2022, 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on seven (7) findings outstanding in my 2022 and 2023 annual reports. One (1) finding was partially addressed while seven (7) findings were not addressed as indicated below;

2.1 Bring your own device policy

The finding was not addressed. The Bring Your Own Device policy was not approved by the Board.

2.2 Alignment of accounting processes to the reporting framework

The finding was partially addressed. A system is now in place however, the team need to undergo training on the use of the system.

2.3 Ownership of assets

The finding was not addressed. In the current year thirty-four vehicles had not been registered in the name of the Corporation.

2.4 Collections from listener's licenses

The finding was not addressed. The database is not yet in place.

2.5 Employee files

The finding was not addressed. Employee files are still not updated.

2.6 ICT Steering Committee

The finding was not addressed. Review of the Information and Communication Technology (ICT) policy was in progress.

2.7 Receivables

The finding was not addressed. Challenges were being encountered in collecting some legacy debts due to disputes and non-existent of the debtor as per given addresses as most of them were shelf companies and closed off making it difficult to follow up.

2.8 Trade and other payables

The finding was not addressed. The Corporation had not cleared all the long outstanding payables.

Background Information

Zimbabwe Consolidated Diamond Company (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is involved in the mining of diamonds and alluvial gold.

I have audited the financial statements for the Zimbabwe Consolidated Diamond Company (Private) Limited for the year ended December 31, 2024, and I issued an Adverse Opinion with an emphasis of matter paragraph.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly the financial position of the Zimbabwe Consolidated Diamond Company (Private) Limited as at December 31, 2024, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

Non-compliance with International Accounting Standard (IAS) 21- “The Effects of Changes in Foreign Exchange Rates”

The financial statements for the year ended December 31, 2024, have been presented in Zimbabwe Gold (ZWG) which was disclosed as the Company’s functional and presentation currency. Management’s assessment of functional currency had not considered the functional currency indicators contrary to IAS 21 – “The Effects of Changes in Foreign Exchange rates”, paragraphs 9 and 17-18 which requires the Company to assess its functional currency based on the underlying transactions, events, and conditions and to change the functional currency where there is a change in underlying transactions, events, and conditions. The effects of the non-compliance with IAS 21 – “The Effects of Changes in Foreign Exchange Rates” could not be quantified but was considered to be material and pervasive to the financial statements.

Emphasis of matter

I draw your attention to the fact that the Company acquired an additional 40% shareholding in DTZ-OZGEO (Private) Limited in 2018, making it a wholly-owned subsidiary. DTZ-OZGEO is currently not operational and has been classified as a project due to the unresolved issues following the cancellation of its Special Mining Grants 5267 and 4955 under the Government Policy on the consolidation of the diamond industry in Zimbabwe. As a result, the financial results of DTZ-OZGEO have not been consolidated into the company's financial statements. My opinion was not modified in respect of this matter.

I followed up on findings raised in my 2020, 2023 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made progress in addressing the audit findings raised in my 2020, 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on five (5) findings outstanding in my 2020 and 2023 annual reports. Three (3) findings were addressed, one (1) was partially addressed and two (2) findings were not addressed as indicated below;

1.1. Diamond processing

The finding was addressed. A detachment plant was bought for the cleaning of diamonds.

1.2. Submission of tax returns

The finding was addressed. The Company's statutory returns were submitted on time.

1.3. Board composition

The finding was addressed. The board composition is in line with the Mines and Minerals Act.

1.4. Mining areas

The finding was not addressed. Management will engage the parent Ministry to recover the costs incurred by the Company.

1.5. Debt management

The finding was partially addressed. The company received related goods during 2025 valued at ZWG80 million, which were purchased in 2024.

1.6. Related parties

The finding is not addressed. The Company has not yet recovered the debt from the former miners.

Background Information

Zimbabwe Mining Development Corporation (ZMDC) was established in terms of the Zimbabwe Mining Development Corporation Act [*Chapter 21:08*]. The main business of the Corporation and its subsidiaries, which are incorporated in Zimbabwe, is that of minerals extraction and sales.

I have audited the financial statements of Zimbabwe Mining Development Corporation for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on the audit finding that I raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation addressed the audit finding I raised in my 2024 annual report as indicated below;

1.1. Lease management

The finding was addressed. All lease agreements were in place.

Background Information

Zimbabwe Post Properties (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company is a real estate that provides dynamic property solutions to today's customers.

I have audited the financial statements of Zimbabwe Posts Properties (Private) Limited for the year ended December 31, 2020 and I issued a Disclaimer of Opinion.

Disclaimer of Opinion

I do not express an opinion on the financial statements of the Zimbabwe Post Properties (Private) Limited for the year ended December 31, 2020. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

- i. **Non-compliance with International Accounting Standard (IAS) 36 – “Impairment of Assets”**

I was not availed with evidence that the Company conducted an annual impairment assessment of its property, plant and equipment as at December 31, 2020. This was contrary to IAS 36 – “Impairment of Assets” paragraph 9 which requires the entities to assess at the end of each reporting period whether there is any indication that any assets may be impaired. My opinion in the prior year was modified in respect of this matter and the misstatements have not been corrected in line with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors” in the financial statements for the year ended December 31, 2020.
- ii. **Non-compliance with International Accounting Standard (IAS) 16 – “Property, Plant and Equipment”**

The Company had not reviewed the residual values and useful life of its property, plant and equipment at the reporting date. This was contrary to the requirements of IAS 16 – “Property, Plant and Equipment” paragraph 51 which requires the review of residual value and useful life to be carried at the end of each financial year. As a result, the majority of the Company's assets were fully depreciated and still in use. I could not determine the extent of adjustments necessary.
- iii. **Non-Compliance with International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”**

The Company did not prepare inflation adjusted financial statements as the historical costs were not restated in terms of the measuring unit current at the end of December 31, 2020. This was contrary to the requirements of IAS 29 – “Financial Reporting in Hyperinflationary Economies” paragraph 8 which requires entities operating in hyperinflationary economies to apply the provisions of the standard to reflect the changing purchasing power of the functional currency.

Had the Company applied the requirements of IAS 29 – “Financial Reporting in Hyperinflationary Economies”, the financial statements would have been materially different and therefore the departure from the requirements of this standard was considered material and pervasive. My opinion in the prior year was also modified in respect of this matter.

iv. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”

The Company did not comply with the requirements of IAS 21 – “The Effects of Changes in Foreign Exchange Rates”, in the year 2019 financial statements because of the unavailability of exchange rates in the period October 2018 to February 22, 2019. Transactions in Zimbabwe during that period had a three-tier pricing structure where a single product had different prices depending on the mode of payment, namely the United States Dollar cash, bond notes, electronic money or mobile money. This resulted in transactions bearing similarities to what one would expect with transactions that are undertaken in different currencies to which IAS 21 - “The Effects of Changes in Foreign Exchange Rates” would apply.

Statutory Instrument 133 of 2016, Statutory Instrument 33 of 2019 and monetary policy statement of February 20, 2019 all confirmed the parity of 1:1 between the United States dollar cash, bond notes, mobile money and electronic money. This presented difficulties in ascertaining the fair values of the Company’s material assets and liabilities as at the reporting date. IAS 21 – “The Effect of Changes in Foreign Exchange Rates”, requires the use of spot rate in accounting for transactions. I could not determine the extent of the adjustments necessary.

v. Non-compliance with International Accounting Standard (IAS) 24 – “Related Party Disclosures”

The Company did not disclose related party information in its financial statements contrary to IAS 24 - “Related Party Disclosures” paragraph 34a-c which requires disclosures of related party information. This was despite the entity having key personnel and board of directors which meet the definition of related parties. I was unable to obtain sufficient and appropriate audit evidence to serve as a basis for an audit opinion.

vi. Opening balances

The opening balances were not adjusted to address several issues that were reported in the previous year’s audit report which resulted in a Disclaimer of Opinion. These misstatements pertained to property, plant and equipment, journals, payables, receivables, cash and cash equivalents, unaudited subsidiary, statutory obligations and inventory. I was therefore unable to obtain sufficient and appropriate audit evidence on opening balances.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Ownership of buildings

Finding

I was not availed with documentation in the form of title deeds confirming ownership of buildings disclosed in the financial statements. The Company was sharing offices on these buildings with another entity and none of the entities had explicit ownership of the property.

Risk / Implication

No legal recourse in the event of dispute.

Recommendation

The Company should establish the legal owner of the building.

Management response

Each entity has its own offices but on the same premises (Property). The outstanding process is that of subdividing the property between the two entities.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make significant progress in addressing audit findings that I raised in my 2023 and 2024 annual reports. I raised eight (8) findings in my 2024 annual report and I followed up on three (3) findings outstanding in my 2023 annual report. Three (3) findings were addressed while two (2) were partially addressed and six (6) findings were not addressed as indicated below;

2.1. Submission of financial statements

The finding was not addressed. The Company submitted the 2020 financial statements in September 2025.

2.2. Alignment of accounting processes to the reporting framework

The finding was not addressed. In the current year impairment assessment and review of useful lives and residual values were not conducted.

2.3. Policy and procedure manual documents

The finding was partially addressed. The Risk and Procurement policies were approved while the Accounting and Credit losses policies were not yet approved.

2.4. Asset register

The finding was addressed. The Company now has a comprehensive asset register.

2.5. Valuation of inventories

The finding was addressed. In the current year the Company had no inventory balances at year end.

2.6. Accounting for subsidiary

The finding was addressed. The Company consolidated the subsidiary in the 2020 financial statements.

2.7. Investment property

The finding was not addressed. The movement of investment property is being investigated by management.

2.8. Staff houses status

The finding was partially addressed. The Company has put up a resuscitation plan for all Post Offices and residential properties. Repairs are being done on phased approach because of the huge capital outlay which is required.

2.9. Supporting documents

The finding was not addressed. The Company did not provide the supporting documentation for procurement of stationery and other services amounting to ZWL\$169 506 purchased during the year.

2.10. Prior period errors

The finding was not addressed. The Company has not corrected the prior period errors pertaining to property, plant and equipment, journals, payables, receivables, cash and cash equivalents, unaudited subsidiary, statutory obligations and inventory.

2.11. Expected credit loss

The finding was not addressed. The Company did not compute expected credit losses for the year 2020.

Background Information

Zimbabwe Posts (Private) Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*]. The Company provides postal, communication and financial services within Zimbabwe.

I have audited the financial statements of Zimbabwe Posts (Private) Limited for the year ended December 31, 2019 and I issued a Disclaimer of Opinion for both the Group and the Company with a report on going concern.

Disclaimer of Opinion on the consolidated financial statements 2019

I do not express an opinion on the consolidated financial statements of the Zimbabwe Posts (Private) Limited for the year ended December 31, 2019. Because of the significance of the matters described in the Basis for Disclaimer Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion on the consolidated financial statements 2019

i. Existence of property, plant and equipment

I was unable to perform physical verification of items of property, plant, and equipment sampled for audit. Management could not facilitate access to enable the verification process despite several requests. As a result, I was unable to obtain sufficient and appropriate audit evidence to confirm the existence of property, plant and equipment as at December 31, 2019.

ii. Non-compliance with International Accounting Standard (IAS) 16 – “Property, Plant and Equipment”

The Group disclosed property, plant and equipment in the financial statements with a carrying amount of ZWL\$119.2 million as at December 31, 2019. However, the Group did not perform reassessment of useful life and residual values despite some of the Company’s assets being fully depreciated and still in use. This was contrary to IAS 16 – “Property, Plant and Equipment” paragraph 51 which requires an entity to assess the useful life and residual values of its assets at each year end. I was not able to determine the extent of adjustments that might have been necessary in respect of the disclosed property, plant and equipment and the elements making up the statement of comprehensive income, statement of changes in equity and statement of cash flows.

iii. Non-compliance with International Accounting Standard (IAS) 36 – “Impairment of Assets”

There was no evidence that the Group carried out impairment assessment of its property, plant and equipment as at December 31, 2019. This was contrary to IAS 36 – “Impairment of Assets” paragraph 9 which requires entities to assess at the end of each reporting period whether there is any indication that any asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset and recognise impairment loss where applicable.

iv. Asset register

The Group did not maintain a comprehensive fixed asset register contrary to Public Finance Management Act [Chapter 22:19], section 45 (a) which requires that the system of financial management and internal control established for the Group to be implemented. In addition, reconciliations were not performed between the excel record of assets and the physical assets in 2019.

I was therefore unable to perform all the planned audit procedures on property, plant and equipment and to conclude on the possible effects on the Group's financial statements of any undetected misstatements related to the property, plant and equipment. As a result, I could not confirm the completeness of assets disclosed in the financial statements.

v. Limitation of scope on inventory

I was not availed with a valuation report and signed stock count sheets for inventory amounting to ZWL\$23 909 disclosed in the financial statements as at December 31, 2019. As a result, I was unable to perform audit procedures to obtain sufficient appropriate audit evidence to provide a basis for my opinion. I could not determine whether there were any adjustments that might have been necessary in respect of inventories disclosed in the financial statements.

vi. Third-party confirmation for consignment inventory

I was unable to obtain sufficient appropriate audit evidence regarding the consignment inventory held by the Group on behalf of consignors as at December 31, 2019. As a result, I was unable to perform the planned audit procedures for consignment inventory. This was due to the absence of confirmations from consignors to verify the existence, rights, and valuation of the inventory. My prior year was modified in respect of this matter, and no adjustments had been made in the current year in line with International Accounting Standard (IAS) 8 – “Accounting Policy, Changes in Accounting Estimates and Errors”.

vii. Limitation of scope on trade receivables

I was unable to perform third-party confirmation for the trade and other receivables balances as at year-end due to lack of management support. Although the audit plan included performing subsequent payments test to verify the existence and valuation of these balances, I was unable to obtain sufficient, appropriate audit evidence to conclude on the completeness, existence, and valuation of trade and other receivables as at December 31, 2019. As a result, I was unable to determine whether any adjustments might have been necessary in respect of trade and other receivables and the elements making up the statement of financial position, statement of changes in equity and statement of cash flows.

My prior year opinion was modified based on similar circumstances and due to the possible carryover effects in the current year's financial statements.

viii. Debenture receivables

I was not provided with sufficient appropriate audit evidence to verify the existence, terms, recoverability, or classification of the debenture receivables which matured in 2018 disclosed in the financial statements. Amortisation schedules, confirmation of outstanding balances or supporting documentation relating to negotiation or recoverability assessments were also not availed for audit. As a result, I was unable to determine whether any adjustments might have been necessary in respect of debenture receivables, related disclosures or any impairment losses that may need to be recognised.

ix. Prepayments

In 2018, prepayments listing included payments amounting to ZWL\$270 478 that were processed as far back as 2011 for which goods have not yet been received. Management could not provide supporting evidence to confirm the existence and recoverability of the balances. I was unable to obtain sufficient appropriate audit evidence to provide a basis for my audit opinion. In addition, the current year prepayments listing was not availed and management could not provide supporting evidence to confirm the existence and recoverability of the balance disclosed in the financial statements. As a result, I was unable to obtain sufficient appropriate audit evidence to provide a basis for my opinion. My prior year was also modified in respect of this matter.

x. Deferred revenue

I was unable to obtain sufficient appropriate audit evidence regarding the deferred revenue balance disclosed in the financial statements as at December 31, 2019. The Group did not provide the necessary supporting documentation, such as reconciliations, schedules, or breakdowns of the deferred revenue by service or contract, to enable verification of the accuracy, completeness and classification of this balance. As a result, I was unable to determine whether any adjustments might be necessary to deferred revenue, related income recognition or associated disclosures.

xi. Limitation of scope on litigations and claims

There were no responses on the legal confirmations from the Group's lawyers regarding claims and possible claims with respect to which their advice or representation was sought during the year ended December 31, 2019. As a result, no information pertaining to Group litigations was availed. I was therefore unable to obtain sufficient appropriate audit evidence regarding completeness of provisions and the related disclosures that might have been essential to fully comply with the requirements of International Accounting Standard (IAS) 37 – “Provisions, Contingent Liabilities and Contingent Assets”. My prior year was also modified in respect of this matter.

xii. Loan and finance charges

The financial statements included a liability and related finance charges relating to a bank loan. I was not availed with sufficient appropriate audit evidence in the form of a loan contract, amortisation schedules, or external confirmations to verify the terms of the loan agreement, the outstanding principal balance, interest computations, or the nature and accuracy of the finance charges disclosed. As a result, I was unable to determine whether any adjustments might be necessary to the loan payable, interest expense or related disclosures.

xiii. Limitation of scope on journal testing

Management could not provide supporting documentation for journal entries selected for testing for the year ended December 31, 2019. As a result, I was unable to perform all the planned audit procedures on the journal entries and to conclude whether the possible effects on the Group's financial statements of any undetected misstatements related to the journal entries, if any, could have been material and pervasive. I was therefore unable to obtain sufficient and appropriate audit evidence to provide a basis for my opinion.

xiv. General limitation of scope

The audit process was severely affected as management could not provide the requested information and documentation relating to ZIMRA and NSSA returns and payments. In addition, related party transactions and balances including management remuneration, benefits and bank reconciliation statements of four (4) bank accounts were not availed thereby limiting my audit scope.

xv. Vehicle mileage expenses

I was not availed with vehicle log books to ascertain whether the vehicles were being used in the manner required by the Company. I was therefore unable to determine the accuracy and completeness of vehicle mileage costs disclosed in the financial statements.

xvi. Limitation of scope on cash and cash equivalents

There were no responses from banks regarding bank confirmations sent to them for bank balances as at year-end and management could not avail corresponding bank statements. Therefore, I could not perform any alternative procedures to satisfy myself regarding accuracy of the cash and cash equivalent balances disclosed in the financial statements.

xvii. Limitation of scope on trade and other payables

The total trade payables on the age analysis was ZWL\$700 703 whilst the financial statements disclosed trade payables of ZWL\$4.5 million giving a variance of ZWL\$3.8 million. Management could not reconcile the variance. As a result, I was unable to determine whether any adjustments were necessary in respect of trade payables and elements making up the statement of comprehensive income, statement of changes in equity and statement of cash flows.

xviii. Contingent liability relating to the pension fund deficit

The Company contributed to a defined benefit pension fund. This pension fund is a multi-employer fund and had a deficit of ZWL\$26.4 million as at December 31, 2019. The Company's portion of this deficit has not yet been determined. I was therefore unable to ascertain the impact of this deficit on the Company including its impact on the financial statements.

xix. Non-compliance with International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”

The Group did not prepare inflation adjusted financial statements as the historical costs were not restated in terms of the measuring unit current at the end of the reporting period. This was contrary to IAS 29 – “Financial Reporting in Hyperinflationary Economies” paragraph 8 which requires entities operating in hyperinflationary economies to apply the provisions of the standard to reflect the changing purchasing power of the functional currency.

xx. Inclusion of unaudited financial statements of a subsidiary

The consolidated financial statements included unaudited results of Post Microfinance which is a subsidiary of Zimbabwe Posts Properties (Private) Limited. As a result, I was unable to satisfy myself that all the necessary adjustments and disclosures have been made to the unaudited financial statements of Post Microfinance for the year ended December 31, 2019.

xxi. Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates”

The Group did not apply the requirements of IAS 21 – “The Effects of Changes in Foreign Exchange Rates”, in the year 2019 financial statements because of the unavailability of exchange rates in the period October 2018 to February 22, 2019. Transactions in Zimbabwe during that period had a three-tier pricing structure where a single product had different prices depending on the mode of payment, namely the United States Dollar cash, bond notes, electronic money or mobile money. This resulted in transactions bearing similarities to what one would expect with transactions that are undertaken in different currencies to which IAS 21 - “The Effects of Changes in Foreign Exchange Rates” would apply. Statutory Instrument 133 of 2016, Statutory Instrument 33 of 2019 and monetary policy statement of February 20, 2019 all confirmed the parity of 1:1 between the United States dollar cash, bond notes, mobile money and electronic money. This presented difficulties in ascertaining the fair values of the Company’s material assets and liabilities as at the reporting date. IAS 21 – “The Effect of Changes in Foreign Exchange Rates”, requires the use of spot rate in accounting for transactions. I could not determine the extent of any adjustments necessary.

xxii. Share capital

I was unable to obtain the annual return for the year ended December 31, 2019 from the Group, which is required under section 165(1) of the Companies and Other Business Entities Act [*Chapter 24:31*]. This return, in the form prescribed in the Fourth Schedule, is essential for verifying key corporate information including equity share capital, details of directors, auditors, registered office, and shareholder records. As a result, I could not perform audit procedures necessary to confirm the existence, completeness, accuracy, and presentation of equity balances disclosed in the financial statements.

Report on going concern

I draw your attention to the fact that the Group’s current liabilities exceeded its current assets by ZWL\$108.1 million as at December 31, 2019. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. My opinion was not modified in respect of this matter.

I followed up on audit findings that I raised in my 2023 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make significant progress in addressing audit findings raised in my 2023 annual report. I raised eleven (11) findings, one (1) finding was addressed, one (1) finding was partially addressed and nine (9) findings were not addressed as indicated below;

1.1. Submission of financial statements

The finding was not addressed. The Company lost data in 2017 hence the delay to finalize the 2019 financial statements on time.

1.2. Key vacant posts

The finding was partially addressed. The position of Post Master General was filled, however, the other posts are yet to be filled.

1.3. Alignment of accounting processes to reporting framework

The finding was not addressed. The Company did not perform impairment assessment for property, plant and equipment in 2019 and my opinion was modified in respect of this matter.

1.4. Statutory obligations

The finding was not addressed. The Company still faces cash flow challenges and the Company still owes the statutory obligations to NSSA and ZIMRA.

1.5. Fiscalisation

The finding was not addressed. The fiscalisation of back office had not been done as at December 31, 2019.

1.6. Trade payables

The finding was not addressed. The Company still faced cash flow challenges. In the current year, my opinion was modified due to non-confirmation by creditors.

1.7. Occurrence, completeness and accuracy of accounts payable

The finding was not addressed. In the current year, payables confirmations were not received and this modified the opinion.

1.8. Cost of sales and operating expenses

The finding was not addressed. In the current year supporting documents on cost of sales and creditors reconciliation were not availed.

1.9. Outstanding receivables

The finding was addressed. The Company now had a policy for trade receivables.

1.10. Occurrence, completeness and accuracy of accounts receivable

The finding was not addressed. In the current year not receivables confirmations were not received and this modified the opinion.

1.11. Prepayments

The finding was not addressed. In the current year management could not provide supporting evidence to confirm existence and completeness of prepayments and the opinion was modified in respect of this matter.

Background Information

Zimbabwe United Passenger Company Limited was incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*] with the mandate to provide rural, urban and regional passenger travel services.

I have audited the financial statements of the Zimbabwe United Passenger Company Limited for the years ended December 31, 2022 and 2023 and I issued an Adverse Opinion with a report on going concern for both years.

Adverse Opinion 2022

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Zimbabwe United Passenger Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Non-compliance with International Accounting Standard (IAS) 21 – “The Effect of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”

The prior year financial statements were modified due to non-compliance with IAS 21 – “The Effects of Changes in Foreign Exchange Rates”. The Company applied foreign exchange rates that were not considered to be appropriate spot rates for translation of foreign currency denominated transactions and balances as required by IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. In the current year, the Company had not corrected the misstatements in line with IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. My opinion on the current year financial statements was modified because of the possible residual effects of the non-compliance with IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. I could not determine the extent of adjustments necessary.

ii. Material misstatement of cost of sales

The Company recognised cost of sales amounting to ZWL\$81.3 billion (2021: ZWL\$49.9 billion) for the year ended December 31, 2022. I was unable to obtain sufficient and appropriate audit evidence to support operators’ fees expense included in cost of sales amounting to ZWL\$34.2 billion (2021: ZWL\$24.9 billion) due to non-submission of third-party supporting documents by management. My prior year opinion was also modified in respect of this matter. I was therefore unable to quantify the possible effect on cost of sales and to conclude on fair presentation of cost of sales.

iii. Inventory

I was unable to obtain sufficient appropriate audit evidence to confirm the existence of inventory balance amounting to ZWL\$741.4 million due to non –submission of inventory count sheets as at December 31, 2022 for one (1) of the Company’s depot.

iv. Material misstatement of trade and other receivables

The Company recognised an allowance for credit loss of ZWL\$39.9 million. Management did not perform an impairment valuation of receivables as at December 31, 2022 but maintained the prior year balance of allowance for credit loss amounting to ZWL\$39.9 million. This was contrary to International Financial Reporting Standard (IFRS) 9 - "Financial Instruments" paragraph 5.5.9 which requires the Company to perform an assessment of changes in credit risk at the end of each year. I could not therefore ascertain the accuracy and recoverability of receivables with a carrying amount of ZWL\$3.79 billion.

v. Cash and cash equivalents

The Company could not provide explanation on the unreconciled system balances amounting to ZWL\$147.1 million compared to bank statements. I could not also satisfy myself on the recoverability of the unsecured funds amounting to ZWL\$798.9 million and management could not provide for possible credit losses on unsecured deposits. Therefore, cash and cash equivalents were not fairly stated.

vi. Unsupported trade payables

I was unable to obtain sufficient and appropriate audit evidence to support payables to bus operators due to non-submission of supporting documents that include suppliers' invoices and statements. In addition, there were no individual sub-ledgers for bus operators and management could not produce a list of individual creditors as at December 31, 2022.

vii. Valuation of gratuity provision

I was not availed with supporting documentation in the form of human resources master files to enable me to validate gratuity provision amounting to ZWL\$1.7 billion disclosed in the financial statements. The Company records could not permit the application of alternative audit procedures. As a result, I could not ascertain the accuracy, completeness and valuation of gratuity provision.

viii. Material misstatement of revenue

I was unable to obtain sufficient appropriate audit evidence to verify journal adjustments at year end which result in reduction of revenue by ZWL\$1.088 billion. As a result, I could not ascertain the accuracy, occurrence and completeness of revenue disclosed in the financial statements December 31, 2022.

ix. Material misstatement of other income

I was unable to obtain sufficient appropriate audit evidence to verify occurrence and accuracy of the foreign exchange gain amounting to ZWL\$382.9 billion. As a result, other income disclosed was materially misstated.

x. Misstatement of operating expenses

I was not availed with sufficient and appropriate supporting documentation to ascertain the accuracy and completeness of operating expenses amounting to ZWL\$3.68 billion disclosed in the financial statements. As a result, operating expenses were materially misstated.

Report on going concern

I draw your attention to the fact that the Company incurred a loss of ZWL\$16.18 billion (2021: ZWL\$1.86 billion) during the year ended December 31, 2022. As of that date, the Company's net current liabilities position was ZWL\$10.76 billion (2021: ZWL\$0.89 billion). In addition, the Company did not have sufficient fleet of its own buses and was relying on leasing of buses. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Adverse Opinion 2023

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Zimbabwe United Passenger Company Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Non-compliance with International Accounting Standard (IAS) 21 – “The Effect of Changes in Foreign Exchange Rates” – Determination of functional currency

The Company determined its functional currency as Zimbabwean Dollar during the year ended December 31, 2023. The determination was not aligned to the indicators provided for in IAS 21- “The Effects of Changes in Foreign Exchange Rates” paragraphs 9-14 which require the Company to assess its functional currency by making references to the currency which influence the business' operations. However, my assessment of the Company's functional currency based on the information reviewed during the audit and the primary indicators concluded USD to be the functional currency. The non-compliance with the requirements of IAS 21- “The Effects of Changes in Foreign Exchange Rates” was considered material and pervasive to the financial statements.

ii. Unconfirmed balances

I could not obtain confirmations of trade and other receivables with a balance of ZWL\$1.41 billion and trade and other payables balance of ZWL\$21.25 billion. No alternative supporting documents were provided for these balances. As a result, I could not satisfy myself as to the existence, completeness and accuracy of receivables and payables balances disclosed in the financial statements.

iii. Unsupported amounts and balances

I was not availed with supporting documentation for revenue entries amounting to ZWL\$7.2 billion, revenue reversal amounting to ZWL\$13.8 billion, costs of sales amounting ZWL\$21.4 billion and foreign exchange gains amounting to ZWL\$3.7 billion. In addition, management could also not provide inventory valuation report for one of its depot and private operators contract could not be provided for the audit purposes. I could not perform other alternative procedures to satisfy myself on the existence and accuracy of these transactions and balances.

iv. Unreconciled variances

The Company could not provide sufficient and appropriate evidence on the unreconciled balances as at December 31, 2023.

- a. The Company had unreconciled variances amounting to ZWL\$137 million between the confirmed bank balances and the ledger balances.
- b. The inventory variances of ZWL\$142 million between the inventory valuation report and the ledger balance was not reconciled.
- c. Variances on the payroll liabilities computed and the ledger balance amounting to ZWL\$10.1 billion.
- d. Variance of ZWL\$7.1 billion between the ledger balance and the total VAT return balance.

As a result, I was unable to satisfy myself as to the accuracy and completeness of these line items as disclosed in the financial statements.

Report on going concern

I draw your attention to the fact that the Company incurred a loss of ZWL\$28.1 billion (2022: ZWL\$34.4 billion) during the year ended December 31, 2023 and as of that date its current liabilities exceeded its current assets by ZWL\$74.06 billion (2022: ZWL\$51.7 billion). In addition, the Company had a negative equity of ZWL\$27.9 as of December 31, 2023. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Company submitted the 2022 financial statements in December 2025, three (3) years after the statutory deadline. This was contrary to section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*] which requires the accounting officer of a public entity to submit the financial statements for audit within two (2) months after the end of the financial year.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Company should submit financial statements on time as required by the Public Finance Management Act [*Chapter 22:19*].

Management response

A timeframe has been drawn to have all the outstanding audits done by June 2026.

1.2. Bank reconciliation

Finding

The Company's bank reconciliations were not being prepared and reviewed on time. Bank reconciliations were being prepared and reviewed after an average of three (3) years. As a result, the Company could not provide explanation on the unreconciled over statement of bank balances amounting to ZWL\$147.1 million compared to bank statements. In addition, some employees who had left the Company remained on the bank signatory list.

Risk / Implication

Fraud or errors may go undetected.

Recommendation

The Company should prepare and review bank reconciliations in a timely manner.

Management response

The process of data recapturing had affected some of our cash and cash equivalents; hence the company reviewed some of the banks in the stated years. Former employees were removed from the panel of signatories in 2026.

1.3. Bus registration book

Finding

a.

The Company's controls over record keeping were not adequate. For instance, there were missing bus registration books which made it difficult to verify ownership of these buses. This was contrary to section 49 (1) (a) of Public Finance Management Act [*Chapter 22:19*] which requires the Company to keep full records of its financial affairs.

Risk / Implication

Misappropriation of assets.

Recommendation

Management should obtain and maintain the vehicle registration books for all its fleet.

Management response

Observation is noted. To address this matter, management is engaging Central Vehicle Registry for duplicate vehicle registration books.

1.4. Composition of subcommittees

Finding

The Company's board subcommittees consisted of two (2) members of committee making it difficult to establish reasonable quorum. This was contrary to section 11 (11) of Public Entities Corporate Governance Act [*Chapter 10:31*] and Zimbabwe National Code on Corporate Governance (ZimCode) first schedule section 3.1.2.1 which requires the subcommittees to have at least three (3) members.

Risk / Implication

Oversight role may be compromised.

Recommendation

Subcommittees composition should comply with the governance requirements.

Management response

The anomaly will be addressed in due course.

2. PROGRESS TOWARDS ADDRESSING OF PRIOR YEAR FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company did not make progress in addressing audit findings raised in my 2022 and 2023 annual reports. I raised four (4) audit findings in my 2023 annual report and followed up ten (10) findings outstanding in my 2022 annual report. Five (5) audit findings were addressed, two (2) were partially addressed and seven (7) finding were not addressed as indicated below;

2.1. Accounts receivables reconciliations

The finding was not addressed. Variance between the general ledger and the age analysis was addressed but the challenge remains of finding debtors statements for the majority of the debtors.

2.2. Value Added Tax (VAT)

The finding has been partially addressed. The filing of returns improved in 2024 as the time had already passed between the last 2021 audit and 2022.

2.3. Accounting for fuel inventory

The finding was addressed. The purchases were reclassified to the correct ledgers as observed by Audit.

2.4. Invoicing private hire fees

The finding was addressed. All contracts and private hires were centralised and invoices were now issued from one office for uniformity and proper accounting.

2.5. Accounting for Investment property

The finding was not addressed. The Company has not reclassified investment property.

2.6. Revenue

The finding was not addressed. Revenue transactions included reversals / adjustments that had no supporting documentation. In addition, revenue reconciliations were still not adequately supported.

2.7. Procurement of fuel

The finding was not addressed. There were significant fuel delivery shortfalls between the suppliers' delivery notes and goods received vouchers. In 2023, supporting documents for fuel purchases were not made available for audit.

2.8. Tap card

The finding was addressed. The Company replaced the tap card system with e-ticketing system to address the challenges noted with the tap card system.

2.9. Information technology (IT) governance framework

The finding was not addressed. There was no evidence to support that the Company had put sufficient governance structures. During the period under review there was no subcommittee overseeing IT issues both at management or Board level.

2.10. ZUPCO Board

The finding was addressed. The Board was appointed in September 2023.

2.11. Transactions with related party

The finding was addressed. The management committee was dissolved and a substantive board of directors was appointed in 2023.

2.12. Asset register

The finding was partially addressed. The Company is now using an accounting system that has an asset module, however, not all assets have been captured.

2.13. FAW bus parts

The finding was not addressed. In 2023, stripping of non-operational buses continued and there was no evidence of proper recording of these parts.

2.14. Control over waybills

The finding was not addressed. The Company did not avail documentation for waybills on private operators contracted during the period under review.

PUBLIC ENTITIES UNDER THE CATEGORY OF COUNCILS

Background Information

The Agricultural Research Council was established in terms of the Agricultural Research Act [Chapter 18:05]. The Council has a role of coordinating, keeping under review, promoting and monitoring all aspects of agricultural research in Zimbabwe.

I have audited the financial statements of the Agricultural Research Council for the year ended December 31, 2023, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Agricultural Research Council as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment”

The Council’s accounting policy was not aligned with the International Financial Reporting Standards (IFRSs) reporting framework in that the Council’s policy expense the assets upon acquisition instead of capitalising them. This was contrary to the requirements of International Accounting Standard (IAS) 16 – “Property, Plant and Equipment” paragraph 6 which requires items that meet the definition of assets acquired for use administrative purposes or production of goods and services to be recognised as property, plant and equipment and capitalised as non-current assets rather than expensed.

Below are other material issues noted during the audit;

1 GOVERNANCE ISSUES

1.1 Valuation of property, plant and equipment

Finding

The Council’s accounting policy was not aligned to the International Financial Reporting Standards (IFRSs) reporting framework in that the Council’s policy expensed the assets upon acquisition instead of capitalising them. The Council had not accounted for vehicles and equipment purchased in prior years in its financial statements despite the assets being under its control. This was contrary to the requirements of International Accounting Standard (IAS) 16 – “Property, Plant and Equipment” paragraph 6 which requires items that meet the definition of assets acquired for use administrative purposes or production of goods and services to be recognised as property, plant and equipment and capitalised as non-current assets rather than expensed.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Council should recognise property, plant and equipment in line with reporting framework.

Management response

All new assets are being incorporated from 2023 but previously written off assets which require valuation will be revalued in line with IPSAS adoption. ARC has no resources to carry out the professional revaluation now. Depreciation will be provided in line with IPSAS guidelines and the ARC Financial Procedures Manual.

2 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not make progress in addressing audit findings that I raised in my 2023 and 2024 annual reports. I raised four (4) findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2023 annual report. One (1) finding was addressed, one (1) finding was partially addressed while other three (3) findings were not addressed as indicated below;

2.1 Submission of financial statements

The finding was not addressed. The 2023 financial statements were submitted on February 27, 2025.

2.2 Asset register

The finding was not addressed. A comprehensive asset register to be availed after revaluation of assets.

2.3 Staff costs

The finding was addressed. All salaries documentation was availed for audit.

2.4 Non-current assets

The finding was not addressed. Assets to be revalued and incorporated in 2025 financial statements.

2.5 Key vacant posts

The finding was partially addressed. The Council received treasury concurrence for the filling of vacant posts and recruitment is in progress.

Background Information

The Allied Health Practitioners Council of Zimbabwe was established in terms of the Health Professions Act [Chapter 27:19]. The functions of the Council are to regulate, control and supervise all matters affecting the training of persons in, and the manner of the exercise of, the professions and callings specified as Allied Health Practitioners.

I have audited the financial statements of Allied Health Practitioners Council of Zimbabwe for the year ended December 31, 2024. I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Allied Health Practitioners Council of Zimbabwe as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings that I raised in my 2024 annual report and below is the status.

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made progress in addressing audit findings raised in my 2024 and 2023 annual reports. I raised one (1) finding in my 2024 annual report and followed up on two (2) findings in my 2023 annual report. All the three (3) findings were addressed as indicated below;

1.1. Staff costs

The finding was addressed. The Council is now adhering to the staff costs threshold of 30% in line with Section 20 of Public Entities Corporate Governance Act [*Chapter 10:31*]

1.2. Statutory obligations

The finding was addressed. All Council employees are now registered and contributing to NSSA.

1.3. Supporting documents

The finding was addressed. In the current year, supporting documents requested were availed.

Background Information

Environmental Health Practitioners Council of Zimbabwe was established in terms of the Health Professions Act [*Chapter 27:19*]. The function of the Council is to uphold and promote high standards for environmental health care in Zimbabwe through the co-ordination and regulation of all environmental health practitioners in an ethical, efficient and professional manner.

I have audited the financial statements of Environmental Health Practitioners Council of Zimbabwe for the year ended December 31, 2024 and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Environmental Health Practitioners Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

During the current and prior financial years, the foreign currency denominated transactions and balances of the Council were translated into ZWL\$ using the interbank exchange rates/foreign currency auction rates which were not considered appropriate spot rates for translations as required by IAS 21- “The Effects of Changes in Foreign Exchange Rates”. The opinion on the prior year financial statements was modified in respect of this matter, and the misstatements have not been corrected in the current year in line with IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”.

Had the financial statements been prepared in accordance with the requirements of IAS 21- “The Effects of Changes in Foreign Exchange Rates” and also IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”, many elements would have been materially different. The effects of the non-compliance with the requirements of IAS 21- “The Effects of Changes in Foreign Exchange Rates”, have been considered material to the financial statements.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Submission of financial statements

Finding

The Council submitted its 2024 financial statements on November 14, 2025, which was eight (8) months after the statutory deadline due to finance staff shortages. This was contrary to section 49 (1) c of the Public Finance Management Act [*Chapter 22:19*] which requires entities to submit for audit the financial statements within two (2) months following the financial year end.

Risk / Implication

Transparency and accountability may be compromised.

Recommendation

The Council should address staffing challenges in the finance department.

Financial statements should be submitted within the statutory deadlines.

Management response

In the past years, the Council faced challenges due to the transition of personnel within our finance team. Specifically, the departure of key qualified staff members led to temporary gaps in critical expertise and oversight. The Council recognize that this situation contributed to delays in our financial reporting.

To address this issue and prevent recurrence, the Council have taken the following steps:

Staffing Improvements: The Council have recruited and onboarded qualified financial personnel to strengthen our team. The new hires bring extensive experience in financial reporting and compliance, which has already positively impacted our reporting capabilities.

Process Optimization: The Council have conducted a thorough review of the financial reporting processes. The Council are implementing a more streamlined and efficient workflow that includes clearer timelines and deadlines for each phase of financial reporting.

Regular Monitoring: The Council are instituting a monthly review mechanism to monitor progress against reporting deadlines

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made significant progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on four (4) findings outstanding in my 2022 and 2023 annual reports. Six (6) findings were addressed, one (1) was partially addressed and one (1) finding was not addressed as indicated below;

2.1. Exchange rates

The finding was not addressed. The Council did not comply with the requirements of IAS 21 "The Effects of Changes in Foreign Exchange Rates" and my opinion in the current year was modified in respect of this matter.

2.2. Bank reconciliations

The finding was addressed. The Council's bank reconciliations were being prepared and reviewed on time after the end of each month in 2024.

2.3. Statutory deductions

The finding was partially addressed. In 2024, NSSA contributions were remitted on time however, PAYE was remitted late for the months of January and March.

2.4. Unallocated deposits

The finding was addressed. The Council in 2024 reconciled and cleared the deposits by allocating to the respective members accounts.

2.5. Valuation of property, plant and equipment

The finding was addressed. The valuation of property, plant and equipment was performed.

2.6. Alignment of accounting processes to the reporting framework

The finding was addressed. In 2024, the Council applied the simplified approach on determination of allowance for expected credit losses.

2.7. Asset register

The finding was addressed. The Council updated the asset register for the year 2024.

2.8. Revenue recognition

The finding was addressed. In 2024, the Council reassessed the revenue recognition criteria in line with IFRS 15 – “Revenue from Contracts with Customers” and confirmed that revenue should be recognised upon application for practicing certificates since there is no enforceable right to collect fees from non-practicing members.

Background Information

The Medical and Dental Practitioners Council of Zimbabwe is a statutory body established in terms of Section 29 of the Health Professions Act [*Chapter 27:19*] to regulate the medical and dental professions in Zimbabwe. The functions of the Council are to register, educate and discipline the medical and dental professions.

I have audited the financial statements of Medical and Dental Practitioners Council of Zimbabwe for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Medical and Dental Practitioners Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Completeness and accuracy of revenue

The Council recognised revenue amounting to ZWG 7.5 million for the year ended December 31, 2024. However, discrepancies were identified between the financial records maintained in the HRIS system and those recorded in the Pastel Accounting system. Instances of missing financial data and inaccurate data entries were noted in revenue records. These data integrity issues significantly impaired the reliability of the reported revenue figures. As a result, I was unable to obtain sufficient and appropriate audit evidence regarding the completeness and accuracy of revenue.

Below are other material issues noted during the audit;

1 REVENUE COLLECTION AND DEBT RECOVERY

1.1 Revenue recognition

Finding

The Council recognised revenue amounting to ZWG 7.5 million for the year ended December 31, 2024. However, discrepancies were identified between the financial records maintained in the HRIS system and those recorded in the Pastel Accounting system. Instances of missing financial data and inaccurate data entries were noted in revenue records. These data integrity issues significantly impaired the reliability of the reported revenue figures.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should enhance controls over its information systems to enable data integrity.

Management response

Management has taken note, and the Council is currently in the process of upgrading the HRIS system to eliminate risks posed by lack of integration.

2 MANAGEMENT OF ASSETS

2.1 Maintenance of investment property

Finding

There was no evidence to demonstrate that the Council was conducting maintenance of its investment property on a regular basis. As a result, one of the Council's buildings had a leaking roof and damaged electrical sockets hence compromising the condition and usability of the property.

Risk / Implication

Financial loss due to increased maintenance costs as a result of deterioration of the property over time.

Recommendation

The Authority should establish a routine inspection and maintenance program for its investment property to detect and resolve issues early, preserving asset value and tenant satisfaction.

Management response

The Council engaged a real estate agent, and it was the agent's responsibility to maintain the property, unfortunately it was not being done during the period under review. However, Council has since engaged the agent, and modalities were agreed on the way forward to maintain Council's property.

3 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council addressed the audit finding raised in my 2023 annual report as indicated below;

3.1 Translation of foreign denominated balances

The finding was addressed. Opening balances were corrected.

Background Information

The Medical Laboratory and Clinical Scientists Council of Zimbabwe was established in terms of the Health Professions Act [*Chapter 27:19*]. Its core function is to protect the health of the population of Zimbabwe through the co-ordination and regulation of all medical laboratory practitioners in an ethical and professional manner.

I have audited the financial statements of the Medical Laboratory and Clinical Scientists Council of Zimbabwe for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of Medical Laboratory and Clinical Scientists Council of Zimbabwe as at December 31, 2024, and the financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUE

1.1. Submission of financial statements

Finding

The Council's financial statements for the year ended December 31, 2024 were not submitted on time. The financial statements were submitted on May 19, 2025. This was contrary to section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*] which requires financial statements to be submitted within sixty (60) days after year end.

Risk / Implication

Lack of timely oversight from the shareholder and stakeholders.

Recommendations

The Council should comply with the requirements of section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*].

Management response

Management acknowledges the finding. Measures are in place to ensure timely submission of future financial statements in line with Section 49 (1) (c) of the Public Finance Management Act [*Chapter 22:19*].

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Company made some progress in addressing audit findings I raised in my 2023 and 2024 annual report. I raised two (2) audit findings in my 2024 annual report and followed up on one (1) audit finding outstanding in my 2023 annual report. Two (2) findings were addressed while the other one (1) was not addressed as indicated below;

2.1. Bank reconciliations

The finding was addressed. Bank reconciliations are now being performed.

2.2. Authorisation of payments

The finding was addressed. All payments are now being processed after the documents have been checked and signed.

2.3. Segregation of duties

The finding was not addressed. The Council has not been able to raise sufficient funds to recruit and retain staff to facilitate segregation of duties.

Background Information

The National AIDS Council was established in terms of the National AIDS Council Act [*Chapter 15:14*]. The function of the Council is to provide measures to combat the spread of Human Immunodeficiency Virus (HIV) and management, coordination and implementation of programs that reduce the impact of HIV and AIDS.

I have audited the financial statements of National AIDS Council for the year ended December 31, 2024. I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of National AIDS Council as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on audit findings that I raised in my 2021, 2023 and 2024 annual reports and below is the status.

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made progress in addressing audit findings raised in my 2021, 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report, and I followed up on two (2) findings that were outstanding in 2021 and 2023 annual reports. Three (3) findings were addressed while two (2) were not addressed as indicated below;

1.1. Submission of financial statements

The finding was not addressed. The 2024 financial statements were submitted after the deadline on April 30, 2025.

1.2. Lease revenue

The finding was addressed. In the current year the lease revenue was recognised in line with IPSAS 43 – “Lease”.

1.3. Statutory deductions

The finding was addressed. The statutory deduction were remitted on time during 2024.

1.4. Alignment of accounting processes to reporting framework

The finding was addressed. The revaluation exercise was conducted in 2024.

1.5. Constitution of the Board

The finding was not addressed. There was not fully constituted in 2024.

Background Information

The National Arts Council of Zimbabwe was established in terms of the National Arts Council of Zimbabwe Act [*Chapter 25:07*]. The functions of the Council are to encourage arts organizations operating in the country to register in terms of this Act. Other functions include assisting, advising and supervising registered arts organizations operating in the country.

I have audited the financial statements of National Arts Council of Zimbabwe for the years ended December 31, 2022, and 2023, and I issued an unmodified / clean opinion for both years.

Opinion for 2022

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Arts Council of Zimbabwe as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion for 2023

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Arts Council of Zimbabwe as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Ownership of land and buildings

Finding

The Council did not provide proof of ownership of land and buildings for one of its culture centres disclosed in the financial statements at a carrying amount of ZWL\$ 178 million as at December 31, 2023.

Risk / Implication

There may be no legal recourse in the case of disputes.

Recommendation

The Council should engage the parent Ministry to regularise ownership of the land and buildings.

Management response

Management wrote a letter on April 17, 2025, to our parent Ministry requesting confirmation of ownership of the property land and buildings by the Council and we are still waiting for the response from Local Government. The Handover documents could not be located from the then parent Ministry – Ministry of Education and Culture.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not make progress in addressing the audit findings I raised in my 2022 and 2023 annual reports. I raised four (4) findings in my 2023 annual report and followed up on four (4) findings outstanding in my 2022 annual report. One (1) finding was addressed, and seven (7) findings were not addressed as indicated below;

2.1. Submission of financial statements

The finding was not addressed. The Council did not meet financial statements deadlines.

2.2. Board composition

The finding was not addressed. Management is still working on this item.

2.3. Board fees

The finding was not addressed. The Council is yet to adopt the auditor's recommendation for a second schedule to be attached to payment vouchers indicating type and date of meeting.

2.4. Valuation of assets

The finding was addressed. The Council revalued its assets.

2.5. Operational vehicles

The finding was not addressed. The Council did not receive a Capital Grant and therefore could not procure assets required for the recapitalisation of the Council.

2.6. Human resources policy

The finding was not addressed. The Human capital policy and procedure manual is not yet in place.

2.7. Grant Aid

The finding was not addressed. The remainder of the allocated grant was not received.

2.8. Office accommodation

The finding was not addressed. The Council is still in arrears for rent for all stations.

Background Information

Nurses Council of Zimbabwe was established in terms of the Health Professions Act [Chapter 27:19]. Its core function is to assist in the promotion of health by regulating, controlling and supervising all matters affecting the training of nurses, and of the manner of the exercise of the professions.

I have audited the financial statements of the Nurses Council of Zimbabwe for the year ended December 31, 2023, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Nurses Council of Zimbabwe as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Unclassified deposits

The Council had not receipted and classified bank deposits from clients amounting to ZWL\$774.5 million. These deposits were not allocated due to insufficient payment details and had been disclosed as unclaimed deposits in the financial statements. Had the unclaimed deposits been cleared, trade receivables could have been materially different.

ii. System integration

There was a variance of ZWL\$16.28 million between the revenue amount reported in the Council's human resources system and the amount in the accounting system. No reconciliations were provided in respect of the variance. I could not satisfy myself on the accuracy and completeness of revenue recognised in the financial statements.

iii. Value Added Tax invoices

The Council passed an unsupported journal of ZWL\$81.19 million to clear a variance between the VAT control account and the return submitted to ZIMRA as at December 31, 2023. I could not satisfy myself on the validity of the variance adjusted.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Bank reconciliations

Finding

The Council did not prepare and review bank reconciliation statements by the 10th of the following month contrary to the Council procedure manual section 4.4 which requires the bank reconciliation statements to be prepared and reviewed by the 10th of the following month. The bank reconciliations during the year were prepared and reviewed on an average of one (1) to ten (10) months after the cut-off date.

Risk / Implication

Errors and irregularities may go undetected.

Recommendation

Management should prepare and review bank reconciliations by the 10th of the following month in line with its policy.

Management response

There was a backlog of previous financial statements for 2022 and bank reconciliations could not be done and there were no balances brought forward in the accounting system. This was noted and would be rectified when all lagging years has been cleared.

2. REVENUE COLLECTION AND DEBT RECOVERY**2.1. System integration****Finding**

There was a variance of ZWL\$16.28million between the revenue amount reported in the Council members' database and the amount disclosed in the financial statements. No reconciliations were provided in respect of these variances for annual fees, registration fees, handling fees, handling fees and replacement of lost documents.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should integrate the human resource system and the accounting system.

Management response

The observation is noted. The difference was due to the manual processing of the figures from the human resource system to the accounting system. This could be resolved by integration of systems.

2.2. Value Added Tax invoices**Finding**

The Council passed an unsupported journal of ZWL\$81.19 million to clear a variance between the VAT control account and the return submitted to ZIMRA as at December 31, 2023.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should regularly reconcile the VAT returns with the transactions captured in the system.

Management response

Due to the backlog of financial statements, the sales and VAT were computed manually on the excel sheet. The return for VAT was done from above computation and amount remitted to ZIMRA. When the sales data was captured in the accounting system some sales which were omitted on manual computation were captured after the expiry of the period to remit VAT and thus caused the differences. Some invoices with input tax were captured in the pastel while on initial VAT return these were not included as these could have been received after 3 months, after expiry of claimable period. These were not reconciled on capturing in the system with the manual return. We then expensed the VAT for input tax which was not claimed on initial returns for the year.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not make progress in addressing audit findings and recommendations raised in my 2022 and 2024 annual reports. I raised five (5) audit findings in my 2024 annual report and followed up on two (2) audit findings outstanding from my 2022 annual report. Three (3) findings were addressed while one (1) finding was partially addressed, and three (3) findings were not addressed as indicated below;

3.1. Board charter

The finding was partially addressed. The Board Charter was developed and now awaiting board approval.

3.2. Board performance evaluation

The finding was not addressed. The board evaluation was not conducted during the period under review.

3.3. Board composition

The finding was not addressed. The board had no member with accounting background.

3.4. Declaration of interests and assets

The finding was addressed. The board declared their assets during the period under review.

3.5. Supporting documentation

The finding was addressed. In the current year, all supporting documentation was availed.

3.6. Key vacant posts

The finding was addressed. The Council filled positions of Registrar, Accountant, Accounts Clerk, Public Relations Officer.

3.7. Trade receivables

The finding was not addressed. The Council had not cleared unclaimed deposits and in the current year, the amount of unclaimed deposits was ZWL\$774.5 million.

Background Information

Traffic Safety Council of Zimbabwe was established in the terms of the Traffic Safety Council Act [*Chapter 13:17*]. The Council's function is to promote safety on roads, disseminate information on road safety, publish the highway code, establish standards of practice to be observed by driving schools.

I have audited the financial statements of Traffic Safety Council of Zimbabwe for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, the financial position of Traffic Safety Council of Zimbabwe as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up audit findings raised in my 2023 and 2024 annual reports and below is the status;

1 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not address the two (2) findings raised in my 2023 and 2024 annual reports as indicated below;

1.1 Submission of financial statements

The finding was not addressed. The 2024 financial statements were submitted late.

1.2 Road accident fund

The finding was not addressed. The Council is still waiting for guidance from the parent ministry.

Background Information

The Valuers Council of Zimbabwe was established in terms of the Valuers Act [*Chapter 27:18*] to provide for the registration of valuers and the regulation of the practice of valuers in Zimbabwe.

I have audited the financial statements of the Valuers Council of Zimbabwe for the years ended December 31, 2023, and 2024 and I issued a Qualified Opinion for both years.

Qualified Opinion 2023

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly the financial position of the Valuers Council of Zimbabwe as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- i. **Non-compliance with International Accounting Standard (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”**

Opening balances

The Council did not comply with the requirements of IAS 21 - “The Effects of Changes in Foreign Exchange Rates”, as the Council had foreign currency denominated transactions and balances that were translated into ZWL\$ using the interbank exchange rates. These were not considered appropriate spot rates translations in line with the requirements of IAS 21 - “The Effects of Changes in Foreign Exchange Rates”. The opinion on the prior year financial statements was modified in respect of this matter and the misstatements on the opening balances have not been corrected in line with IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”. As a result, the comparative figures in the financial statements may be materially misstated.

- ii. **Non-compliance with International Financial Reporting Standard (IFRS) 9 – “Financial Instruments”**

The Council recognized trade receivables amounting to ZWL\$ 319 million as at December 31, 2023. However, the Council did not conduct a reassessment of credit loss, contrary to the requirements of IFRS 9 - “Financial Instruments” paragraph 5.5.9 which requires an annual assessment of changes in credit risk of financial instruments to be carried out. The non-calculation of expected credit losses was therefore considered material. As a result, I could not satisfy myself on the valuation of trade receivables as at December 31, 2023.

Qualified Opinion 2024

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly the financial position of the Valuers Council of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Financial Reporting Standard (IFRS) 9 – “Financial Instruments”

The Council recognized trade receivables amounting to ZWG 1.9 million as at December 31, 2024. However, the Council did not conduct a reassessment of credit loss, contrary to the requirements of IFRS 9 - “Financial Instruments” paragraph 5.5.9 which requires an annual assessment of changes in credit risk of financial instruments to be carried out. The non-calculation of expected credit losses was therefore considered material. As a result, I could not to satisfy myself on the valuation of trade receivables as at December 31, 2024.

ii. Non-compliance with International Financial Reporting Standard (IFRS) 13 – “Fair Value Measurement”

The valuation of the property, plant and equipment was performed by management as at December 31, 2024. The Council had not complied with the valuation principles and criteria provided for in IFRS 13 - “Fair Value Measurement” as there was no valuation report to substantiate the valuation methods, assumptions, inputs and data sources applied. I therefore could not satisfy myself on the appropriateness of the value of property, plant and equipment as disclosed in the financial statements.

iii. Non-compliance with International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”

The Council used blended rates following the gazetting of Statutory Instrument 27 of 2023 which made it mandatory for the use of a weighted average rate of inflation (blended rate) based on the use of Zimbabwe dollars and United States Dollars. The historical balances were translated using blended rates which was considered not compliant with the requirements of IAS 29 - “Financial Reporting in Hyperinflationary Economies” as it did not reflect the general purchasing power of ZWL\$. IAS 29 - “Financial Reporting in Hyperinflationary Economies” paragraph 37 requires restatement of financial statements using a general price index that reflects changes in general purchasing power. The possible effects on the accumulated fund and the comparability of the current period’s financial statements with that of the prior year. I could not determine the extent of adjustments necessary.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Annual general meeting

Finding

The Council did not convene an annual general meeting with the registered valuers during the period under review. This was contrary to section 17(1) of Valuers Act [*Chapter 27:18*], which requires a general meeting of all registered valuers to be held annually.

Risk / Implication

Oversight role may be compromised.

Recommendation

The Council should convene annual general meetings in line with the requirements of the Valuers Act [*Chapter 27:18*].

Management response

The 2024 Annual General Meeting could not be held within the 2024 calendar year, as the financial year had not yet concluded and the final audited financial statements were not available. As such, the 2024 AGM will be convened in 2025.

1.2 Revaluation of assets

Finding

The valuation of the property, plant and equipment was performed by management as at December 31, 2024. The Council had not complied with the valuation principles and criteria provided for in IFRS 13 - "Fair Value Measurement" as there was no valuation report to substantiate the valuation methods, assumptions, inputs and data sources applied.

Risk / Implication

Misstatements of financial statements.

Recommendation

Management should prepare revaluation reports whenever a revaluation exercise is carried out.

Management response

We will ensure a complete valuation report is produced when a revaluation exercise is carried out next time.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1 Annual fees

Finding

The Council did not implement the meeting resolution of November 23, 2023, on the suspension of members with outstanding annual fees balances. As a result, some members had outstanding annual fees exceeding 120 days. This was also contrary to Valuers Act [*Chapter 27:18*] Section 34(1) which requires suspension of members with annual fees balances as at March 31, of each year.

Risk / Implication

Financial loss due to non-recovery of annual fees.

Recommendation

The Council should comply with the provisions of the Valuers Act [*Chapter 27:18*].

The Council should regularly follow up on outstanding balances.

Management response

At its meeting on June 29, 2023, it was resolved to make consented follow ups of debtors and on November 23, 2023 the Council resolved to publish list of members in good standing and send to all stakeholders as well as to suspend members who are in arrears on the 30th of April each year.

3. MANAGEMENT OF ASSETS

3.1 Asset register

Finding

The Council did not update its asset register with all the essential details. For instance, details such as the condition of the assets and location of the assets were not recorded. This was contrary to section 100 (4) of the Public Finance Management (Treasury Instructions), 2019 which requires an asset register to be maintained with all the essential details.

Risk / Implication

Misappropriation of assets.

Recommendation

The Council should update its asset register with all essential details.

Management response

We will ensure the location and condition of the asset are captured on the asset register.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not make progress in addressing audit findings raised in my 2023 and 2024 annual report. I raised one (1) finding and followed up on two (2) findings outstanding in my 2023 annual report. One (1) finding was addressed while the other two (2) findings were not addressed as indicated below;

4.1 Allowance for credit losses

The finding was not addressed. The Council does not have a documented policy for determining expected loss calculations and impairment.

4.2 Policies and procedures manual

The finding was addressed. The draft policy was approved and adopted by the Council.

4.3 Alignment of accounting processes to the requirements of reporting framework

The finding was not addressed. The assessment of residual values, useful life and revaluation of assets was not carried out.

Background Information

The Zimbabwe Council for Higher Education was established in terms of the Zimbabwe Council for Higher Education Act [*Chapter 25:27*]. The functions of the Council are to promote and co-ordinate education provided by institutions of higher education and to act as a regulator in the determination and maintenance of standards of teaching, examinations, academic qualifications and research in institutions of higher education.

I have audited the financial statements of Zimbabwe Council for Higher Education for the year ended December 31, 2024. I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Council for Higher Education as at December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit:

1. GOVERNANCE ISSUES

1.1. Audit Committee

Finding

The Chief Executive Officer was member of the audit committee during the year 2024. He attended all the five (5) audit committee meetings held during the year under review and seconded agenda items raised on the audit committee meetings held on June 3, 2024 and December 2, 2024. This was contrary to section 92 of the Public Entities and Corporate Governance Act [*Chapter 10:31*] which requires essential committees which include the audit committee to be composed of independent non-executive members.

Risk/ Implication

Oversight role may be compromised due to conflict of interest.

Recommendation

The Council should comply with section 92 of the Public Entities and Corporate Governance Act [*Chapter 10:31*].

Management response

The observation is noted. In line with section 92 of the Public Entities and Corporate Governance Act [*Chapter 10:31*], the Council had begun re-aligning its Audit and Assurance Committee and the Risk Management Committee to comprise independent non-executive members only. The Chief Executive Officer will attend meetings by invitation in an advisory capacity going forward.

1.2. Submission of internal audit reports

Finding

The Council was not submitting finalised internal audit reports to Treasury. This was contrary to the provisions of section 80(5) of the Public Finance Management Act [*Chapter 22:19*] which requires submission of finalised internal audit reports to the Treasury.

Risk/ Implication

Accountability and oversight may be compromised.

Recommendation

The Council should submit its internal audit reports to Treasury as required by the Public Finance Management Act [*Chapter 22:19*].

Management response

Management acknowledges the finding. The Council has since established a formal procedure to ensure timely submission of internal audit reports to the Treasury as 5 required under section 80(5) of the Public Finance Management Act [*Chapter 22:19*].

1.3. Contract management

Finding

The Council's controls over lease management were inadequate. I was not availed with signed lease agreement between the Council and University pertaining to office accommodation since October 2024. The Council was paying rates, security and electricity based on estimates.

Risk / Implication

Financial loss in the event of disputes.

Recommendation

The Council should engage the University to expedite the lease contract process.

Management response

The observation is noted. The Council is actively engaging the University of Zimbabwe to expedite the signing of a formal lease agreement. In the interim, contributions towards rates and utilities are based on mutually agreed-upon estimates. A formal cost-sharing arrangement will be included in the final lease document.

2. PROCUREMENT OF GOODS AND SERVICES

2.1. Declaration of interest

Finding

The Council processes were not aligned with procurement laws and regulations. As a result, there was no evidence of declaration of interest by members of the procurement evaluation committee. This was contrary to the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] section 71(2) (d) which requires declaration of interest by those involved in the procurement of an entity.

Risk / Implication

Procurement may be compromised due to conflict of interest.

Recommendation

Members of the procurement evaluation committee should declare their interest during the evaluation process.

Management response

The observation is noted. Measures have been implemented to ensure that all members of the Procurement Evaluation Committee complete declaration of interest forms at the commencement of each procurement process, in line with section 71(2)(d) of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

2.2. Sourcing of quotations

The Council's controls over procurement were inadequate. For instance, quotations were not solicited for some goods and services procured during the year. This was contrary to section 34(i) of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*], which requires sourcing of at least three competitive quotations.

Risk / Implication

Financial loss due to uneconomic purchases.

Recommendation

The Council should comply with the requirements of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

Management response

The Council acknowledges the observation and commits to strict compliance with section 34(i) of the Public Procurement and Disposal of Public Assets Act. Measures have been put in place to ensure that at least three competitive quotations are obtained for all applicable procurements, and internal controls will be strengthened to prevent recurrence.

2.3. Delivery of goods and services

Finding

The Council's procedures manual had no guidance on handling of returned goods and services. As a result, the Council had not received one of the two (2) 40ft storage containers procured on February 28, 2024 for ZWL\$ 148.96 million. The container had patches and was returned to the supplier for replacement. However, the supplier had not delivered the replacement as at December 31, 2024.

Risk / implication

Financial loss due to non-delivery of storage tanks.

Recommendation

The Council should follow up on the delivery of outstanding storage container.

Management response

Management acknowledges the observation. The administration department and the procurement department will establish a Stores and Inventory Procedure manual that will include guidance on the handling of returned goods and improve supplier due diligence. Follow-ups are underway to ensure delivery of the outstanding storage container.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made progress in addressing audit findings raised in my 2022 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on three (3) findings outstanding in my 2022 annual report. Two (2) findings were addressed while three (3) findings were not addressed as indicated below;

3.1. Allowances and taxation

The finding was addressed. The tax due was calculated and remitted on July 15, 2024.

3.2. Submission of Board resolutions

The finding was addressed. The Board resolutions were submitted to the parent ministry and Corporate Governance Unit.

3.3. Council Charter

The finding was not addressed. The Charter was not approved.

3.4. Accounting procedures manual

The finding was not addressed. The Accounting procedures manual was not reviewed.

3.5. Procurement of motor vehicles

The finding was not addressed. The motor vehicles were not delivered and the case is at the courts.

Background Information

The Zimbabwe National Family Planning Council was established in terms of the Zimbabwe National Family Planning Council Act [*Chapter 15:11*]. The objectives of the Council are to provide subsidized contraception to the nation, teaching and training aides in family planning to members of the community and family planning awareness and services to the community.

I have audited the financial statements of Zimbabwe National Family Planning Council for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe National Family Planning Council as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Annual general meeting

Finding

The Council could not convene an annual general meeting in 2024 due to the lack of a fully constituted board of directors. This was contrary to the to section 33(3) of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires that an annual general meeting should be held once every 12 months.

Risk / Implication

Lack of oversight from stakeholders.

Recommendation

Board should be fully constituted and annual general meeting held annually in line with section 167(2) of the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

The Annual General Meeting for 2024 could not be held due to lack of quorum since only one board member has current tenure. The Chief Executive Officer is liaising with the Honourable Minister of Health and Child Care to ensure the appointment of the required board members is done accordingly.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council did not make significant progress in addressing the audit findings raised in my 2021, 2022, 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and followed up on five (5) findings outstanding in my 2021, 2022 and 2023 annual reports. One (1) finding was addressed, two (2) findings were partially addressed, and three (3) findings were not addressed as indicated below;

2.1. Independence of the internal audit function

This finding was addressed. Internal audit department was no longer carrying out administration operations.

2.2. Receivables

The finding was not addressed. The outstanding amounts were not recovered.

2.3. Board composition

The finding was not addressed. The current board is constituted by one person.

2.4. Restructuring exercise

The finding was not addressed. The restructuring process was not yet finalised.

2.5. Accounting procedures manual

The finding was partially addressed. The Accounting procedures manual was still a draft and not yet approved.

2.6. Vacant post

The finding was partially addressed. Interviews for the post of Executive Director were done in January 2024 and awaiting appointment of the successful candidate.

Background Information

The Council was established in terms of the Zimbabwe School Examinations Council Act [*Chapter 25:18*]. Its core mandate is to organise and conduct examinations for primary and secondary education, award certificates and to review rules and regulations relating to examinations.

I have audited the financial statements for Zimbabwe School Examinations Council for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Zimbabwe School Examinations Council as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on the audit finding raised in my 2023 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council partially addressed the audit finding that I raised in my 2023 annual report as indicated below;

1.1. Motor vehicles hiring policy

The finding was partially addressed. The Council purchased motor vehicles and hiring is now minimal, however the policy was not yet in place.

Background Information

The Zimbabwe Youth Council was established in terms of the Zimbabwe Youth Council Act [Chapter 25:19] to facilitate the empowerment and participation of the youth.

I have audited the financial statements of the Zimbabwe Youth Council for the years ended December 31, 2023 and 2024. I issued an Adverse Opinion for 2023 and a Qualified Opinion for 2024 with a report on going concern for both years.

Adverse Opinion 2023

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Council as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion 2023

i. **Non-compliance with International Financial Reporting Standard (IFRS) 13- “Fair Value Measurement” and International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”**

The prior year property plant and equipment valuation did not comply with the requirements of IFRS 13 - “Fair Value Measurement”, as the Council’s valuation was determined in USD and then translated to ZWL\$ using the interbank rate as at December 31, 2022. The translated ZWL\$ values were not in compliance with IFRS 13 - “Fair Value Measurement” principles as they did not reflect the assumptions that market participants would apply in valuing similar items of property, plant and equipment in ZWL\$. The non-compliance with IFRS 13 - “Fair Value Measurement” on prior years’ financial statements constitutes prior period errors. In addition, the Council had unreconciled variances of ZWL\$1.69 million for retained earnings and ZWL\$168 622 for revaluation reserve in 2022. The Council did not correct these errors as required by IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”.

Had the Council applied the requirements of IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors” to restate the prior year’ financial statements, the opening balances and comparative figures in the financial statements could have been materially different. I was not able to determine the extent by which the financial statements could have been misstated and any adjustments that could have been necessary.

ii. **Non-compliance with International Accounting Standard (IAS) 36 – “Impairment of Assets”**

The Council did not carry out impairment assessment on its property, plant and equipment as at December 31, 2023. This was contrary to the requirements of IAS 36 – “Impairment of Assets” paragraph 9 which requires entities to assess impairment at the end of each reporting period. As a result, I could not ascertain the valuation of property, plant and equipment disclosed in the financial statements.

iii. Supporting documentation

The Council did not provide supporting schedules or documentation for the foreign exchange gain of ZWL\$43.7 million disclosed in the statement of financial performance. I was also not availed with grant release letters to confirm the specific purpose and conditions of the amounts received during the year under review. The Council received ZWL\$3.06 billion from the parent Ministry, however I was not availed with evidence to support whether it was supposed to be allocated as operational and capital grants.

In addition, the Council did not provide supporting documentation in form of receipts, proof of payment, registers and reconciliations to enable validation of the trade payables amounting of ZWL\$5.39 million disclosed in the financial statements. The Council also included an adjustment of ZWL\$5.7 million on administration expenditure which was not supported.

I could therefore not ascertain the accuracy and completeness of the amounts disclosed in the financial statements.

Report on going concern

I draw your attention to the fact that the Council's current liabilities exceeded its current assets by ZWL\$34.63 million as at December 31, 2023. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Council's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Qualified Opinion 2024

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Youth Council as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

i. Non-compliance with International Public Sector Accounting Standard (IPSAS) 3 - "Accounting Policies, Changes in Accounting Estimates and Errors"

The prior financial statements were modified due to an unsupported adjustment of ZWL\$5.7 million disclosed in the statement of profit or loss and other comprehensive income for the year ended December 31, 2023.

Had the Council applied the requirements of IPSAS 3 - "Accounting Policies, Changes in Accounting Estimates and Errors" to restate the prior years' financial statements, the opening balances and comparative figures in the financial statements could have been materially different. I was not able to determine the extent by which the financial statements could have been misstated and any adjustments that could have been necessary.

ii. Revenue

The Council did not create customer accounts in its accounting system for national associations and did not invoice associations for annual levies during the year. As a result, revenue from some associations was collected on a cash basis, while other associations did not remit statutory levies. I was not able to determine the extent by which revenue and debtors, could have been misstated and any adjustments that could have been necessary.

iii. Supporting documentation

I was unable to obtain sufficient and appropriate audit evidence regarding grant revenue amounting to ZWG12.11 million during the year under review as the grant release letters that confirm the specific purpose, conditions, or amounts of grants received were not availed. In addition, the Council did not provide supporting documentation for employment costs amounting to ZWG1.27 million disclosed in the statement of financial performance.

Consequently, I was unable to determine whether any adjustments might have been necessary in respect of grants received and employment costs and the related elements making up the statement of financial position.

iv. Non-compliance with International Public Sector Accounting Standard (IPSAS) 21 - “Impairment of Non-Cash Generating Assets”

The Council did not carry out an assessment of impairment on its assets for the year under review despite some assets showing indications of impairment. This was contrary to International Public Sector Accounting Standards (IPSAS) 21 - “Impairment of Non-Cash Generating Assets” paragraph 26 which requires impairment assessment to be carried out at each year end. I could not determine the extent of adjustments necessary. My prior year opinion was also modified in respect of this matter.

v. Non-compliance with International Public Sector Accounting Standard (IPSAS) 45- “Property, Plant and Equipment”

The Council did not review useful lives and residual values of its property, plant and equipment as at December 31, 2024. This was contrary to IPSAS 45 - “Property Plant and Equipment” paragraph 48 which requires the Council to review the useful life and residual value of its assets at each year end. Had the Council reviewed the useful lives of its assets, the financial statements would have been materially different.

vi. Non-compliance with International Public Sector Accounting Standard (IPSAS) 18 - “Segment reporting” and International Public Sector Accounting Standard (IPSAS) 1 - “Presentation of Financial Statements”

The Council did not report segment information on its programs contrary to the requirements of the IPSAS 18 – “Segment Reporting” paragraph 52 -57 which requires an entity to identify and disclose its separate segments and IPSAS 1 - “Presentation of Financial Statements” paragraph 27 which requires fair presentation. Had the Council disclosed the segments, the financial statements could have been materially different.

Report on going concern

I draw your attention to the fact that the Council incurred an operating deficit of ZWG1.35 million as at December 31, 2024 and as of that date the Council had a net current liability position of ZWG1.41 million. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Council’s ability to continue operating as a going concern. My opinion was not modified in respect of these matters.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Alignment of reporting processes to the reporting framework

Finding

The Council did not carry out an assessment of impairment on its assets as at December 31, 2023 and 2024, despite that there were some assets showing indications of impairment such as damaged furniture, obsolete computer equipment and damaged motor vehicles. This was contrary to paragraph 26 of IPSAS 21 - "Impairment of Non-Cash Generating Assets" which requires entities to assess at the end of each reporting period whether there is any indication that an asset may be impaired.

In addition, the Council did not review the useful lives and residual of its property, plant and equipment in line with paragraph 48 of IPSAS 45 – "Property Plant and Equipment" which requires the Council to review the useful life and residual value of its assets at each year end.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should carry out an annual impairment assessment as well as review useful life of assets annually in line with the requirements of IPSAS 21 - "Impairment of Non-Cash Generating Assets" and IPSAS 45 – "Property Plant and Equipment.

Management response

Observation is noted, annual impairment assessments will be carried out going forward.

1.2. Tax clearance certificates

Finding

The Council's internal controls over the processing of payments were not effective. For instance, the Council did not withhold tax for payments that were made to suppliers who were paid ZWL\$18.6 million and USD1.68 million without availing valid tax clearance certificates. This was contrary to section 80 of the Income Tax Act [*Chapter 23:06*] which requires withholding tax to be deducted when paying to suppliers without valid tax clearance certificates.

Risk / Implication

Financial loss due to penalties and interests that may be levied for non-compliance.

Recommendation

All payments should be adequately supported with valid tax clearance certificates before processing.

Management response

The observation is noted. Going forward, the Council will ensure that copies of valid tax clearance certificates are systematically attached to all payment vouchers and finance unit and PMU to jointly conduct pre-payment compliance checks to prevent recurrence.

1.3. Fuel usage

Finding

The Council did not maintain adequate controls over fuel usage. For instance, fuel usage schedules detailing 45 080 litres of diesel and 14 650 litres of petrol purchased amounting to ZWL\$454.38 million, consumed and closing balances were not maintained for the year ended December 31, 2023. As a result, I could not determine whether the fuel was used for Council business. This was contrary to section 104(1) of the Public Finance Management (Treasury Instructions), 2019 which requires all entities to keep a record of fuel coupons received and issued.

Risk / Implication

Misappropriation of fuel that compromise service delivery.

Recommendation

Management should strengthen controls over fuel management by maintaining fuel register, schedules and all supporting documents.

Management response

The observation is noted, management would like to inform audit that adequate controls over fuel usage are now in place as per audit recommendation.

1.4. Travel and subsistence expenditure

Finding

I was not provided with copies of cabinet authorities for eleven (11) foreign travels undertaken during the period under review amounting to USD18 047. This was contrary to the Public Finance Management Act [*Chapter 22:19*] section 49 (1) (a), which requires a public entity to keep full records of its financial affairs.

In addition, the Council's internal controls over travelling and subsistence advances were not adequate and there was no evidence to support monitoring of outstanding advances. As a result, ZWL\$21.44 million and USD15 560 was not acquitted, contrary to section 6 of the finance and administration policy and procedures manual which requires individuals to acquit all advances on return to home station.

Risk / Implication

Financial loss due non-recovery of travel and subsistence advances.

Irregular claims may not be detected.

Recommendation

The Council should obtain cabinet approvals for all foreign trips.

Management should strengthen controls over travel and subsistence allowances.

Management response

Observation is noted, the missing of foreign trip cabinet authority was an administrative oversight. Management will make sure to seek and collect cabinet authority from respective Authorities. In addition, management commits to strengthen controls over travel and subsistence allowances to avoid recurrence.

1.5. Supporting documentation

Finding

The Council in 2023 did not provide supporting schedules or documentation for the foreign exchange gain of ZWL\$43.7 million disclosed in the statement of financial performance. I was also not availed with grant release letters to confirm the specific purpose; conditions of the amounts received during the year under review. The Council received ZWL\$3.06 billion from the parent Ministry, however I was not availed with evidence to support whether it was supposed to be allocated as operational or capital grants. In addition, the Council did not provide supporting documentation in form of receipts, proof of payment, registers and reconciliations to enable validation of the trade payables amounting to ZWL\$5.39 million disclosed in the financial statements. The Council also included an adjustment of ZWL\$5.7 million on administration expenditure which was not supported. This was contrary with the Public Finance Management Act [*Chapter 22:19*] section 49 (1) (a), which states that the Council shall keep full records of the financial affairs of the Council.

In 2024, I was also not availed with grant release letters that confirm the specific purpose, conditions, or amounts of grants received regarding to grant revenue amounting to ZWG12.11 million. In addition, the Council did not provide supporting documentation for employment costs amounting to ZWG1.27 million disclosed in the statement of financial performance.

Risk / Implication

Misstatement of financial statements.

Recommendation

Financial statements should be supported by adequate documentation.

Variances should be investigated and cleared.

Management response

The Council acknowledges the audit finding regarding the absence of detailed supporting schedules for the foreign exchange gain of ZWL\$43.07 million disclosed in the financial statements. The foreign exchange gain resulted from the retranslation of foreign currency transactions and balances in accordance with the applicable accounting framework however, due to limitation in the current accounting system, the calculations were done manually and detailed workings were not properly documented and retained.

To address this, management commits to preparing and maintaining detailed foreign exchange computation schedules, strengthening internal controls over foreign currency reporting, ensuring all manual calculations are reviewed and properly filed and exploring system or process improvements to enhance automation.

The Council is still investigating the adjustment made to administrative expenses amounting to ZWL\$5.7 million. Going forward, the Council will make frantic efforts to ensure that the parent Ministry avails detailed release letters for all grants received to avoid recurrence. On payables, management commits to maintain proper records for all payables.

1.6. National youth associations

Finding

All registered national youth associations were not submitting audited financial statements as required by section 14(6) of the Zimbabwe Youth Council Act [*Chapter 25:19*] due to inadequate enforcement mechanisms by the Council and lack of technical and financial capacity to prepare the financial statements. As a result, the Council was unable to effectively discharge its statutory oversight and supervisory responsibilities.

Risk / Implication

Transparency and financial accountability within the youth sector may be compromised.

Recommendation

Management should enforce mechanisms and increase awareness of statutory obligations to ensure registered national youth associations comply with section 14(6) of the Zimbabwe Youth Council Act [*Chapter 25:19*].

Management response

Observation is noted, management commits to enforce mechanisms designed to increase awareness of statutory obligations to all registered associations and ensure compliance with the Zimbabwe Youth Council Act [*Chapter 25:19*].

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Collection of levies

Finding

The Council did not create customer accounts in its accounting system for national associations and did not invoice associations for annual levies during the year due to non-implementation of levy collection mechanisms. As a result, revenue from some associations was collected on a cash basis, while other associations did not remit statutory levies as required under sections 9 and 10 of the Zimbabwe Youth and Sports and Recreation Councils Act [*Chapter 25:19*].

Risk / Implication

Financial loss due to revenue leakage.

Misstatement of financial statements.

Recommendation

Management should create customer accounts for registered associations in the system.

Management should formalise the levy collection framework in line with the Zimbabwe Youth and Sports and Recreation Councils Act [*Chapter 25:19*].

Management response

Observation is noted, management is prioritizing development of the revenue collection framework in line with the Zimbabwe Youth and Sports and Recreation Councils Act [*Chapter 25:19*] Act and once a clear framework is in place customer accounts for registered associations will be opened and levies collected.

3. EMPLOYMENT ISSUES

3.1. Engagement of trainees and volunteer workers

Finding

The Council did not have a documented policy framework governing the engagement of graduate trainees. As a result, the engagement of the trainees was not supported by a formal authorisation and vetting process, and key documentation to support the approval and vetting for all trainees engaged during the year.

Risk / Implication

Irregular engagements may comprise accountability.

Recommendation

The Council should develop and approve a policy governing the engagement of trainees and volunteers to ensure complete individual files are maintained.

Management response

Observation is noted, corrective measures are to be implemented.

4. PROCUREMENT OF GOODS AND SERVICES

4.1. Supplier payments

Finding

The Council's procurement processes were not aligned to the requirements of Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*]. For instance, the Council incurred expenditure amounting to USD27 859 and ZWL\$8.24 million for which comparative schedules were not provided to support the procurement process. In addition, goods and services amounting to ZWG1.18 million were procured without obtaining the required minimum number of quotations. There were also instances where contracts were awarded to suppliers who were not the lowest bidders without documented justification. This was contrary to Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] section 34 which requires procurement transactions to be supported by at least three (3) quotations to demonstrate competitiveness, value for money, and proper authorization.

In addition, the Council procured t-shirts and caps amounting to USD50 000 using the request for quotation method instead of following formal competitive bidding procedures. This was contrary to section 10 (2) (b) of the Public Procurement and Disposal of Public Assets (General) Regulations, 2018 which requires competitive bidding where amounts exceed threshold and supporting documentation for all procurement activities.

Risk / Implication

Potential financial loss and overspending.

Recommendation

Management should adhere to the requirements of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*].

Management response

The observation is noted, management commits to compliance with public procurement regulations while ensuring practicality and effectiveness in service delivery.

On procurement of t-shirts and caps, the supplier raised an invoice of USD101 353 which was not agreed with by the Council. Both parties then agreed that the outstanding amount was USD50 000 and a payment plan was agreed upon the availability of funds. In 2024 we made three (3) payments leaving a balance of USD18 747 by year end, other payments were made in 2025 leaving a current outstanding balance of USD3 693.

The Council is not yet a registered procuring entity and rides on the parent Ministry's registration so the Ministry applies for a waiver (for not going to tender) on all national programs because of the nature of our programming that is why this particular transaction did not go through the tendering process. In regards to supporting documentation, this was an administrative oversight on our part and management commits to ensuring that all documents are attached to support each and every payment made.

5. MANAGEMENT OF ASSETS

5.1. Asset register

Finding

The Council did not maintain a comprehensive asset register as there were deficiencies in the description, location and identification reference number of assets in the asset register for motor vehicles, office equipment and furniture and fittings. This was contrary to the Council's Finance Procedure Manual section 11 which requires the asset register to be updated with essential asset information.

Risk / Implication

Misappropriation of assets.

Recommendation

The Council should regularly update the asset register.

Management response

The observation is noted. Management will make sure the asset register is updated and full detail on asset items are provide.

6. SERVICE DELIVERY

6.1. Programmes monitoring

Finding

The Council's monitoring and evaluation controls were not adequate. As a result, I was not availed with supporting documentation evidencing implementation of planned programs. In addition, the Council could not demonstrate the extent to which it delivered its mandate or assessed the impact of the programs which were funded during the year under review. I could therefore not assess the implementation and achievement of the Council's mandate laid out in section 3a(1)(a) to (e) of the Zimbabwe Youth Council Act [*Chapter 25:19*].

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should implement a structured performance management and record-keeping framework, supported by measurable targets and annual evaluations, to ensure activities are adequately documented, monitored, and accountable.

Management response

Observation is noted, management commits to establishing and implementing a structured performance management and record keeping framework which aligns with all the relevant statutes guiding the Council's operations.

7. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Council made some progress in addressing audit findings and recommendations raised in my previous audit report. I raised four (4) findings in my 2024 annual report and followed up on three (3) audit findings from previous audit reports and three (3) findings were addressed while two (2) findings were partially addressed and two (2) findings remained unaddressed as indicated below;

7.1. Key vacant post

The finding was addressed. The post of Chief Executive Officer was filled.

7.2. Valuation of property, plant and equipment

The finding was not addressed. In the current year the Council performed asset valuation however it did not comply with the requirements of IFRS 13 - "Fair Value Measurement".

7.3. Oversight role

The finding was addressed. The Board was full constituted in March 2025.

7.4. Posting of transactions in the accounting system

The finding was partially addressed. Due to the issues that have given rise to the modification of the opinion the controls over recording of transactions were still inadequate.

7.5. Bank accounts

The finding was not addressed. The Council still had not closed dormant bank accounts.

7.6. Submission of financial statements

The finding was addressed. The Council submitted the 2025 financial statements before the statutory deadline.

7.7. Internal audit

The finding was partially addressed. The Council has internal audit arrangement with the parent Ministry's internal audit function.

PUBLIC ENTITIES UNDER THE CATEGORY OF FINANCIAL INSTITUTIONS

SMALL AND MEDIUM ENTERPRISES DEVELOPMENT CORPORATION (SMEDCO) 2024

Background Information

The Small and Medium Enterprises Development Corporation was incorporated in terms of the Small and Medium Enterprises Act [*Chapter 24:12*]. The nature of business of the Corporation is providing loan finance to upcoming and existing small to medium scale enterprises and that of property letting and investment activities.

I have audited the consolidated financial statements of Small and Medium Enterprises Development Corporation for the year ended December 31, 2024. I issued an unmodified / clean opinion.

Opinion on the consolidated financial statements

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Small and Medium Enterprises Development Corporation as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the Corporation's Financial Statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of Small and Medium Enterprises Development Corporation as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Statutory obligations

Finding

The Corporation was not generating enough revenue to finance its operations. As a result, the Corporation was not remitting statutory obligations such as income tax and National Social Security Authority (NSSA) payments on time. For instance, January 2024 deductions were remitted in March 2024. This was contrary to the requirements of the National Social Security Act [*Chapter 17:04*] and Income Tax Act [*Chapter 23:06*] which requires all statutory deductions to be remitted to the authorities the following month after the month in which the deduction was made.

Risk / Implication

Financial loss due to penalties and interests.

Recommendation

The Corporation should consider alternative revenue generating strategies to broaden its revenue base.

The Corporation should engage the authorities for payment plans.

Management response

Management notes the recommendation. During this period, the Corporation did not receive its allocated capital from the Shareholder. The Corporation entered payment plans with the regulatory bodies and has since settled all its obligations as of June 22, 2025. To improve revenue, the Corporation is growing its loan book through drawing down on a USD 3 million offshore facility and an additional USD 1.4 million from local financial institutions. To diversify revenue streams, the Corporation is investing in investment property, to increase rental income.

1.2. Data management framework

Finding

The Corporation did not put in place policies and procedures to guide employees on how to handle data collected from its clients. As a result, clients' data was not protected from unauthorised use and access. This was contrary to the requirements of the Section 18 (1) of the Cyber and Data Protection Act [*Chapter 12:07*] that requires data controllers to take appropriate technical and organizational measures that are necessary to protect data from unauthorised destruction, negligent loss, unauthorised alteration or access and any other unauthorised processing of the data.

Risk / Implication

Financial loss due to lawsuits in case of breaches.

Recommendation

The Corporation should put in place procedures on how to handle clients' data.

Management response

The Corporation is complying with the provisions of the Cyber and Data Protection Act by registering as a Data Controller. The Data Protection Officer (DPO) was appointed. As part of the compliance process, the DPO is getting licensed, and the development of Cyber and Data Protection policies in line with the statutes is ongoing. The Corporation will complete the process in October 2025.

1.3. Cession of insurance and power of attorney

Finding

The Cession of Insurance policy and Power of Attorney did not indicate the policy numbers and in some instances was not signed by the client although stamped by Small and Medium Enterprises Development Corporation who is the agent and cannot give itself rights over a client's property. This was contrary to Section 2 of the Power of Attorney Act [*Chapter 8:09*] which requires the signature of the principal for the Power of Attorney to be valid and all details of the cession to be included.

Risk / Implication

No legal recourse in the event of dispute.

Recommendation

The Corporation should receive a valid Cession of Insurance and Power of Attorney from its clients.

Management response

Observation noted. This matter has since been resolved.

1.4. Loan application forms

Finding

The loan application forms which determine whether a person is eligible for a loan were not being completed by the Business Analysts. This was contrary to Section 7.1.1 of the Loan Management Policy which requires the business analyst to decide whether an application form should be accepted from a client.

Risk / Implication

Loans may be awarded to clients who are not eligible.

Recommendation

The loan application forms should be completed fully before further processing of the application.

Management response

The recommendation is noted and accepted. The Business Analysts will be reminded of the need for completeness of all form filling and all the loans committees starting at the branch to the Board will reject all incomplete loan application forms with immediate effect.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Corporation made progress in addressing audit findings raised in my 2020, 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on two (2) issues that were outstanding in my 2020 and 2023 annual reports. Four (4) findings were addressed and two (2) were not addressed as indicated below;

2.1. Submission of board resolutions

The finding was addressed. All board resolutions are now being submitted on time.

2.2. Submission of financial statements

The finding was addressed. The Corporation submitted their financial statements as required by the law.

2.3. Debt management

The finding was not addressed. The recovery process is still facing some challenges as some debts are past five hundred (500) days.

2.4. Housing allowances

The finding was addressed. The housing allowance is now being taxed.

2.5. Delivery of procured goods

The finding was not addressed. The vehicle paid for in 2022 has not been delivered.

2.6. Taxation of accommodation

The finding was addressed. The accommodation benefit is now being taxed.

PUBLIC ENTITIES UNDER THE CATEGORY OF FUNDS

Background Information

The Aviation Infrastructure Development Fund was established in terms of Civil Aviation (Aviation Infrastructure Development Fund Fee) Regulations, 2012. The objective of the Fund is to collect aviation infrastructure development fees for the purpose of infrastructure development and modernisation.

I have audited the financial statements of the Aviation Infrastructure Development Fund for the years ended December 31, 2022 and I issued an Adverse Opinion with a report on going concern.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Aviation Infrastructure Development Fund as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. Receivables

There was an unreconciled variance of ZWL\$833.57 million (USD1.11 million) between the balance disclosed in statement of financial position of ZWL\$1.099 billion (USD1.46 million) and the balance confirmed by the Fund's related party of ZWL\$265.29 million (USD352 424). As a result, I could not ascertain the accuracy of the receivables balance disclosed in the financial statements.

ii. Aviation Industry Development Fund transactions

There was a variance of ZWL\$541 million between the eliminated AIDEF foreign exchange gain from the trial balance of ZWL\$3.71 billion and the disclosed foreign exchange gain of ZWL\$4.25 billion. I was unable to determine whether any adjustments were necessary to the disclosed foreign exchange gains or the resulting impact on the surplus/deficit for the year and accumulated funds.

Report on on going concern

I draw your attention to the fact that the Aviation Infrastructure Development Fund (AIDEF) fees continued to be charged beyond the stipulated January 31, 2022 deadline contrary to the Aeronautical Information Circular A002/12 of January 2012. The circular states that the AIDEF fees had to be charged from January 21, 2012 up to January 31, 2022. I was not availed with any documentary evidence showing amendment(s) to support the continued existence of the fund. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Fund's ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Receivables

Finding

There was an unreconciled variance of ZWL\$833.57 million (USD1.11 million) between the balance disclosed in statement of financial position of ZWL\$1.099 billion (USD1.46 million) and the balance confirmed by the Fund's related party of ZWL\$265.29 million (USD352 424). This was contrary to Public Finance Management Act [*Chapter 22: 19*] section 49(1) (a) which requires a public entity to keep full records of its financial affairs.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Fund should investigate and address the variance.

Management response

Management has noted the difference and will engage the other parties to reconcile the status.

1.2. Aviation Infrastructure Development Fund transactions

Finding

There was an unexplained variance of ZWL\$541 million between the AIDEF foreign exchange gain from the trial balance of ZWL\$3.71 billion and the amount disclosed in the financial statements of ZWL\$4.25 billion.

Risk / Implication

Misstatement of financial statements.

Transparency, audit trail and accurate financial reporting may be compromised.

Recommendation

The Fund should investigate and address the variance.

Management response

Management takes note of the recommendation and observation.

1.3. Utilisation of funds

Finding

Funds amounting to ZWL\$5.23 billion (USD6.95 million) collected under the Aviation Infrastructure Development Fund (AIDF) were utilized by the Airports Company of Zimbabwe (ACZ) for other operational costs and were not reimbursed by December 31, 2022. This was contrary to Aeronautical Information Circular (AIC) A002/12 of January 2012 which states the purpose of the fund, that is, for infrastructure development and modernisation of equipment.

In addition, disclosure made by management in the notes to the financial statements on the reporting entity and nature of business states that, "The Aviation Infrastructure Development Fund was established through Statutory Instrument 7 of 2012, Civil Aviation (Aviation Infrastructure Development Fund Fee) Regulations, 2012. The Act mandated the Civil Aviation Authority of Zimbabwe, through Statutory instrument 7 of 2012 to collect Aviation Infrastructure Development fees towards a Fund maintained for the purpose of infrastructure development and modernisation."

Risk / Implication

Infrastructure development and equipment modernisation may be compromised.

Recommendation

Management should use all funds for their intended purpose.

Management response

Management notes the finding and by recognizing it as an amount owed by ACZ was to acknowledge the utilization of the fund towards critical safety and security expenditure requirements whilst ACZ was building up revenues for the repayment of the amount utilized. Furthermore, the funds were subject to foreign exchange retention which resulted in receipt of funds in local currency and management could not access foreign currency for the amounts liquidated, hence utilised the funds towards other local requirements.

Management will review the Aeronautical Information Circular (AIC) A002/12 of January 2012 to align with Statutory Instrument 7 of 2012, Civil Aviation (Aviation Infrastructure Development Fund Fee) Regulations, 2012 requirements.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Fund did not address the audit finding raised in my 2024 annual report as indicated below;

2.1. Submission of financial statements

The finding was not addressed. The 2022 financial statements were submitted in 2025.

Background Information

Rhodes Matopo Estate Fund was established in terms of Rhodes Estates Act [*Chapter 20:14*]. The functions of the Fund are to control, manage and maintain national parks, botanical reserves and gardens, sanctuaries, safari areas and recreational parks.

I have audited the financial statements of Rhodes Matopo Estate Fund for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of Rhodes Matopos Estate Fund, as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. EMPLOYMENT ISSUES

1.1. Vacant posts

Finding

The Fund was not generating enough revenue to finance its operations. As a result, the Fund had eighty-one (81) vacant posts which could not be filled due to financial constraints.

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should review its revenue generation strategies and priorities filling of the vacant posts.

Management response

The Fund is currently facing budgetary constraints. We are working to improve the conditions of service for our existing staff. However, the current budget situation may hinder our efforts to fill all vacant positions. To address this, we will fill the vacant posts in batches based on the available funds.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Fund made progress in addressing audit findings raised in my 2022 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on one (1) outstanding in my 2022 annual report. One (1) finding was addressed, two (2) findings were partially addressed as indicated below;

2.1. Lease management

The finding was partially addressed. The Fund engaged ZIMPARKS legal section and some of the leases are now in place.

2.2. Leave days

The finding was partially addressed. The Fund engaged staff to utilize their leave days either by going on leave or encashments.

2.3. Statutory obligations

The finding was addressed. The Fund opened the account for the NSSA own self-service portal and is now up to date with payments and filing of returns.

Background Information

The State Lotteries Fund was established in terms of the Lotteries and Gaming Act [*Chapter 10:26*]. The Fund's principal activity is the sale of lottery tickets and scratch cards and donating proceeds to charity.

I have audited the financial statements of State Lotteries Fund for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

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

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Service delivery

Finding

The Fund was not generating sufficient cash flows to sustain its operations. As a result, it was unable to provide financial support to Public Voluntary Organisations and other social necessities. This was contrary to the provisions of the Lotteries and Gaming Act [*Chapter 10:26*], section 53, which requires the Fund to allocate moneys to Public Voluntary Organisations. In addition, the Fund's current liabilities exceeded its current assets by ZWG2.33 million. The Fund had a deficit of ZWG2.82 million for the year ending December 31, 2024.

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should enhance revenue generating strategies to address cashflow challenges.

Management response

The Fund has been receiving financial support for recurrent and capital expenditure from Treasury. Its own core business has not been generating sufficient cashflows to sustain the business. Consequently, it did not have capacity to finance Public Voluntary Organisations and other social necessities.

2. EMPLOYMENT ISSUES

2.1. Key vacant positions

Finding

The Fund had key vacant posts, namely the Head of Marketing and Digital Marketer. Recruitment for these positions was delayed due to financial constraints. The absence of these critical roles negatively impacted the performance of regional offices, which recorded significantly low sales of ZWG98 220 and offered a limited product range.

Risk / Implication

Service delivery may be compromised.

Recommendation

Management should engage authorities for assistance on speeding up the partnership arrangements to increase revenue generation.

Management response

The filling of this key vacant post together with that of the digital marketer will be given priority upon finalization of our partnership arrangement.

2.2. Accrued salaries

Finding

The Fund had outstanding salaries dating back from 2021 amounting to ZWG 2.1 million and USD1 475 due to liquidity challenges. In addition, management did not get 5 004 litres of fuel due for the period January 2019 to September 2023.

Risk / Implication

Low staff morale which may negatively affect service delivery.

Recommendation

Management should enhance revenue generating strategies.

Management response

This obligation will be fulfilled in due course subject to availability of resources.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Fund made significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised three (3) audit findings in my 2024 annual report, and I followed up on three (3) findings outstanding in my 2023 annual report. Three (3) findings were addressed, two (2) were partially addressed while the other one (1) finding was not addressed as indicated below;

3.1. Valuation of property, plant and equipment

The finding was addressed. Valuation of property, plant and equipment was done in local currency in 2025.

3.2. Trade payables reconciliation

The finding was addressed. They payables reconciliations are now being performed.

3.3. Asset replacement policy

The finding was partially addressed. An asset replacement policy has been crafted and is now embedded in the new accounting policy manual which is awaiting approval.

3.4. Internal control review

The finding was not addressed. The Fund was not subjected to internal audit during the financial year 2025.

3.5. Cash management

The finding was addressed. Funds were now being banked timeously.

3.6. Accounting manual

The finding was partially addressed. The accounting manual is awaiting approval.

Background Information

The Zimbabwe Manpower Development Fund was established in terms of the Manpower Planning and Development Act [*Chapter 28:02*]. The Fund's objective is to finance the cost of any scheme of manpower development or such other costs in connection with vocational education or training through levy imposed on certain employers and to finance the training and employment of apprentices in specified industries.

I have audited the financial statements of the Zimbabwe Manpower Development Fund for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of Zimbabwe Manpower Development Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Declaration of assets

Finding

The Fund did not align its governance processes with the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*]. For instance, declarations of assets and interests were not filed for three (3) newly appointed Board members due to oversight. This was contrary to Section 37 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires all board members to submit a written declaration of assets and interests upon appointment.

Risk / Implication

Conflict of interest may not be detected on time.

Recommendation

The Fund should obtain the declarations of assets and interest in line with the Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

Noted. Two of the three members observed have since submitted their declarations. Efforts are currently underway to ensure the remaining member submit the declaration by December 31, 2025.

1.2. Whistle blower policy

Finding

The Fund did not have an approved Whistle blower policy in place during the year ended December 31, 2024. A draft policy had been developed, however there was no evidence that it had been submitted to the Board for approval due to a backlog of policies awaiting review. This was contrary to the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*] section 204 and 205, which require the establishment of formal mechanisms for employees and stakeholders to report unethical conduct.

Risk / Implication

Limited protection for whistle blowers and potential suppression of unethical disclosures.

Recommendation

The Fund should expedite the approval of the draft whistle blower policy.

Management response

Noted. A draft policy is still to be approved by the Board.

1.3. Board fees

Finding

The Fund did not align its governance processes with Treasury Circular 3 of 2023. For instance, board sitting allowances paid to the Board members were not in line with the approved remuneration structure stipulated in the circular. This resulted in overpayments amounting to USD 410, which arose from a classification error where the Fund was incorrectly placed under profit-making category instead of break-even category.

Risk / Implication

Financial loss due to payment of unapproved fees.

Recommendation

The Fund should align its governance processes with the approved Board remuneration structure.

The Fund should recover the overpaid amounts.

Management response

Noted. Management will recover the funds from upcoming payments of retention fees.

1.4. Disbursement acquittals

Finding

The Fund's controls over the monitoring and acquittal of disbursed funds were not adequate. For instance, the Fund disbursed funds to five (5) beneficiary institutions amounting to USD763 473, however, I was not provided with acquittals detailing the utilisation of the disbursed amounts. This was contrary to Section 47(4) of the Manpower Planning and Development Act [*Chapter 28:02*], which requires that all disbursed funds be acquitted to ZIMDEF for verification and filing.

Risk / Implication

Funds may not be utilised for their intended purpose.

Recommendation

Management should timeously follow up on the acquittals whenever there are delays in submission.

Management response

Noted. We forwarded the issue of acquittals to the Ministry so that they can assist. The Ministry was furnished with information of those who have not acquitted, and we expect to receive all 2023 outstanding acquittals by December 31, 2025.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Fund did not make significant progress in addressing audit findings raised in my 2021, 2022 and 2024 annual reports. I raised two (2) audit findings in my 2024 annual report and followed up two (2) findings outstanding from my 2021 and 2022 annual reports. One (1) finding was addressed, two (2) findings were partially addressed, and one (1) finding was not addressed as indicated below;

2.1. Wage bill levy

The finding was partially addressed. New thresholds were approved by the Board but await gazetting.

2.2. Bank reconciliations

The finding was addressed. The Procedure Manual was revised to clarify reconciliation timelines.

2.3. Delivery of motor vehicles

The finding was not addressed. Debt write off on the undelivered vehicles is awaiting Board approval.

2.4. Investments

The finding was partially addressed. The Fund is yet to receive the capital gains certificate to facilitate issuance of title deeds.

Background Information

The Zimbabwe Tourism Fund was established in terms of the Tourism Act [*Chapter 14:20*] with a mandate of developing, managing, promoting and marketing Zimbabwe as a Tourism destination in both the local and international markets.

I have audited the financial statements of Zimbabwe Tourism Fund for the years ended December 31, 2023 and 2024. I issued an unmodified / clean opinion for 2023 and a Qualified Opinion for 2024.

Opinion 2023

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Tourism Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Qualified Opinion 2024

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Tourism Fund as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

Tourism levy remittances assessment

The Fund recognised tourism levy amounting to ZWG131 million for the 2024 financial year. However, the tourism levy recognised in the financial statements was not based on assessment of all the registered operators and for some regions, levy remittance assessments were last conducted in 2022. There was no evidence to support that reconciliations were performed in the subsequent years up to the current audit period. I was therefore not able to conduct alternative procedures to assess the completeness and accuracy of the levies due and payable to the Fund. Had the Fund performed the assessment, the revenue recognised would have been materially different.

Below is a material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Tourism levy remittances assessment

Finding

The Fund had no adequate resources in the form of human resources and vehicles to carry out all the planned assessments on operators. The last assessment on some of the operators was last performed in 2022 and there was no evidence to support that reconciliations were performed in subsequent years. As a result, tourism levy recognised in the financial statements amounting to ZWG131 million was not based on assessment of all the registered operators.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Fund should perform annual assessment of its operators and timely levy compliance checks.

Management response

The tourism levy assessment plan for 2024 was available. However, the plan could not be implemented in full due to shortage of human resources and vehicles to facilitate the levy assessment exercises. Targeted assessments were done in provinces with high revenue generation.

PUBLIC ENTITIES UNDER THE CATEGORY OF HOSPITALS

Background Information

Ingutsheni Central Hospital is corporate established in terms of the Health Service Act [Chapter 15:16] and Mental Health Act [Chapter 15:12] as a mental health institution. Its operations are guided by the Mental Health Regulations of 1999 and the Zimbabwe Mental Health Policy of 2004.

I have audited the financial statements of Ingutsheni Central Hospital for the year ended December 31, 2022 and I issued an Adverse Opinion.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Ingutsheni Central Hospital as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. **Non-compliance with International Accounting Standard (IAS) 16 – “Property, Plant and Equipment” and International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”**

The Hospital did not perform revaluation exercise to determine the fair value of its property, plant and equipment. This was contrary to the requirements of IAS 16 – “Property, Plant and Equipment” paragraph 31 which requires revaluations to be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the reporting date. As a result, a number of property, plant and equipment items were not representing the fair value of the assets in line with IFRS 13 - “Fair Value Measurement”.

In addition, the Hospital did not review the residual values and useful lives of property, plant and equipment at year end despite having assets that were fully depreciated but were still in use. This was contrary to IAS 16 - “Property, Plant and Equipment” paragraph 51 which requires an entity to review the useful life and residual value of an asset at each year end. I was unable to satisfy myself regarding the valuation of property, plant and equipment using other alternative audit procedures and to determine the extent of adjustments necessary to the carrying amount of property, plant and equipment disclosed in the financial statements.

ii. **Inventory supporting documentation**

I was not availed with inventory issue vouchers supporting the inventory issued during the year which was expensed as supplies and services expenditure. The Hospital instead calculated the value for inventory issued outside the system by adding opening inventory and purchases less closing inventory. As a result, I could not ascertain the accuracy and completeness of the supplies and services expenditure figures disclosed in the financial statements.

iii. Non-compliance with International Accounting Standards (IAS) 21 – “The Effects of Changes in Foreign Exchange Rates” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

During the period February 22, 2019 to December 31, 2020, the foreign currency denominated transactions and balances were translated into ZWL\$ using the official interbank exchange rate which is not considered an appropriate spot rate for transactions as required by IAS 21 – “The Effects of Changes in Foreign Exchange Rates”. Non-monetary items opening balances for items such as office and computer equipment, furniture and fittings and other assets carry on these misstatements which arose in prior periods.

My opinion on the prior year was modified in respect of these opening balances which carried forward misstatements and had not been corrected in the current year in accordance with IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”, and therefore the corresponding figures remain misstated on the financial statements of the Hospital for the year ended December 31, 2022.

iv. Non-compliance with International Accounting Standards (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”

The Hospital applied the IAS 29 – “Financial Reporting in Hyperinflationary Economies” with effect from January 1, 2019. However, its application was based on prior year financial information which was not in compliance with IAS 21 – “The Effects of Changes in Foreign Exchange Rates” as described above. Had the correct base numbers been used, the financial statements would have been materially different. Effect of the departure from the requirements of these standards is considered material to the financial statements. My prior year opinion was modified in respect of this matter.

I followed up on audit findings raised in my 2023 and 2024 annual reports and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Hospital did not make significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on six (6) audit findings outstanding in my 2023 annual report. Two (2) findings were addressed, one (1) finding was partially addressed and seven (7) findings were not addressed as indicated below;

1.1. Hospital management board

The finding was not addressed. Hospital management board was not appointed during the period and follow up had been done with the parent Ministry.

1.2. Accounting system

The finding was not addressed. The Hospital produced financials based on manual accounting system and efforts are being made to settle licence fees for the accounting system on time in order to avoid intermittent stoppages in using it.

1.3. Inventory records

The finding was not addressed. In 2022 variances between inventory quantities on hand and inventory quantities on the stock sheets were also noted.

1.4. Valuation of property, plant and equipment

The finding was not addressed. In the current year the Hospital did not conduct asset revaluation and review of useful lives and residual values and my opinion was modified.

1.5. Inventory count

The finding was addressed. Inventory count is now being performed during the period under review.

1.6. Issue vouchers

The finding was not addressed. In the current year issue vouchers were not availed to support the inventory issued during the year and my opinion was modified in respect of this matter.

1.7. Donations register

The finding was addressed. A register for donated assets is now being maintained.

1.8. Asset register

The finding was not addressed. In the current year, the asset register was not regularly updated to include essential details.

1.9. Management of accounts receivables

The finding was partially addressed. All projects sales are now on cash basis however, age analysis, debtors statements and evidence of follow up on outstanding debts for other debtors that include utility debtors and medical aid were still outstanding.

1.10. Valuation of trade receivables

The finding was not addressed. The Hospital had not accounted for expected credit losses on their accounts receivable balances in the current year.

Background Information

Parirenyatwa Group of Hospitals was established in terms of the Health Service Act [Chapter 15:16]. The Hospital is a principal referral centre situated in Harare. The Group of Hospitals consists of Mbuya Nehanda Maternity Hospital, Sekuru Kaguvi Eye Unit, Annex Hospital for the Mentally Disabled and the Main Hospital.

I have audited the financial statements of Parirenyatwa Group of Hospitals for the year ended December 31, 2024, and I issued an Adverse Opinion.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Parirenyatwa Group of Hospitals as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Adverse Opinion

i. **Non-compliance with International Accounting Standard (IAS) 16 - “Property, Plant and Equipment” and International Accounting Standard (IAS) 36 - “Impairment of Assets”**

The Hospital did not revalue its property, plant and equipment for the year ended December 31, 2024. This was contrary to IAS 16 - “Property, Plant and Equipment” which requires revaluation of assets to be carried out with sufficient regularity so that the carrying amount of an asset does not differ materially from its fair value at the reporting date. Given that property, plant and equipment were last revalued on December 31, 2009, it is highly probable that the carrying value of property, plant and equipment disclosed at ZWG34.52 million was materially different from that which would have been determined through a revaluation exercise.

The Hospital did not also carry out an annual impairment assessment for its assets contrary to International Accounting standard (IAS) 36 – “Impairment of Assets” paragraph 9 which requires an entity to assess any of its assets for impairment at the end of each reporting period. In addition, there was also no evidence that Parirenyatwa Group of Hospitals reassessed its property, plant and equipment’s useful lives and residual values as at December 31, 2024 contrary to International Accounting Standard (IAS)16 – “Property, Plant and Equipment” paragraph 51 which requires a review of the residual value and useful life of assets to be performed annually. Some of the Hospital’s assets were fully depreciated but still in use.

Had the Hospital revalued its assets, carried out annual impairment assessment and reassessed useful lives and residual values of its property, plant and equipment, the financial statements would have been materially different.

ii. **Accounting for asset disposals**

The Hospital disposed eight (8) motor vehicles for USD22 000 and other equipment items during the year ended December 31, 2024. However, these disposal transactions were not properly accounted for in the financial statements due to lack of individual asset information such as accumulated depreciation and purchase dates in the asset register could not facilitate the determination of gains and losses on disposal. I was unable to determine the extent of any adjustments necessary.

iii. Revenue- billing charge sheets

There was no audit trail in respect of Hospital services revenue amounting to ZWG374.9 million. The manual serialised charge sheets which were used as source documents for system billing could not be traced to the system as serial numbers were not being captured. As a result, I could not determine the completeness and accuracy of the revenue and receivables disclosed.

iv. Revenue from exemptions

The Hospital reported exemption revenue amounting to ZWG213.6 million for the year ended December 31, 2024. The Hospital exempted children who were five (5) years and below and patients who were sixty-five (65) years and above as well as other vulnerable groups. However, the Hospital had no evidence on file or in the system confirming that the exemptions were valid. I was not availed with supporting documentation such as copies of national identification, birth certificates or birth records of the patients. I could not therefore confirm the accuracy of the revenue and receivables exemptions amounting to ZWG213.6 million for the year ended December 31, 2024.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Budgetary support

Finding

The Hospital received ZWG 80.9 million (33%) of ZWG 248.4million budgetary support requirements resulting in a funding gap of ZWG167.5 million for the year ended December 31, 2024. As a result, the Hospital's infrastructure projects did not register significant progress. For example, most buildings that were planned for refurbishment were not done, the orthopedic and radiology units faced operational challenges in terms of shortages of critical equipment, medicines and reagents.

Risk / Implication

Service delivery may be compromised.

Recommendation

The Hospital should regularly engage its parent Ministry and Treasury for adequate funding on its approved budgetary requirements.

Management response

The Group of Hospitals is scheduled to undergo massive renovations. Construction works began in May 2025 at the Student Nurses homes and are expected to be completed before December 31, 2025. Mbuya Nehanda Maternity Hospital is also undergoing major renovations in 2025. These projects are being funded by Treasury. However, during the year under review, the Hospital received inadequate funding from Treasury which could not address the dilapidated infrastructure.

2. MANAGEMENT OF ASSETS

2.1. Disposal of assets

Finding

The Hospital disposed eight (8) motor vehicles for USD22 000 and other equipment items during the year ended December 31, 2024. However, these disposal transactions were not properly accounted for in the financial statements due to lack of individual asset information such as accumulated depreciation and purchase dates in the asset register. As a result, the Hospital could not determine gains and losses on disposal.

Risk / Implication

Misstatement of financial statements.

Recommendation

Management should account for property, plant and equipment in accordance with the requirements of applicable reporting framework.

Management response

The gain or loss on disposal of property, plant and equipment could not be prepared due to incomplete asset register and asset valuation. The amount for property, plant and equipment has been qualified for the past years and the Hospital had not addressed the issues surrounding the amount and opening balances. These will be resolved as we come up with a new register.

3. REVENUE COLLECTION AND DEBT RECOVERY

3.1. Revenue from exemptions

Finding

The Hospital reported exemption revenue amounting to ZWG213.6 million for the year ended December 31, 2024. The Hospital exempted children who were five (5) years and below and patients who were sixty-five (65) years and above as well as other vulnerable groups. However, the Hospital due to funding constraints, had no functional scanner. As a result, supporting documentation such as copies of national identification, birth certificates or birth records of the patients were not available. The absence of documents was contrary to the Public Finance Management Act [*Chapter 22:19*] section 49 (1) which requires the accounting authority for a public entity to keep full records of the financial affairs of the public entity.

Risk / Implication

Misstatement of financial statements.

Material irregularities may go undetected.

Recommendation

The Hospital should have the supporting documentation on file for all exempt patients.

Management response

The audit observation is noted. All exempted categories, that is, under 5 and over 65 should be supported by valid national identification documents. The Hospital used to scan all the national identification documents for the exempted categories but all the scanners broke down and have not been replaced due to financial constraints. The scanners will be included in the 2026 budget.

3.2. Revenue - billing charge sheets

Finding

There was no audit trail in respect of Hospital services revenue amounting to ZWG374.9 million. The manual serialised charge sheets which are used as source documents for system billing could not be traced to the system as serial numbers were not being captured. In addition, the Hospital did not maintain security items register or any records regarding the receipts and issues of the charge sheets, despite their importance as source documents in the billing cycle.

Risk / Implication

Misstatement of financial statements.

Material errors and irregularities may not be detected on time.

Recommendation

A securities items register should be kept by the Hospital to enable accountability of all charge sheets.

The serial numbers of charge sheets should be captured in the system.

Management response

Agreed. The Hospital is going to engage the Software provider to create a field for capturing serial numbers. Capturing of serial numbers will ensure completeness of revenue billing. The timeline for the creation of the field should not be more than six (6) months from the date of engagement.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Hospital did not make significant progress in addressing audit findings raised in my 2021, 2022, 2023 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on eleven (11) findings outstanding in my 2021, 2022 and 2023 annual reports. Four (4) findings were addressed, four (4) were partially addressed and five (5) findings were not addressed as indicated below;

4.1. Alignment of accounting processes to reporting framework

The finding was not addressed. Assessment for impairment assessment, review of useful lives and residual values was not done.

4.2. Existence and valuation of receivables

The finding was addressed. The debtor's variance between the Hospital and PSMAS was resolved.

4.3. Kitchen ceiling and equipment

The finding was partially addressed. Renovations for Mbuya Nehanda Maternity Hospital and student nurses' homes began in 2025 and they are nearing completion. A capital grant amounting to ZWG626 million was allocated in 2026 budget for the renovations of the main hospital complex. The Hospital took delivery of industrial pots worth USD43 723 in February 2026.

4.4. Storage space

The finding was not addressed. Inadequate funding negatively affected the Construction of the warehouse is still at planning stage.

4.5. Key vacant posts

The finding was addressed. A substantive Operations Director assumed duty late 2025.

4.6. Settling of debts

The finding was partially addressed. Treasury disbursed significant amounts for pharmaceutical supplies in 2025. However, the Hospital is awaiting delivery of the pharmaceutical supplies.

4.7. Exemption of grants

The finding was addressed. The Ministry of Health and Child Care 2006 circular exempts consultation fees only for under 5 and over 65. This has reduced the amount under exempt categories.

4.8. Operational fleet

The finding was addressed. The aged vehicles were disposed as per regulations. The two (2) new utility vehicles were delivered in March 2025.

4.9. Residential accommodation

The finding was partially addressed. The Hospital introduced an administration fee to cater for the renovations and works are in progress.

4.10. Maintenance of Hospital facilities

The finding was partially addressed. An X-ray machine was installed at Casualty Department. The Hospital now has an MRI machine. Government is seized with equipping the Hospital including development.

4.11. Analysing tools

The finding was not addressed. The Hospital is still waiting for budgetary support for the analyzing tools.

4.12. Valuation of property, plant and equipment

The finding was not addressed. Revaluation of assets was not done.

4.13. Board of Directors

The finding was not addressed. The parent Ministry in consultation with the Health Service Commission is still to appoint the Board of Directors.

Background Information

Sally Mugabe Central Hospital was established in terms of Health Service Act [*Chapter 15:16*]. It is a principal referral centre which provides health care services to the public. The Hospital is situated in Harare.

I have audited the financial statements of Sally Mugabe Central Hospital for the year ended December 31, 2023 and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Sally Mugabe Central Hospital as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i. Non-compliance with International Financial Reporting Standard (IFRS) 9 - “Financial Instruments” and International Accounting Standard (IAS) 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”

IFRS 9 - “Financial Instruments” became effective for annual periods beginning January 1, 2018. However, the Hospital had not aligned its accounting processes to the requirements of IFRS 9 - “Financial Instruments” on determination of expected credit losses. The allowance for credit losses of ZWL\$261.3 million was not determined in accordance with the requirements of IFRS 9 - “Financial Instruments” due to absence of expected credit losses model for the Hospital. As a result, I could not ascertain the accuracy of the allowance for credit losses disclosed in the financial statements and the extent of adjustments necessary.

The prior year was also modified in respect of this matter and no adjustments have been done in respect of the current year financial statements line with the requirements of IAS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”.

ii. Completeness and valuation of inventory

The Hospital disclosed inventory amounting to ZWL\$875.6 million as at December 31, 2023. I was not availed with supporting invoices for inventory purchases made during the period under review. In addition, the physical quantities were not agreeing with the stock sheets and some inventory items had nil values despite having physical quantities. As a result, I could not satisfy myself on the accuracy, valuation and completeness of inventory disclosed as sufficient appropriate audit evidence was not availed.

iii. Donations valuations

The Hospital received donations in the form of property, plant and equipment and inventory items. The donated inventory and property, plant and equipment items were recorded at nil values. As a result, I could not ascertain the valuation and accuracy of the carrying amount of property, plant and equipment and the inventory disclosed in the financial statement as at December 31, 2023.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Cash management

Finding

The internal controls over cash management were not effective during the period under review. For instance, variances of USD2 301 were noted between cash summary and cash on hand during the cash count exercise conducted on November 16, 2025. In addition, I was not availed with cash count certificates confirming the cash on hand reflected in the trial balance at year end. This was contrary to Public Finance Management Act [*Chapter 22:19*] section 49 (1) (a) which requires a public entity to keep full records of its financial affairs.

Risk / Implication

Misappropriation of cash might go undetected.

Recommendation

Management should investigate the variances noted.

The Hospital should improve its cash management system to align cash count sheets to year end balances.

Management response

Observation is noted. Management will ensure the cash counts are performed as required every year end. The variance was as a result of power cut where a transaction was not completed when the cash count was done.

1.2. Creditors reconciliation

Finding

The Hospital was not performing creditors reconciliation on a regular basis during the period under review. As a result, variances of ZWL\$788.2 million were noted between the trade payables balance as per the age analysis and third-party confirmations received.

Risk / Implication

Errors and omission may not be detected on time.

Recommendation

The Hospital should perform creditors reconciliation on a regular basis.

Management response

This was due to the time lag between receiving of goods physically and capturing/receiving goods in the system. Management will ensure a shortened lead time. Reconciliations are in progress and the Hospital will ensure all creditors are reconciled at all times.

2. MANAGEMENT OF ASSETS

2.1. Asset register

Finding

The Hospital internal control over management of assets were not effective during the period under review. For instance, various items of property, plant and equipment were not recovered or retrieved from employees upon termination and these were still appearing in the asset register.

In addition, I could not locate assets such as cellphones, bedside lockers and water pumps. Assets that had been disposed were also still in the asset register. This was contrary to section 45 of the Public Finance Management Act [*Chapter 22:19*], which requires the Accounting Officer of the Hospital to ensure the proper management of assets and records.

Risk / Implication

Misappropriation of assets.

Recommendation

The Hospital asset register should be regularly updated whenever there is movement of assets.

The Hospital should investigate assets that could not be located.

Management response

The Hospital is in the process of acquiring the machines for generating computerized bar codes and this will help in identification of various assets. Assets disposed shall also be removed from the system individually.

3. SERVICE DELIVERY

3.1. Cash payments points for general wards

Finding

The Hospital did not have adequate cash collection points in the general wards. There was only one (1) cash collection point in the general wards leading to delays in service delivery and congestion within the Hospital premises ultimately compromising service delivery.

Risk / Implication

Service delivery might be compromised.

Recommendation

The Hospital should establish additional till points within the general wards to improve efficiency in processing payments.

Management should periodically assess patient volumes and align service points with demand levels.

Management response

Observation is noted. The Hospital will ensure that additional till points are created.

4. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Hospital did not make significant progress in addressing audit findings raised in my 2021, 2022 and 2023 annual reports. I raised four (4) audit findings in my 2023 annual report and followed up on five (5) findings outstanding in my 2021 and 2022 annual reports. One (1) finding was addressed, two (2) findings were partially addressed and six (6) were not addressed as indicated below;

4.1. Expected credit loss computations

The finding was not addressed. In the current year the Hospital did not comply with the requirements of IFRS 9 – “Financial Instruments” and International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

4.2. Alignment of accounting process to the reporting framework

The finding was not addressed. In the current year there were several assets that needed to be impaired or written off. Management was still in the process of revaluing its assets.

4.3. Inventory valuation

The finding was not addressed. In the current year, inventory records were inadequately supported, with stock discrepancies and unreconciled differences of ZWL\$1.6 million between the inventory valuation report and trial balance.

4.4. Employee files

The finding was not addressed. The employee files were not updated by end of 2023 as academic certificates, identification cards, CV's, performance appraisals and bank details forms were not present in numerous employee files.

4.5. Hospital management board

The finding was not addressed. The Hospital still had no substantive board for the year ended December 31, 2023.

4.6. Monthly bank reconciliations

The finding was addressed. The reconciliations were prepared in 2023.

4.7. Key vacant posts

The finding was partially addressed. The Hospital has since informed the Health Service Commission (HSC) of vacant posts that exist and were advertised. The selection process was under way.

4.8. Internal Audit

The finding was not addressed. The Hospital did not have an internal audit function in 2023.

4.9. Debt Collection

The finding was partially addressed. The Hospital had submitted to Treasury through Ministry of Health and Child Care for the writing off of all irrecoverable debts.

Background Information

The United Bulawayo Hospitals is a central hospital established in terms of the Health Service Act [Chapter 15:16]. The Hospitals is a principal referral center which provides high specialist health care. This Hospital consists of four (4) Hospitals that have different service lines which are; Richard Morris Eye Unit, Lady Rodwell Maternity Hospital, Robbie Gibson Infectious Diseases Hospital and the Main hospital.

I have audited the financial statements of the United Bulawayo Hospitals for the year ended December 31, 2024, and I issued an Adverse Opinion with a report on going concern.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the United Bulawayo Hospitals as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Adverse Opinion

i. Transition from Zimbabwe Dollar to Zimbabwe Gold

The Hospital accounted for its transactions up to May 14, 2024 in its accounting system using Zimbabwean Dollar (ZWL\$) currency despite the official local currency change over which was effective April 5, 2024. This was contrary to Statutory Instrument 60 of 2024, which requires entities to translate their ZWL\$ balances and transactions into Zimbabwe Gold (ZWG) effective April 5, 2024. As the Zimbabwean Dollar (ZWL\$) had ceased to be an official currency and no longer had observable market exchange rates, I could not verify the appropriateness of exchange rates applied to transactions from April 5, 2024 to May 14, 2024 that were recorded in the accounting system. As a result, I was unable to obtain sufficient appropriate audit evidence regarding the accuracy and completeness of the affected balances. The possible effects of this matter were material and pervasive to the financial statements.

ii. Occurrence, completeness, accuracy and valuation of revenue and trade receivables

The Hospital was not consistently billing patients using approved Association of Health Funders Zimbabwe (AFOZ) tariff rates as pronounced from time to time. As a result, the tariff rates from January 1, 2024 through to May 14, 2024 were based on the AFOZ rates of May 31, 2023, although AFOZ had issued some revised rates between May 31, 2023 and January 1, 2024. In addition, PSMAS tariff rates were also used from October 2024 to December 2024 and this was inconsistent with the Hospital policies which prescribed that the billing was supposed to be done based on the AFOZ rates.

In addition, for a sample of patient files reviewed, some services provided by the Hospital were not billed while some were not recognized in the customer ledger accounts in a complete and accurate manner. I was not availed with several patient files for audit verification purposes. As a result, I was unable to satisfy myself on the completeness, accuracy, valuation and occurrence of medical services revenue and the related trade receivables disclosed in the financial statements. My prior year opinion was also modified in respect of this matter, and the misstatements had not been corrected in line with International Public Sector Accounting Standards (IPSAS) 3 – “Accounting Policy, Changes in Accounting Estimates and Errors”.

iii. Completeness and accuracy of trade and other payables

The Hospital did not perform reconciliations between suppliers’ statements and the corresponding creditors general ledger accounts. As a result, there was a variance of ZWG25 million as at December 31, 2024. I was not provided with adequate supporting documents to verify the completeness and valuation of trade payables. My prior year opinion was also modified in respect of this matter, and the misstatements had not been corrected in line with International Public Sector Accounting Standards (IPSAS) 3 – “Accounting Policy, Changes in Accounting Estimates and Errors”.

iv. Allowance for expected credit losses

I was not availed with the expected credit losses computations to support the amount disclosed in the financial statements of ZWG48.4 million for the year ended December 31, 2024. In addition, the accounting system was not configured to assist the Hospital in quantifying and analysing data to be used as inputs in determining the allowance for credit losses. As a result, I was unable to ascertain the accuracy, valuation and completeness of the allowance for credit losses disclosed in the financial statements.

Report on going concern

I draw your attention to the fact that the Hospital experienced persistent medical supplies shortages during the year due to funding constraints. This condition indicates the existence of material uncertainty that may cast significant doubt on the Hospital’s ability to continue operating as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Patients record

Finding

The Hospital’s record management processes were not adequate. For instance, patient files were not filed in a systematic and logical manner and management could not retrieve and avail files requested for audit. This was contrary to section 13(1)k and 14 (1)n of the Health Services Manual which requires patient file records to be appropriately filed and a manual or electronic database containing patient details to be maintained.

Risk / Implication

Misstatement of financial statements.

Data on patients’ medical history may be compromised.

Recommendation

Management should maintain patient files in the manner prescribed by Health Services Manual.

Management response

Observation is noted. The Hospital has been tasked to conduct a physical sweep to locate the missing files for in patients. To prevent recurrence, a new File Movement Tracking System (FMTS) is being implemented to mandate a handover takeover documentation for all file movements. The registers are already in place for verification. All relevant staff will receive mandatory training on the new FMTS and file custody protocol by next audit. Plans are in place to implement document imaging system.

2. SERVICE DELIVERY

2.1. Healthcare service delivery

Finding

The Hospital's internal controls over inventory management were inadequate during the period under review. For instance, there were inconsistencies in labelling of medical supplies, challenges in separating near-expiry stock and limited exit-point security inspections. In addition, there were delays in replenishing medical supplies due to prolonged absence of specialist skills which include head of pharmacy and laboratory scientists.

Risk / Implication

Service delivery might be compromised.

Financial loss due to expired medical supplies.

Recommendation

Vacant posts for critical specialists' skills should be filled.

Management response

Observation is noted. Installation of surveillance camera is ongoing. During the time of audit, security measures were being strengthened at the pharmacy department. However, the institution faced challenges with service provider, the installed equipment was faulty, so it took them a long time to replace the faulty equipment. The equipment has since been replaced and is currently under monitoring prior to certification. Upon certification the security personnel will be trained on the manning of the equipment, and the site will be handed over.

Training on records management is being done by the Hospital quality improvement team. Management appointed an acting Chief Pharmacist during the period.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Hospital did not make significant progress in addressing audit findings that I raised in my 2021, 2022, 2023 and 2024 annual reports. I raised five (5) audit findings in the 2024 annual report and followed up on nineteen (19) findings I raised in my 2023 report and before. Five (5) findings were addressed, three (3) was partially addressed and sixteen (16) were not addressed as indicated below;

3.1. Practicing certificates

The finding was addressed. The medical practitioners practicing certificates were renewed in 2025.

3.2. Creditors reconciliations

The finding was not addressed. The Hospital was not reconciling creditors in 2024 and my opinion was modified in respect of this matter.

3.3. Valuation of inventory

The finding was addressed. In the current year, the Hospital availed requested information on inventory.

3.4. Allowance for expected credit losses

The finding was not addressed. In the current year allowance for expected credit losses recognised amounting to ZWG48.4 million was not supported by computations and the accounting system was not configured to produce reliable inputs for ECL determination.

3.5. Radiology department

The finding was partially addressed. The Hospital had not fixed their equipment, however, they had made other arrangements with other suppliers.

3.6. Creditors management

The finding was not addressed. There were no creditors reconciliations during 2024 and my opinion was modified in respect of this matter.

3.7. Inventory adjustments

The finding was addressed. The access rights in the system for stock adjustment were reviewed during the year.

3.8. Management of property, plant and equipment

The finding was addressed. The Hospital now has a comprehensive asset register for the year ended December 31, 2024.

3.9. Patient billing rates

The finding was not addressed. In the current year the Hospital was not consistently using the approved tariffs for billing patients and this matter resulted in modified opinion.

3.10. Training of accounting staff

The finding was not addressed. Management will provide the necessary training to employees responsible for ECL computation.

3.11. Payments without supporting documents

The finding was not addressed. In the current year management could not provide supporting documents for procurements carried out in 2024 as supporting documents were not filed in systematic and logical manner.

3.12. Performance security

The finding was not addressed. In 2024 performance bond security were not requested.

3.13. Fix and supply of equipment

The finding was not addressed. In the current year, payments were not adequately supported.

3.14. The Hospital's Board of Management

The finding was not addressed. The Hospital operated without the Hospital's Board of Management during the year under review.

3.15. Monitoring of internal controls

The finding was not addressed. The Hospital was not subjected to internal audit during the year.

3.16. Recording of Government of Zimbabwe (GOZ) funding

The finding was addressed. The grants from government were appropriately recorded in the 2024 financial statements.

3.17. Stock management

The finding was not addressed. Filing system to be improved for easy retrieval of documents.

3.18. Valuation of inventory at year end

The finding was not addressed. Valuation of inventory will be addressed in 2025.

3.19. Custody of assets and impairment of assets

The finding was partially addressed. The asset register was in place. Property, plant and equipment impairment testing to be done starting with the financial year ending December 31, 2025.

3.20. Revenue completeness, accuracy, cutoff and occurrence

The finding was not addressed. Completeness, accuracy, cutoff and occurrence of revenue was still an issue and management intend to address this from 2025.

3.21. Provision for expected credit losses

The finding was not addressed. The Hospital in the current year did not avail the computation of expected credit losses in 2024.

3.22. Alignment of accounting processes to new developments

The finding was partially addressed. The Hospital in the current year did not avail the computation of expected credit losses and an asset revaluation was performed in 2024.

3.23. Doctors' accommodation

The finding was not addressed. The Hospital had not yet constructed adequate staff accommodation.

3.24. Brain drain

The finding was not addressed. There was still high staff turnover.

PUBLIC ENTITIES UNDER THE CATEGORY OF UNIVERSITIES AND TERTIARY INSTITUTIONS

Background Information

The University was established in terms of the Bindura University of Science Education Act [Chapter 25:22]. The main objectives of the University include contributing to the development of Zimbabwe through the advancement of knowledge and skills in science education.

I have audited the consolidated financial statements of Bindura University of Science Education for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion on the Consolidated Financial Statements

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Bindura University of Science Education as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Opinion on the University's Financial Statements

In my opinion, the financial statements present fairly, in all material respects, the financial position of Bindura University of Science Education as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. REVENUE COLLECTION AND DEBT RECOVERY

1.1. Debt collection

Finding

The University's debt collection framework did not yield positive results. As at year-end, student debtors amounting to ZWG 28.6 million had been outstanding for more than 240 days. In addition, the financial system in use was not configured to allow payment plans to be loaded in the system to enable instalment tracking and age analysis.

I also noted that a significant portion of long outstanding receivables,(56%) were related to government-funded programmes. There was concentration credit risk around this area.

Risk / Implication

Financial loss due to irrecoverable debts.

Service delivery may be compromised due to liquidity challenges.

Recommendation

Management should follow up with government for settlement of outstanding amounts.

Management should implement system configurations that allow loading of payment plans and age analysis of receivables.

Management response

Recommendation noted. In 2024 the University introduced a system to further strengthen the internal control framework. Some operational efficiencies like loading of payment plans will be implemented once full automation is achieved.

Of the outstanding debtors at year end above 240 days, 43% (USD 840 000), related to Ministry of Primary and Secondary Education, 13% (USD 140 000) related to Ministry of Defense and War Veterans Affairs.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University made progress in addressing audit findings raised in my 2024 annual report. I raised three (3) audit findings and two (2) findings were addressed while one (1) finding was not addressed as indicated below;

2.1. Billing and student debtors

The finding was addressed. Automatic billing is now operational.

2.2. Information technology policies

The finding was not addressed. The information technology policies, procedures and manuals were still in draft form.

2.3. System user accounts

The finding was addressed. The University has now automated processes to deactivate user accounts immediately upon termination of staff members.

Background Information

The University was established in terms of the Chinhoyi University of Technology Act [Chapter 25:23]. The main objectives of the University include the advancement of knowledge and the development and practice of design and technology. The University also runs a hotel and farm under Trust Deeds.

I have audited the consolidated financial statements of Chinhoyi University of Technology for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Chinhoyi University of Technology as at December 31, 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standards (IFRS) 11 - “Joint Venture Arrangements” and International Accounting Standards (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”

The University’s financial statements for the year ended December 31, 2024, excluded the results of investments in a joint venture. This was contrary to the requirements of IFRS 11 - “Joint Venture Arrangements” paragraph 24 which requires a joint venturer to recognise its interest in a joint venture as an investment. No alternative procedures could be performed to determine the financial impact of the joint venture, if any, to be consolidated. The prior year financial statements had also been modified in respect of this matter and no adjustments had been done in line with the requirements of IAS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

I followed up on audit findings raised in my 2023 and 2024 annual reports;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University did not make significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised four (4) findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2023 annual report. One (1) finding was addressed while the other four (4) findings were not addressed as indicated below;

1.1. Submission of financial statements

The finding was not addressed. The 2024 financial statements were not submitted within statutory deadlines.

1.2. Income tax

The finding was addressed. The correct rate of 15% was used.

1.3. Declaration of assets and interest

The finding was not addressed. The Council did not complete and sign the annual declaration of assets and interest in 2024.

1.4. Delivery of goods

The finding was not addressed. The two (2) generators were not yet delivered as of December 31, 2024.

1.5. Accounting for the joint arrangement

The finding was not addressed. In the current year, financial information for the joint venture was not available for consolidation.

Background Information

Great Zimbabwe University was established in terms of the Great Zimbabwe University Act [*Chapter 25:24*]. Its purpose is to provide the advancement of knowledge through teaching, research and learning, and the nurturing of the intellectual, aesthetic, social and moral growth of the students.

I have audited the financial statements of Great Zimbabwe University for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Great Zimbabwe University as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Property ownership

Finding

I was not availed with the deeds of transfer for the University's two properties acquired in 2017 and 2024. The non-availability of deeds of transfer was due to the delay in the transfer process.

Risk / Implication

Lack of recourse in the event of disputes.

Recommendation

Management should obtain deeds of transfer for ownership of their properties.

Management response

Efforts are being made to secure the deeds of transfer from the previous owners.

1.2 Sale of Cattle

Finding

The University sold a heifer and two (2) cows for a total amount of USD1000 without an approval from University Council. This absence of approval was due the delays in seeking authorisation for disposal. This was contrary to section 42 (1)(a) and section 44 (c) of the Public Finance Management Act [*Chapter 22:19*] which requires safeguarding of public assets.

Risk / Implications

Misappropriation of biological assets.

Recommendation

Management should seek authorisation of sale of cattle.

Management response

Noted. Management will ensure that disposal of cattle is authorised.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University did not make progress in addressing audit findings raised in my 2024 annual report. I raised four (4) audit findings in my 2024 annual report. Two (2) findings were partially addressed, and two (2) findings were not addressed as indicated below;

2.1 Submission of financial statements

The finding was not addressed. The University's financial statements for the year ended December 31, 2024, were submitted on July 15, 2025.

2.2 Statutory obligations

The finding was not addressed. Remittances for the month of January 2024 were not submitted on time.

2.3 High staff turnover

The finding was partially addressed. The University implemented pension backed housing scheme to retain employees.

2.4 Livestock

The finding was partially addressed. Paddocks were partly erected and completion of the remaining sections is still in progress.

Background Information

Gwanda State University was established in terms of the Gwanda State University Act [Chapter 25:30]. The main objectives of the University involve specialisation in animal and veterinary sciences, irrigation engineering and management, mining engineering, environmental engineering and ecosystem restoration and the advancement of knowledge through teaching, research and learning and the nurturing of the intellectual, aesthetic, social and moral growth of the students.

I have audited the financial statements of Gwanda State University for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gwanda State University as at December 31, 2024, and its financial performance and its cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of Qualified Opinion

Valuation of property, plant and equipment

The University recognised property, plant and equipment on the statement of financial position amounting to ZWG269.2 million. The University appointed an independent valuer to determine the fair value of property, plant and equipment. The valuation was performed in United States Dollars (USD) and translated to ZWG using interbank rate applicable as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirements of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property, plant and equipment in ZWG. I could not determine the extent of the adjustments that were necessary.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Valuation of property, plant and equipment

Finding

The University recognised property, plant and equipment on the statement of financial position amounting to ZWG269.2 million. The University appointed an independent valuer to determine the fair value of property, plant and equipment. The valuation was performed in United States Dollars (USD) and translated to ZWG using interbank rate applicable as at December 31, 2024. The translated property, plant and equipment values in ZWG could not meet the fair value requirements of IFRS 13 – “Fair Value Measurement” as they did not reflect the assumptions that the market participants would apply in valuing similar items of property, plant and equipment in ZWG.

Risk / Implication

Misstatement of financial statements.

Recommendation

Asset revaluation should be done in compliance with the requirements of IFRS 13 – “Fair Value Measurement”.

Management response

The valuer highlighted a lack of ZWG inputs to carry out valuation in ZWG in compliance with set rules. To review suppliers in 2026.

1.2. Motor vehicle registration**Finding**

The University did not register in its own name two (2) vehicles donated during the year under review. This was contrary to the Vehicle Registration and Licensing Act [*Chapter 13:14*] section 13 (1) that requires change of ownership to be concluded within fourteen (14) days.

Risk / Implication

Misappropriation of assets.

Recommendation

The University should obtain valid registration books and ensure that all motor vehicles are registered in its name.

Management response

The University is engaging the donor to facilitate transfer of ownership for the affected vehicles.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University made progress in addressing audit findings raised in my 2021, 2022 and 2023 annual reports. I raised one finding in my 2023 annual report and I followed up on four (4) findings outstanding in my 2021 and 2022 annual reports. Three (3) findings were addressed, one (1) partially addressed and one (1) finding was not addressed as indicated below;

2.1. Dining hall and kiosk sales

The finding was addressed. A control system to ensure accurate recording and reconciliation of sales has been established.

2.2. Existence of biological assets

The finding was partially addressed. All biological assets now have tags and review of the livestock register will be done consistently.

2.3. Accuracy of payables

The finding was not addressed. Engagement will be pursued with the suppliers.

2.4. Occurrence and accuracy of expenditure

Finding was addressed. The University is now attaching supporting documentation on expenditure.

2.5. Supporting documentation

The finding was addressed. In the current year, management availed the required information for audit.

Background information

Harare Institute of Technology was established in terms of the Harare Institute of Technology Act [Chapter 25:26]. The objectives of the Institute are the advancement of knowledge and technology through the preservation, dissemination and enhancement of academic and practical knowledge as well as skills development.

I have audited the financial statements of Harare Institute of Technology for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Harare Institute of Technology as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

I followed up on issues raised in my 2024, 2023, 2022 and 2021 annual reports;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Institute made progress in addressing audit findings raised in my 2021, 2022, 2023 and 2024 annual reports. I followed up on five (5) findings which were outstanding in my 2021, 2022 and 2023 annual reports. Four (4) findings were addressed and one (1) finding was partially addressed as indicated below;

1.1. Risk assessment and business impact analysis

The finding was partially addressed. The University has now recruited staff with the necessary skills and work is in progress in addressing the issue.

1.2. Taxation of employee benefits

The finding was addressed. Corrective measures were taken. Withholding tax is now being deducted instead of PAYE on non-executive directors.

1.3. Business ventures

The finding was addressed. University strategic business units engaged in commercial activities will be registered for the relevant income taxes.

1.4. Trade and other payables reconciliation

The finding was addressed. Trade and other payables reconciliations are now being done.

1.5. Internal audit

The finding was addressed. The post of Chief internal auditor was filled. The audit function now has four (4) staff members, however the post of Chief internal auditor remained vacant.

Background Information

Lupane State University was established in terms of the Lupane State University Act [Chapter 25:25] to advance knowledge through teaching, research and learning and nurturing of intellectual, aesthetic, social and moral growth of the students.

I have audited the financial statements of Lupane State University for the year ended December 31, 2024, and I issued a Qualified Opinion with a report on going concern.

Qualified Opinion

In my opinion, except for the effects of the matter described in Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Lupane State University as at December 31, 2024, and its financial performance, and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Valuation of property, plant and equipment

The University recognised property, plant and equipment with a carrying amount of ZWG2.45 billion as at December 31, 2024. The University engaged an independent valuer to determine the fair value of property, plant and equipment. The valuation was based on unobservable inputs (Level 3 inputs), despite the existence of an active market for similar properties with readily available observable inputs. The use of unobservable inputs while there are available market prices, represents a departure from the fair value hierarchy prescribed under IFRS 13 – “Fair Value Measurement”. IFRS 13 – “Fair Value Measurement” requires entities to use the fair value hierarchy when valuing property, plant and equipment, which gives the highest priority to quoted prices in active markets for identical assets (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs) to the extent that relevant observable inputs are not available. I could not determine the extent of adjustment necessary.

Report on going concern

I draw your attention to the fact that the University’s current liabilities exceeded its current assets by ZWG17.2 million as at December 31, 2024. This condition indicates that a material uncertainty exists that may cast significant doubt on the University’s ability to continue as a going concern. My opinion was not modified in respect of this matter.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUE

1.1. Trade payables

Finding

The University's internal controls over payables management were not adequate in that the University did not settle its trade payables on time. As a result, the University was charged interest on overdue payments to suppliers amounting to ZWG 430 745 (USD 16 402), due to late rental payments. This was contrary to Public Finance Management Act [*Chapter 22:19*], section 44(b)(ii) which requires the public entities to prevent irregular expenditure.

Risk / Implication

Financial loss due to interest.

Recommendation

The University should prioritise payments before interest starts to accrue.

Management response

An agreement has since been reached with the service providers for the settlement of balances without being charged interest.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University made progress in addressing the audit findings raised in my 2021, 2023 and 2024 annual reports. I raised one (1) finding in my 2024 annual report and I followed up on three (3) findings outstanding in my 2021 and 2023 annual reports. Two (2) findings were addressed, one (1) was partially addressed and one (1) was not addressed as indicated below;

2.1. Travel and subsistence allowances

The finding was addressed. The outstanding travelling and subsistence advances were cleared in 2024. Advances made were now being timely acquitted.

2.2. Valuation of property, plant and equipment

The finding was not addressed. Valuation of property, plant and equipment was not in compliance with the requirements of IFRS 13 – "Fair Value Measurements".

2.3. Advance payments

The finding was partially addressed. Management entered into an agreement with their lawyers to come up with a delivery plan. As at year end for 2024, there were 3 heifers yet to be delivered.

2.4. Staff turnover

The finding was addressed. The staff salaries were reviewed contributing to a decrease in the staff turnover.

Background Information

Management Training Bureau was established in terms of the Manpower Planning and Development Act [*Chapter 28:02*]. The mandate of the Bureau is to train and produce knowledgeable and skilled human capital for the industry focusing on programmes for strategic sectors including business, leadership and entrepreneurship development, information communication technology, innovation management, hospitality, international languages and diplomacy.

I have audited the financial statements of the Management Training Bureau, for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Management Training Bureau as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. EMPLOYMENT ISSUES

1.1. Employee benefit

Finding

The Bureau processed school fees allowances amounting to USD22 628 outside the payroll. As a result, the school fees allowance was not subject to Pay As You Earn (PAYE). This was contrary to the Income Tax Act [*Chapter 23:06*], section 8(1)(f), which requires that the value of any advantage or benefit arising from employment be included in gross income.

Risk / Implication

Financial losses due to fines and penalties from tax authority.

Recommendation

Employee benefits should be subjected to PAYE line with Income Tax Act [*Chapter 23:06*] section 8 (1) (f).

Management response

The school fees allowances observation is noted. The Bureau will start taxing the school fees allowance with immediate effect.

1.2. Medical aid contributions

Finding

The Bureau was not remitting medical aid contributions to the service provider on time due to limited financial resources. During the period under review only ZWG69 964 was remitted out of ZWG599 424 leaving an outstanding balance of ZWG529 460 as at December 31, 2024.

Risk / Implication

Employee welfare may be compromised due to not receiving health care cover.

Recommendation

Management should remit the medical contributions on time and negotiate payment plans.

Management response

The Bureau is fully aware of this balance and is working towards settling it. 100% of the medical aid for the employees is covered by the Bureau and having received the last operational grant in 2023, the entity is facing financial constraints leading to this position. However, Management has negotiated a payment plan with the service provider to resume the provision of cover to employees.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Bureau made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised four (4) audit findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2023 annual report. Three (3) findings were addressed, one (1) finding was partially addressed, and the other finding was not addressed as indicated below;

2.1. Vacant posts

The findings were partially addressed. The vacancies has not been filled as most positions are still in acting capacity. The recruitment for the vacant post is being implemented in phases due to the financial constraints.

2.2. Bank reconciliations

The finding was addressed. The Bureau prepared bank reconciliations and reviewed them monthly.

2.3. Internal controls over debt recovery

The finding was addressed. The Bureau prepared receivables reconciliations and follow-ups are being done regularly through emails, telephone calls, and visits, especially to long outstanding receivables.

2.4. Asset register

The finding was addressed. The Bureau updated the asset register with the relevant information.

2.5. Trade payables

The finding was not addressed. The Bureau had significant trade payables during the year 2024.

Background Information

Manicaland State University of Applied Sciences was established in terms of the Manicaland State University of Applied Sciences Act [*Chapter 25:3*]. The University specializes in applied sciences, mineral sciences, forestry sciences, agricultural sciences and tourism and hospitality, the advancement of knowledge through teaching, research and learning, and the nurturing of the intellectual, aesthetic, social and moral growth of the students.

I have audited the financial statements of Manicaland State University of Applied Sciences for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Manicaland State University of Applied Sciences as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit findings that I raised in my 2022 and 2024 annual reports and below is the status;

1. PROGRESS MADE TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University did not make progress in addressing the audit findings that I raised in my 2022 and 2024 annual reports. I raised six (6) findings in my 2024 annual report and followed up on one (1) finding outstanding in my 2022 annual report. Four (4) findings were addressed and three (3) findings were partially addressed as indicated below;

1.1. Key vacant post

The finding was addressed. All the vacant posts have been filled.

1.2. System configuration

The finding was addressed. A second re-build of the system was made and consultants were called on site to hand-hold users on proper system use.

1.3. Councillors' allowances

The finding was partially addressed. All Councillors dues were re-computed and reconciled to clear any amounts owing.

1.4. Inventory management

The finding was addressed. Members replaced back the items of inventory that had been borrowed.

1.5. Student representative council

The finding was addressed. The student representative council managed to second a duly elected representative.

1.6. Ownership of assets

The finding was partially addressed. The University Council was contacted and requested to pass a resolution to donate the assets to MSUAS. The resolution so obtained is now being used to effect the change of ownership of the identified assets.

1.7. Internal audit

The finding was partially addressed. Two additional members joined the university Internal Audit department.

Background Information

National University of Science and Technology is a higher education institution established in terms of the National University of Science and Technology Act [*Chapter 25:13*]. The mandate of the University is to advance knowledge with a special bias towards the diffusion and extension of science and technology through teaching, research and learning and, to nurture the intellectual, aesthetic, social and moral growth of the students of the University.

I have audited the financial statements of National University of Science and Technology for the year ended December 31, 2024, and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effect of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National University of Science and Technology as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13 - “Fair Value Measurement”

The University engaged an external professional valuer to determine fair value of its property, plant and equipment as at December 31, 2024. The valuation performed in ZWG and was based on unobservable inputs (level 3 inputs), despite the existence of an active market for similar properties with readily available observable inputs. This was contrary to IFRS 13 - “Fair Value Measurement”, which requires entities to prioritise level 1 inputs in the fair value hierarchy when such inputs are available. I was unable to obtain sufficient appropriate audit evidence to conclude whether the carrying amounts of property, plant and equipment were fairly valued.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Supporting documentation

Finding

Internal controls over records management were not adequate during the period. For instance, the University had unreconciling items amounting to ZWG14 538 which could not be cleared due to missing payment vouchers.

Risk / Implication

Fraud or error may not be detected on time.

Recommendation

Management should implement back-up facilities to avoid loss of financial information.

Management response

The filing and document movement procedures have been strengthened to ensure tight controls over payment vouchers and journals.

1.2. Project management

Finding

The University has several projects that have remained outstanding for an extended period without being completed due to inadequate project monitoring and funding. Some of these projects have been ongoing for a number of years such Central library which was now at 75% complete, Chemistry block at 85% complete and Chemical block at 65% complete.

Risk / Implication

Financial loss due to committed capital or investments that may not be recovered.

Service delivery maybe compromised.

Recommendation

The University should come up with revenue generation strategies to address its cash flow Challenge

Management response

These are Public Sector Investment Program projects, and they will progress as the University receives funding from Treasury.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University made progress in addressing audit findings raised in my 2020, 2021, 2022, 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and followed up on six (6) findings raised in my 2020, 2021, 2022 and 2023 annual reports. Five (5) findings were addressed, one (1) finding was partially addressed, and three (3) findings were not addressed as indicated below;

2.1. Student registration

The finding was not addressed. The Information and Communication Technology Services department is working to improve the system such that it does not allow students to proceed with current registration when the previous registrations are missing.

2.2. Payments processing system

The finding was addressed. As of 2024 all payments are authorised by the bursars department and matched to the payment vouchers.

2.3. Controls over processing payments

The finding was addressed. The filing and document movement procedures have been strengthened to ensure tight controls over payment vouchers and journals.

2.4. Bank reconciliations

The finding was partially addressed. The University engaged a graduate trainee in the department but already have a backlog. They are working to ensure that this gap is closed in 2025, and have reconciliations prepared on time.

2.5. Student accounts receivable

The finding was not addressed. In the current year, the University had journals which were not signed by the person who posted the journals.

2.6. Prepayment for goods

The finding was addressed. The UPSs were delivered to the University during the period under review.

2.7. Alignment accounting processes to new developments

The finding was not addressed. The University is yet to align with the requirements of IFRS 13 - "Fair Value Measurement" and the opinion was modified in respect of this matter.

2.8. Management of revenue

The finding was addressed. There were no unreconciled variances and all IBD transactions are posted in the accounting system.

2.9. Procurement of goods

The finding was addressed. In the current year, three (3) competitive quotes were sought on procurements in line with public procurement and disposal of the University procurements were.

Background Information

The University of Zimbabwe is a Higher Education Institution governed by the University of Zimbabwe Act [*Chapter 25:16*]. The University's core functions include teaching, research, community engagement, innovation and industrialisation and offers degrees, diplomas and certificates in various disciplines.

I have audited the financial statements of the University of Zimbabwe for the year ended December 31, 2024 and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of University of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on an audit finding raised in my 2023 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The University did not address the finding that I raised in my 2023 annual report as indicated below;

1.1. Innovation hub chairs

The finding was not addressed. The chairs were not delivered.

Background Information

Zimbabwe Centre for High Performance Computing was established in terms of the Manpower Planning and Development Act [*Chapter 28:02*]. The Centre is mandated to be the custodian of the national supercomputer and its system, provide high performance computing services, resources and expertise, provide advanced user support and human resource development and develop national scientific programs. 2020 was its first year of operation.

I have audited the financial statements of Zimbabwe Centre for High Performance Computing for the year ended December 31, 2020 and I issued an Adverse Opinion.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of Zimbabwe Centre for High Performance Computing as at December 31, 2020, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Adverse Opinion

i. Non- compliance with International Public Sector Accounting Standard (IPSAS) 17 – “Property, Plant and Equipment”

The Centre did not review useful lives and residual values of its property, plant and equipment at the end of the reporting period. This was contrary to International Public Sector Accounting Standard (IPSAS) 17 – “Property, Plant and Equipment”, paragraph 67 which requires the review of residual values and the useful lives of assets at least at the end of each reporting date. Had the Centre reviewed the residual values and useful lives of its items of property, plant and equipment, the carrying amount of property, plant and equipment would have been materially different.

ii. Supporting records

The supporting records for the property, plant and equipment recorded in the asset register and financial statements valued at ZWL\$568.1 million transferred to the Centre at inception were not provided for audit. The Centre also recognized fuel expenditure amounting to ZWL\$1.9 million which was not supported by records of receiving and issuing of the fuel. In addition, salary expenses amounting to ZWL\$186 948 were not supported by payroll records. As a result, I was unable to determine if any adjustments were necessary to the financial statements.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Property control and ownership

Finding

I was not provided with the documentation of agreements entered for the occupation of the premises used by the Centre. The Centre recognised the buildings as part of their assets in the financial statements. However, the owner of the premises confirmed that it did not donate the premises but allowed the Centre to use the premises without ceding any control.

Risk / Implication

There may be no legal recourse in the event of disputes.

Recommendation

Management should follow up with relevant stakeholders to ascertain ownership and control of the assets.

Management response

The Centre evolved from being a department in the Ministry of Higher and Tertiary Education to being a stand-alone agency, key documentation concerning the building could not be located at the date of audit however management is making a follow up on the matter.

1.2. Fuel register

Finding

The Centre had no policy on fuel management to guide receiving and issuance of fuel. As a result, fuel expenditure amounting to ZWL\$1.9 million in the financial statements was not adequately supported. The fuel register was not provided for audit. I could not ascertain the accuracy and completeness of fuel costs disclosed in the financial statements as well as fuel usage.

Risk / Implication

Financial loss due to misappropriation of fuel.

Misstatement of financial statements.

Recommendation

Management should develop and implement a policy on fuel management.

Management response

Observation is noted. The fuel register in use for the period under review was not located, however from 2021 management made use of the fuel register.

1.3. Valuation of property, plant and equipment

Finding

I was not availed with evidence that the Centre reviewed the useful lives of its property, plant and equipment at the end of the reporting period. This was contrary to IPSAS 17 – “Property, plant and equipment”, paragraph 67 which requires the review of residual values and the useful lives of assets at least at the end of each reporting date.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Centre should carry out an assessment of useful lives and residual values of its items of property, plant and equipment in line with IPSAS 17 – “Property, Plant and Equipment”.

The Centre should engage the Ministry to obtain supporting records for property, plant and equipment transferred at inception.

Management response

The Centre acknowledge the non-compliance with IPSAS 17 “Property, plant and equipment” regarding the review of useful lives and residual values of property, plant and equipment. Management has instituted a policy requiring annual reviews of asset useful lives and residual values at each reporting date. A comprehensive asset verification exercise is underway, facilitated by an external valuer.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Revenue supporting documents

Finding

The Centre did not have policies and procedures in place to guide on handover and takeover processes upon resignation of staff. As a result, documents such as correspondence letters of funds released from the Ministry could not be provided for audit. For instance, the Centre recognised a transfer of ZWL\$11.89 million as revenue in their financial statements but did not provide supporting documentation, including the Ministry’s release letters. In addition, out of the thirteen (13) recorded revenue transactions, there were only four (4) correspondence letters filed relating to funding requests. I therefore could not ascertain whether the funds received were used for the intended purpose.

Risk / Implication

Financial loss due to misappropriation of the funds released by the Ministry.

Recommendation

Management should put in place policies and procedures on handover and takeover.

Management response

Some of the confirmation for funds were done on email of which the emails were under the custody of departed staff members. There was also no back up in files to show from the Ministry, however management takes note and follow ups to be made on the purpose of funds.

3. EMPLOYMENT ISSUES

3.1. Salaries supporting documents

Finding

The Centre's controls over document retention were not adequate. For instance, transactions in the salaries ledgers amounting to ZWL\$186 948 were not supported as management could not locate source documents for the transactions due to document retention challenges. In addition, there was no payroll system during the year 2020 and the available payroll documents could not sufficiently provide information for all the payroll journals made.

Risk / Implication

Financial statements may be materially misstated.

Recommendation

Management should put controls in place over documents retention.

Management response

The payroll records for 2020 were not located to calculate the payroll costs and its various categories. The payment vouchers could not be located; however, with the knowledge of the account holder, management judged that they were payroll costs.

Background Information

Zimbabwe Foreign Service Institute was incorporated in terms of Statutory Instrument 151 of 2020 [*Proclamation 2 of 2020*]. The functions of the Institute are to provide training facilities and courses for foreign service officers and such officers from government departments in the fields of diplomacy, international relations, trade and tourism and any other field approved by the Board of Governors.

I have audited the financial statements of Zimbabwe Foreign Service Institute for the year ended December 31, 2024 and I issued an unmodified /clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Foreign Service Institute as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1 Internal audit

Finding

The Institute's internal control systems were not subject to review during the year as there were no internal audit arrangements in place. This was contrary to the requirements of Public Entities Corporate Governance Act [Chapter 10:31] section 223 of the first schedule which requires that internal audit unit be put in place

Risk / Implication

Fraud and material irregularities may not be detected on time.

The effectiveness of the Institute's internal controls may be compromised.

Recommendation

Internal audit arrangements for the Institution should be arranged.

Management response

Noted, in future the Institute will request the services of the Internal Audit from the parent Ministry to provide internal audit services.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Institute did not make significant progress in addressing the audit findings raised in my 2024 annual report. I raised seven (7) audit findings, three (3) findings were addressed and four (4) were not addressed as indicated below;

2.1 Composition of Board Committees

The finding was addressed. The Director-General ceased to be a member of the Audit and Risk Management Committee and attends meetings on invitation.

2.2 Board Charter

The finding was not addressed. The Board Charter is still in the drafting stage.

2.3 Board minutes and resolutions

The finding was addressed. The Board minutes are now being signed by the Chairperson of the Board and the Director General.

2.4 Staff complement

The finding was not addressed. The Institute had two (2) members as it had before.

2.5 Existence, completeness and valuation of inventory

The finding addressed. The inventory count was done at the Institute on December 31, 2024.

2.6 Physical verification of assets

The finding was not addressed. The HP laptop Core i5 not been recovered.

2.7 Approval of benefits to seconded staff

The finding was not addressed. The Board of Governors will deliberate on the issue of fuel benefits and arrive on resolutions that will be implemented.

Background Information

The Institute was incorporated in Zimbabwe in terms of the Zimbabwe Institute of Public Administration and Management Act [*Chapter 25:17*]. The Institute is responsible for the dissemination of information relating to, and the promotion, teaching, direction, supervision, study and coordination of matters of administration and management with reference to the interest of the Public Service, Local Authorities, Parastatals and the private sector.

I have audited the financial statements of Zimbabwe Institute of Public Administration and Management for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Zimbabwe Institute of Public Administration and Management as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1 GOVERNANCE ISSUES

1.1 Consultancy and research

Finding

The Consultancy and Research Business unit had no policy framework in place to provide guidelines on consultancy and research processes and procedures. As a result, consultancy and research services were not provided during the year. This was contrary to the Zimbabwe Institute of Public Administration and Management Act [*Chapter 25:17*], which requires the Institute to provide training, consultancy and research to both the public and private sector. In addition, the unit had no staff during the greater part of the year.

Risk / Implication

The Institute may not achieve its mandate.

Recommendation

The Institute should come up with the consultancy and research policy to enhance service delivery.

Management response

Noted. The Institute is currently building capacity in research and consultancy. The recruitment of a Deputy Director General responsible for this area is under way.

1.2 Bank reconciliation statements

Finding

The Institute had staff shortages in the accounts department. As a result, the Institute's bank reconciliations were not prepared and reviewed on time. This was contrary to the Institute's procedure manual, which requires bank reconciliations to be prepared and reviewed before the 5th of the following month. In addition, the Institute held amounts above USD500 for some days before banking. This was contrary to the Institute's procedure manual, which requires banking to be done the following day after the cash exceeds USD500.

Risk / Implication

Fraud or errors may not be detected on time.

Recommendation

The Institute should fill in the vacant posts.

Management response

Noted. Management will ensure that Bank reconciliations are done on time and deposits will be banked on time as per the accounting and procedures manual. The backlog was caused by a shortage of staff in the department.

1.3 Obligations

Finding

The Institute was being owed ZWG15 million as at December 31, 2024 by the Ministries, Departments and Agencies (MDAs) for the trainings and workshops leading to cashflow challenges. As a result, the Institute was charged interest and penalties by utility service providers amounting to ZWG39 696 due to failure to settle telephone, internet, and water bills as they fell due. The Institute was also not remitting statutory obligations such as Pay as you Earn (PAYE) ZWG1.6 million, Value Added Tax ZWG 109 481 and National Social Security Authority pension contributions ZWG227 364. This was contrary to the requirements of National Social Security Act [*Chapter 17:04*], IncomeTax Act [*Chapter 23:06*] and VAT [*Chapter 23:12*].

Risk / Implication

Financial loss due to penalties and interests levied.

Recommendation

The Institute should enhance its debt collection strategies.

Management response

Noted. Management will prioritize payment of statutory obligations and utilities in compliance with relevant authorities as cashflow position improves.

2 MANAGEMENT OF ASSETS

2.1 Street lighting

Finding

The Institute did not adhere to the maintenance plan for streets lights. As a result, one hundred and eleven streetlights valued at ZWG367 827 were non-functional due to vandalism and non-repair. This was contrary to Section 15.1 of the accounting policies and procedures manual which requires assets to be maintained and safeguarded from damage to ensure operational efficiency and security of the Institute's property.

Risk / Implication

Financial loss due to continued vandalism of infrastructure.

Recommendation

The Institute should enhance its revenue generation strategy to enable prompt repairs of its infrastructure.

Management response

Noted. The Maintenance plan to repair the streetlights was not adhered to during the year due to low cashflows. Management commits to prioritize the street light repairs in the upcoming year 2026.

3 REVENUE COLLECTION AND DEBT MANAGEMENT

3.1 Debt management

Finding

The Institute was not performing debtors' reconciliation on monthly basis but instead on a quarterly basis. These quarterly reconciliations were conducted without obtaining confirmed balances from debtors. This was contrary to the debtors' policy which states that reconciliations should be performed monthly. In addition, there were only two (2) debtors' collection reports produced for the year. This was contrary to the debtors' collection policy which states that weekly debtors' collection reports should be produced.

Risk / Implication

Fraud and errors may not be detected on time.

Recommendation

The Institute should comply with its accounting and finance standard operating procedure manuals.

Management response

Noted. Debtors reconciliations and reports will be done monthly and according to the accounting and procedures manual. Management will ensure that the debtors collection policy is adhered to.

3.2 Value Added Tax (VAT) on hotel meals

Finding

The Institute charges VAT on hotel meals such as breakfast, lunch and dinner, However, there were some invoices where value added tax was not charged for breakfast and lunch. This was contrary to the VAT Act [*Chapter 23:12*] which requires VAT-registered operators to charge 15% tax on the taxable value of supplies.

Risk/Implication

Financial loss due to fines and penalties.

Recommendation

The Institute should comply with the requirements VAT Act [*Chapter 23:12*].

Management response

Noted and in future management will ensure that VAT is charged on all invoices.

4 PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Institute made progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on three (3) findings raised in my 2023 annual report. Four (4) findings were addressed while one (1) finding was not addressed as indicated below.

4.1 Debt management

The finding was not addressed. Effort is being made to collect the outstanding debt through debt collection visits, calls and the Treasury. The enforcement of the 80% deposit has been communicated to MDAs and at the moment the Institute is enforcing commitment letters in the absence of the 80% deposit.

4.2 Asset register

The finding was addressed. All assets have now been captured in the pastel system.

4.3 Asset maintenance and replacement

The finding was addressed. The policy on maintenance and replacement of assets is now in place.

4.4 Staff recruitment

The finding was addressed. All short-term contract employees are now required to undergo medical examinations.

4.5 Probation performance evaluation

The finding was addressed. An evaluation form was put in place.

Background Information

Zimbabwe School of Mines was established in terms of Mines and Minerals Act [*Chapter 21:05*]. The functions of the School are to provide technical education and training of persons leading to the award of diplomas, certificates and other qualifications relevant to the mining industry.

I have audited the financial statements of Zimbabwe School of Mines for the year ended December 31, 2024 and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Zimbabwe School of Mines as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Unclassified deposits

The School received ZWG8.9 million in deposits from students for various programs which were not receipted and allocated to the revenues line items as of December 31, 2024, due to insufficient payment details. As a result, individual amounts owed by students was not adjusted therefore trade receivables were overstated by the same amount.

My opinion in the prior year was modified in respect of this matter, and the misstatements have not been corrected in the current year financial statements in accordance with requirements of International Accounting Standard (IAS) 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”. Had these amounts been allocated to the respective line items, the trade receivable balances and allowance for credit losses might have been materially different.

Below is another material issue noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board resolutions

Finding

There were resolutions passed by the Board during the year under review, however, there is no evidence that they were submitted to the line Minister and the Corporate Governance Unit. This is contrary to section 35(4) Public Entities Corporate Governance Act [*Chapter 10:31*] which requires copies of resolution by the board to be submitted to the line Minister and the Unit without delay after it has been adopted.

Risk / Implication

Oversight role may be compromised.

Recommendation

The School should submit all board resolutions in line with section 35(4) Public Entities Corporate Governance Act [*Chapter 10:31*].

Management response

Noted. The School will be sending the resolutions as per Public Entities Corporate Governance Act [*Chapter 10:31*] starting in 2025.

1.2. Withholding tax on Board fees

Finding

The School withheld tax on board fees during the period. However, it did not remit tax withheld to ZIMRA. This was contrary to Section 36 (j) of the Income Tax Act [*Chapter 23:06*] which requires tax withheld to be remitted to ZIMRA within 10 days. The School did not file returns for tax withheld for Board members during the period under review.

Risk / Implication

Financial loss due to penalties and interests that may be levied for non-compliance.

Recommendation

The School should remit all the withheld tax on time and must file Withholding tax returns on board fees before the due date.

Management response

Noted, this will be corrected going forward.

1.3. Whistle blower policy

Finding

The School did not have a whistle blower policy in place. This was contrary to the requirements of the Public Entities Corporate Governance Act [*Chapter 10:31*], Section 255, and Cyber and Data Protection Act [*Chapter 12:07*], Section 31 which provides that there should be a whistleblowing system in place.

Risk / Implication

Fraud risk management strategies may be compromised.

Recommendation

The management should consider formulating a whistle blower policy.

Management response

Management is working towards formulating a whistleblowing policy.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The School made progress in addressing the audit findings that I raised in my 2022, 2023 and 2024 annual reports. I raised four (4) auditing findings in my 2024 annual report and followed up on seven (7) findings which were outstanding in my 2023 and 2022 annual reports. Seven (7) findings were addressed, two (2) were partially addressed and two (2) were not addressed as indicated below;

2.1. Asset declaration

The finding was partially addressed. 85% of the Board members declared their assets. Follow ups are being done.

2.2. Board meeting attendance

The finding was addressed. All members are now attending board meetings.

2.3. Student Representative Council (SRC)

The finding was addressed. The school has a policy to govern the establishment and operations of SRC.

2.4. Banking of cash

The finding was addressed. Cash is banked within the stipulated time frame.

2.5. Annual budgets

The finding was addressed. The School submitted budget for approval to the parent Ministry.

2.6. Alignment of accounting processes to the reporting framework

The finding was addressed. Impairment assessment was performed during the verification exercise.

2.7. Unclassified deposits

The finding was not addressed. Although the School implemented a college management system, unclassified deposits were noted and contributed to the modification of the opinion for the 2024 financial statements.

2.8. School's procurement management unit

The finding was addressed. A procurement clerk was employed since November 2022, in line with the School's structure.

2.9. Policy documents

The finding was partially addressed. Fifty (50) out of fifty-three (53) policies were approved.

2.10. Impairment of assets

The finding was addressed. The verification and impairment of assets was carried out.

2.11. Purchase of laptops

The finding was not addressed. Batteries had not yet been supplied as replacement for the accessories paid for.

PUBLIC ENTITIES UNDER THE CATEGORY OF OTHER

Background Information

The Bindura University of Science Education Farm Trust was registered as a Trust in 2016. The Trust conducts research and training programs including advice on specific mechanisms as well as being a strategic business unit of the Bindura University of Science Education. The Farm Trust's main activities include animal husbandry and crop farming for sale.

I have audited the financial statements of the Bindura University of Science Education Farm Trust for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Bindura University of Science Education Farm Trust as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

I followed up on audit finding that I raised in my 2024 annual report and below is the status;

1. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Farm Trust addressed the audit finding that I raised in my 2024 annual report as indicated below;

1.1. Board of Trustees

The finding was addressed. In 2025, the Farm Trust held three (3) meetings.

Background Information

Chinhoyi University of Technology Farm Trust is owned by the University and was established in terms of the Deed of Trust number MA338/2007. The purpose of the Farm Trust is to maintain and administer the farm as a centre for practical training and research, with some commercial functions.

I have audited the financial statements of Chinhoyi University of Technology Farm Trust for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of Chinhoyi University of Technology Farm Trust as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Income Tax

Finding

The Farm Trust did not prepare a separate tax return for income earned in foreign currency. This was contrary to section 37AA (1) of the Income Tax Act [*Chapter 23:06*] which requires taxpayers to submit separate returns where any part of income from trade or investment is earned in foreign currency.

Risk / Implication

Financial losses due to penalties and interest from tax authorities.

Recommendation

The Farm Trust should submit the returns in each currency of trade as per the requirements of the Income Tax Act [*Chapter 23:06*].

Management response

While some invoices were raised in USD, 80% of CUT Farm invoices were settled in local currency. The University is the major customer of CUT Farm and settles such USD denominated invoices in local currency.

1.2. Trustee Board Meetings

Finding

The Board of Trustees held three meetings during the year under review contrary which to the requirements of the Farm Trust Deed which requires trustees to meet every quarter.

Risk / Implication

Oversight role may be compromised.

Recommendation

The Board of trustees meetings should be convened in line with the requirements of the trust deed.

Management response

The Observation on the need for the Board to have four annual sitting is noted.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Farm Trust made significant progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised two (2) findings in my 2024 annual report and followed up on one (1) finding raised in my 2023 annual report. Two (2) findings were addressed while one (1) finding raised was not addressed as indicated below;

2.1. Submission of financial statements

The finding was addressed. Draft historical financial statements and the first trial balance were submitted in February hence within 60 days of year end.

2.2. Livestock Management

The finding was addressed. The Farm Trust hired a veterinarian which significantly reduced mortality rates of the livestock.

2.3. Lease Agreements

The finding was not addressed. There was no lease agreement regarding the University land that is being used by the Trust. Management is yet to consult with the University Legal and Farm Trustees on how to resolve this matter.

Background Information

Chinhoyi University of Technology Hotel Trust is owned by the University and was established in terms of the Deed of Trust. The purpose of the Hotel Trust is to advance the provision of knowledge through hands on learning for students from the School of Hospitality and Tourism, with some commercial activities.

I have audited the financial statements of Chinhoyi University of Technology Hotel Trust for the year ended December 31, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects the financial position of Chinhoyi University of Technology Hotel Trust as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below are material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Supporting documentation

Finding

There was expenditure for staff hampers which was not supported by adequate documentation in the form of invoices and receipts.

Risk / Implication

Fraud and error may go undetected.

Recommendation

All payments should be adequately supported with invoices, receipts and proof of payments.

Management response

Management takes note of the purported documents. All the invoices for staff hampers will be availed.

1.2. Debtors' management

Finding

The Hotel Trust's debt control strategies did not yield positive results. As at December 31, 2024, the Trust had ZWG 1.3 million long outstanding debtors.

Risk / Implication

Cash flow constraints due to non-recovery of receivables.

Service delivery may be compromised.

Recommendation

The Hotel Trust should come up with strategies to improve the credit control which should encompass setting of credit limits and following up on outstanding balances.

Management response

Management acknowledges the existence of long outstanding debts. However, the greater amounts were then paid subsequent to year end.

1.3. Trustee board meetings

Finding

The Board of Trustees held three (3) meetings during the year under review contrary to the requirements of the Trust Deed which requires trustees to meet every quarter.

Risk / Implication

Oversight may be compromised.

Recommendation

The Board of Trustees meetings should be convened in the with the requirements of the Trust Deed.

Management response

The Observation on the need for the Board to have four annual sitting is noted.

2. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Hotel Trust did not make progress in addressing audit findings raised in my 2023 and 2024 annual reports. I raised three (3) findings in my 2024 annual report and followed up on one (1) finding raised in my 2023 annual report. One (1) finding was addressed while the other three (3) findings were not addressed as indicated below;

2.1. Submission of financial statements

This finding was not addressed. The 2024 financial statements were submitted after the statutory deadline.

2.2. Tax computation

This finding was not addressed. Computational errors were noted in the current year.

2.3. Employee benefits

This finding was not addressed. In the current year, school fees benefit was not subjected to PAYE in line with the Income Tax Act [*Chapter 23:06*].

2.4. Asset register

This finding was addressed. Asset revaluation was conducted.

Background Information

The National Gallery of Zimbabwe was established in terms of the National Gallery of Zimbabwe Act [Chapter 25:09]. Its main objective is the establishment, management and control of galleries or museums of art, fostering and promotion of fine and applied arts.

I have audited the consolidated financial statements of National Gallery of Zimbabwe for the year ended December 31, 2024 and I issued a Qualified Opinion.

Qualified Opinion

In my opinion, except for the effects of the matter described in the basis for qualified opinion section of my report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of National Gallery of Zimbabwe as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

Consolidation of unaudited subsidiary

The Gallery consolidated the unaudited financial statements of its wholly owned subsidiary, Tengenenge (Private) Limited as at December 31, 2024. I was unable to satisfy myself that all the necessary adjustments and disclosures have been made to the unaudited financial statements for the subsidiary. I was therefore unable to obtain reasonable assurance on the financial information of Tengenenge (Private) Limited included in the consolidated financial statements of the Gallery.

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Board composition

Finding

The Gallery had not aligned its corporate governance processes to the requirements of the Public Entities Corporate Governance Act [Chapter 10:31]. For instance, the board consisted of only one (1) executive director. This was contrary to section 97 of the First Schedule of the Public Entities Corporate Governance Act [Chapter 10:31] which required the board to have at least two (2) executive directors to be part of the Board.

Risk / Implication

Oversight role may be compromised.

Recommendation

Board composition should be aligned to the Public Entities Corporate Governance Act [Chapter 10:31].

Management response

Management have taken note of the observation, and the issue will be resolved in the next board sitting.

1.2. Annual General Meeting

Finding

The Gallery did not conduct the Annual General Meeting. This was contrary to the Public Entities Corporate Governance Act [Chapter 10:31] which requires the Board of every public entity to convene an annual general meeting at least once a year.

Risk / Implication

Strategic decisions by the shareholder and stakeholders may not be made.

Recommendation

The Authority should conduct annual general meetings as required by the Public Entities Corporate Governance Act [Chapter 10:31].

Management response

The Gallery was financially constrained and annual general meetings for the years 2023 and 2024 will be done concurrently. This challenge was caused by non- disbursement of operational grant from the government.

2. REVENUE COLLECTION AND DEBT RECOVERY

2.1. Revenue collection

Finding

The Gallery's controls over revenue collection at the Gallery's subsidiary premises were inadequate during the period under review. For instance, there was a building on the premises being utilized as a lodge. There was also mining of limestone being done at the premises and there were sculptors at work who also made use of the building. However, there was no return recognized by the Gallery.

Risk / Implication

Loss of revenue.

Recommendation

Management should make efforts to collect revenue from the Gallery's subsidiary premises.

Management response

The sculptures displayed in the sculpture garden belongs to the resident artists and they are not part of the Gallery's property. The future proposal is to make use of these artists as a research and resource centre where students from the Gallery school can be attached for their practical studies under the mentorship of resident artists.

In addition, the Gallery also intends to operate a museum and artist residents program for the youths in Mashonaland central, and the world at large. This expansion answers to the devolution agenda and decentralisation of the Gallery.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Gallery made progress in addressing the audit findings raised in my 2023 and 2024 annual reports. I raised one (1) audit finding in my 2024 annual report and followed up on two (2) findings outstanding in my 2023 annual report. One (1) finding was addressed, one (1) finding was partially addressed while one (1) finding was not addressed as indicated below;

3.1. Investment in subsidiary

The finding was partially addressed. The Gallery was in the process of de-registering its subsidiary and fully incorporate the company as the National Gallery of Zimbabwe in Tengenenge.

3.2. Submission of financial statements

The finding was not addressed. The 2024 financial statements were not submitted on time.

3.3. Policies and procedures manual

The finding was addressed. The policies and procedure manuals were approved by the Board.

Background Information

The National Museums and Monuments of Zimbabwe (NMMZ) was established in terms of the National Museums and Monuments Act [*Chapter 25:11*]. The Act established a Board of Trustees to provide for the establishment and administration of museums and to provide for the preservation of ancient, historical and natural monuments, relics and other objects of historical or scientific value or interest.

I have audited the financial statements of National Museums and Monuments of Zimbabwe for the years ended December 31, 2023 and 2024, and I issued a Qualified Opinion for 2023 and an unmodified /clean opinion for 2024..

Qualified Opinion 2023

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Museums and Monuments of Zimbabwe as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Non-compliance with International Accounting Standard (IAS) 16 – “Property, Plant and Equipment”

The National Museums and Monuments of Zimbabwe did not revalue its property, plant and equipment. The failure to revalue the property, plant and equipment has resulted in the carrying amounts of these assets not reflecting their fair values. This was contrary to paragraph 31 of International Accounting Standard (IAS) 16 - “Property, Plant and Equipment” which requires revaluation of property, plant and equipment to be carried out with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the end of the reporting period. I was unable to determine the impact of the above on the carrying amount of property, plant and equipment.

Opinion 2024

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Museums and Monuments of Zimbabwe as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Below are other material issues noted during the audit;

1. GOVERNANCE ISSUES

1.1. Valuation of property, plant and equipment

Finding

The National Museums and Monuments of Zimbabwe did not revalue its property, plant and equipment. The failure to revalue the property, plant and equipment has resulted in the carrying amounts of these assets not reflecting their fair values. This was contrary to paragraph 31 of International Accounting Standard (IAS) 16 - "Property, Plant and Equipment" which requires revaluation of property, plant and equipment to be carried out with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the end of the reporting period.

Risk / Implication

Misstatement of financial statements.

Recommendation

The Museum should revalue its property, plant and equipment in line with the requirements of IAS 16.

Management response

The observation is noted. NMMZ failed to conduct the revaluation of property and equipment as we were waiting for the consolidated report following a valuation exercise conducted by the Ministry of Home Affairs and Cultural Heritage. In the meantime, we will put in place concerted efforts to ensure that this exercise is conducted before year end.

1.2. Internal audit charter

Finding

The Museum's Board business was suspended during the period under review when it lost its quorate. As a result, the Internal Audit charter which was due for review and approval was still in draft form. This was contrary to Section 230 of the Public Entities Corporate Governance Act [*Chapter 10:31*] which requires that the internal audit charter be reviewed and approved.

Risk / Implication

Oversight over internal audit operations may be compromised.

Recommendation

Once the Board resumes its business, the Internal Audit Charter should be submitted for approval.

Management response

A draft Internal Audit Charter (IAC) was submitted to the Audit Committee in the last quarter of 2022 for review and approval. During the first quarter of 2023 the Board of Trustees lost its quorate and board business was suspended. Board business resumed in the second quarter of 2024. The draft IAC will be submitted to the Audit Committee for approval.

1.3. Budgetary support

Finding

The budget support for facelifting of some of the planned heritage sites was not obtained during the period under review. As a result, the planned works were not carried out exposing the sites to deterioration.

Risk / Implication

Financial loss as the outstanding planned works may attract more costs.

Recommendation

The Museum should develop revenue generating strategies to supplement budget support.

Management response

NMMZ could not conduct any renovation works towards the heritage sites due to non-release of the capital budget support from Treasury. As a result, the facilities are currently unusable. It is anticipated that progress to address this situation will be recorded before the end of the year.

1.4. Debtors and creditors reconciliations

Finding

The Museum's internal controls over debtors and creditors reconciliations were inadequate. As a result, monthly creditors and debtors' reconciliations were not being performed. This was contrary to the Public Finance Management Act [*Chapter 22:19*], section 44 (1)((a)(i), which requires public entities to establish and maintain effective, efficient and transparent systems of financial and risk management and internal controls.

Risk / Implication

Fraud and errors may go undetected.

Recommendation

Management should enhance controls over creditors and debtors reconciliations.

Management response

The failure to maintain and reconcile debtors and creditors is regrettable. The Museum will put in place measures to ensure that the reconciliations are implemented in compliance with the Public Finance Management Act [*Chapter 22:19*].

2. SERVICE DELIVERY

2.1. National heritage sites

Finding

The Museum could not fully implement its preservation of infrastructure strategy due to financial constraints. For instance, one (1) of its centres, had a damaged roof thereby exposing heritage assets to adverse weather conditions. This was contrary to section 4(1)(b) of the National Museums and Monuments of Zimbabwe Act [*Chapter 25:22*], which requires preservation of monuments.

Risk / Implication

Damage or loss of heritage assets due to exposure to adverse weather conditions.

Recommendation

The Museum should enhance its revenue generation strategies.

Management response

The observation is noted. However, the full and comprehensive preservation of infrastructure housing the collections is hampered by limited financial capacity. The Museum has detailed annual plans for the preservation of valuable artefacts as indicated in the annual plan namely monument preserved, monuments and collections preserved.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Museum did not make significant progress in addressing audit findings raised in my 2022, 2023 and 2024 annual reports. I raised one (1) audit finding in my 2024 annual report and followed up on six (6) findings outstanding in my 2022 and 2023 annual reports. Three (3) findings were addressed, three (3) were partially addressed and one (1) finding was not addressed as indicated below;

3.1. Valuation of property, plant and equipment

The finding was addressed. Revaluation of assets was conducted in 2024.

3.2. Submission of financial statements

The finding was not addressed. The Museum is still in arrears with 2025 financials.

3.3. Internal audit

The finding was partially addressed. The internal audit was able to complete eight (8) of the ten (10) planned engagements for the year.

3.4. Bank reconciliations

The finding was addressed. Bank reconciliations were now being prepared on time.

3.5. Bank accounts

The finding was addressed. The dormant bank accounts were closed.

3.6. Tourism levy

The finding was not addressed. The refurbishments were not done due to a lack of budgetary support. Management will engage the Zimbabwe Tourism Authority (ZTA) to secure the necessary licensing and formalize the remittance of the 2% tourism levy.

3.7. Motor vehicles fleet

The finding was partially addressed. Management acquired three (3) out of seven (7) planned vehicles.

Background Information

The University of Zimbabwe Farm Trust was incorporated in terms of the National Trust Act [*Chapter 2:12*]. The Farm Trust's principal activities include supporting the University of Zimbabwe as a commercial and educational institution through commercial agriculture, research and training in agriculture.

I have audited the financial statements of the University of Zimbabwe Farm Trust for the year ended September 30, 2024, and I issued an unmodified / clean opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the University of Zimbabwe Farm Trust as at September 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Below is a material issue noted during the audit;

2. EMPLOYMENT ISSUES

2.1. Statutory obligations

Finding

The Farm Trust faced cash flow challenges during the year ended September 30, 2024. As a result, statutory obligations for NSSA were not being remitted on time. This was contrary to the National Social Security Act [*Chapter 17:04*] which require that payments should be made by the 10th of the following month.

Risk / Implication

Financial loss due to penalties and interest that may be levied.

Recommendation

The Trust should enhance its revenue generation strategies.

Management response

We have been facing cashflow challenges due to persistent droughts. UZ Farm Trust will seek for assistance from UZ Main in future to cover statutory obligations.

3. PROGRESS TOWARDS ADDRESSING PRIOR YEAR AUDIT FINDINGS AND IMPLEMENTATION OF RECOMMENDATIONS

The Farm Trust did not address three (3) audit findings raised in my 2023 and 2024 annual reports as indicated below;

3.1. Maintenance of assets

The finding was not addressed. There was lack of cash resources.

3.2. Inventory reconciliations

The finding was not addressed. The inventory reconciliations were not being done in the current year.

3.3. Delivery of goods

The finding was not addressed. The goods have not delivered.

ANNEXURES

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	AUTHORITIES AND AGENCIES										
1.	Agricultural and Rural Development Authority (ARDA)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts not yet submitted.	2021 2022 2023	Qualified due to non-compliance with IAS 8, IAS 21 and IAS 29, valuation of investment property and property, plant and equipment. Qualified due to non-compliance with IFRS 13 and IAS 16. Accounts not yet submitted.	2020	Adverse opinion due to non-compliance with IAS 21, IAS 29 and IAS 41.	2019	Adverse due to non-compliance with IAS 21.
2.	Agricultural Marketing Authority (AMA)	2024 2025	Qualified due to non-compliance with IPSAS 3. Accounts submitted and audit is in progress	2023 2024	Qualified due to non-compliance with IPSAS 45, IPSAS 3 and valuation of property, plant and equipment. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 40, IAS 8 and IAS 16. Accounts submitted and audit is in progress.	2021	Qualified due to non-compliance with IAS 21 and IFRS 15.	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
3.	Broadcasting Authority of Zimbabwe (BAZ)	2022	Qualified due to non-compliance with IAS 16, IAS 8 and IAS 40.	2021	Qualified due to unsupported expenditure and non-compliance with IAS 16.	2019	Adverse due to non-compliance with IAS 21 and IAS 16.	-	-	-	-
		2023	Qualified due to non-compliance with IAS 16, IAS 8 and IAS 40.	2022	Accounts not yet submitted.	2020	Qualified due to non-compliance with IAS 21 and valuation of property, plant and equipment with report on going concern.				
		2024	Accounts submitted and audit in progress.	2023	Accounts not yet submitted.	2021	Accounts not yet submitted.				
		2025	Accounts not yet submitted.	2024	Accounts not yet submitted.	2022	Accounts not yet submitted.				
						2023	Accounts not yet submitted.				
4.	Civil Aviation Authority of Zimbabwe (CAAZ)	2024	Unqualified	2021	Qualified due to IFRS 16 with a report on going concern.	2020	Qualified due to non-compliance with IAS 21 with a report on going concern.	-	-	-	-
		2025	Qualified due to non-compliance with IPSAS 45 with a report on	2022	Unqualified with a report on going concern.	2021	Accounts not yet submitted.				
						2022					

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			going concern.	2023	Unqualified with a report on going concern.	2023	Accounts not yet submitted.				
				2024	Accounts submitted and audit in progress		Accounts not yet submitted.				
5.	Environmental Management Agency (EMA)	2024	Unqualified	2021	Qualified due to non-compliance with IAS 21 on opening balances, IAS 7 and unsupported trade receivables.	2020	Qualified due to non-compliance with IAS 21.	-	-	-	-
		2025	Audit is in progress.			2021	Accounts submitted and audit in progress.				
				2022	Qualified due to trade receivables, trade payables and non-compliance with IAS 7 and IAS 8.	2022	Accounts not yet submitted.				
				2023	Qualified due to trade receivables, trade payables and non-compliance with IAS 7, IAS 8 and IAS 16.	2023	Accounts not yet submitted.				
				2024	Accounts not yet submitted.						

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
6.	Health Professions Authority of Zimbabwe (HPAZ)	2025	Accounts submitted and audit is in progress	2023 2024	Unqualified Qualified due to unclassified deposits.	2022 2023	Qualified due to non-compliance with IAS 16 and IFRS 13. Accounts submitted and audit in progress.	2021	Unqualified	-	-
7.	Medicines Control Authority of Zimbabwe (MCAZ)	2024 2025	Unqualified Accounts submitted and is at signing stage.	2023 2024	Unqualified Accounts submitted and audit in progress.	2022 2023	Unqualified Accounts submitted and audit in progress.	2021	Unqualified	-	-
8.	National Biotechnology Authority of Zimbabwe (NBA)	2022 2023 2024 2025	Qualified due to non-compliance with IFRS 13. Qualified due to non-compliance with IFRS 13. Accounts submitted and audit is in progress.	2021 2022 2023	Adverse due to non-compliance with IAS 16, IAS 36, IAS 20 and IAS 21 on opening balances with a report on going concern. Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.	2021 2022 2023	Accounts submitted and audit is in progress. Accounts submitted and audit is in progress. Accounts not yet submitted.	-	-	2019 2020	Adverse due to non-compliance with IAS 21. Qualified due to non-compliance with IAS 21 on opening balance.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			Accounts not yet submitted.	2024	Accounts not submitted.						
9.	National Social Security Authority (NSSA)	2024	Adverse due to non-compliance with IAS 28, IFRS 13, IFRS 17, IFRS 11, IFRS 10 and inclusion of unaudited associate investees.	2023	Qualified due to non-compliance with IFRS 13, IAS 28, IAS 16, inclusion of unaudited associate investees and completeness of property, plant and equipment.	2021	Qualified due to non-compliance with IFRS 13, IAS 21, IFRS 15, IAS 36 and IAS 16.	2020	Qualified due to non-compliance with IAS 21 on opening balances.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2022	Adverse due to non-compliance with IFRS 10, IFRS 3, IAS 28, suspense account.				
						2023	Accounts submitted and audit is in progress.				
10.	Postal and Telecommunication Regulatory Authority of Zimbabwe (POTRAZ)	2025	Accounts submitted and audit is in progress	2023	Unqualified	2022	Unqualified	2021	Unqualified	-	-
				2024	Unqualified	2023	Accounts submitted and audit is in progress.				

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
11.	Procurement Regulatory Authority of Zimbabwe (PRAZ)	2024	Unqualified	2023	Unqualified	2022	Qualified due to non-compliance with IFRS 13.	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
12.	Radiation Protection Authority of Zimbabwe (RPAZ)	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
13.	Rural Infrastructure Development Agency (RIDA)	2023	Accounts submitted and audit is in progress.	2023	Accounts not submitted.	-	-	-	-	-	-
		2024	Accounts not submitted.	2024	Accounts not submitted.						
		2025	Accounts not submitted.								
14.	State Enterprise Restructuring Agency (SERA)	2024	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	-	-	-	-	-	-
			Accounts submitted								

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	and audit is in progress.								
15.	Zimbabwe Energy Regulatory Authority (ZERA)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21 on opening balances.
16.	Zimbabwe Investment Development Agency (ZIDA)	2024	Adverse due to non-compliance with IPSAS 4.	2024	Accounts submitted and audit is in progress.	2022	Qualified due to non-compliance with IFRS 13.	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress.			2023	Adverse due to IPSAS 46.				
17.	Zimbabwe National Geospatial and Space Agency (ZINGSA)	2020	Accounts submitted and audit is in progress.	2020	Accounts submitted and audit is in progress.	-	-	-	-	-	-
		2021	Accounts not yet submitted.	2021	Accounts not yet submitted.						
		2022	Accounts not yet submitted.	2022	Accounts not yet submitted.						
		2023		2023	Accounts not yet submitted.						
				2024							

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2024	Accounts not yet submitted.		Accounts not yet submitted.						
		2025	Accounts not yet submitted.								
			Accounts not yet submitted.								
18.	Zimbabwe National Road Administration (ZINARA)	2025	Accounts submitted and audit is in progress.	2023	Unqualified with a report on going concern.	2022	Qualified due to non-compliance with IFRS 13 with report on going concern.	2021	Adverse due to non-compliance with IAS 21, unrecorded tax liabilities.	2019	Adverse due to non-compliance with IAS 21.
				2024	Unqualified	2023	Accounts submitted and audit in progress.			2020	Qualified due to non-compliance with IAS 21.
19.	Zimbabwe National Statistics Agency (ZIMSTATS)	2024	Unqualified	2023	Qualified due to IAS 16, IAS 8 and 36.	2022	Qualified due to non-compliance with IAS 8, IAS 16 and IAS 36.	2020	Qualified due to non-compliance with IAS 21 and IAS 16.	2019	Adverse due to non-compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts not yet submitted.	2021	Unqualified		
20.	Zimbabwe National Water	2024	Qualified due to completeness and	2023	Adverse due to completeness of revenue and trade receivables and	2022	Adverse due to non-compliance with IFRS 16, revenue, trade receivables,	-	-	2021	Unqualified

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	Authority (ZINWA)	2025	accuracy of revenue and trade receivables. Accounts submitted and audit is in progress.	2024	non-compliance with IFRS 16 and IAS 8. Accounts submitted and audit is in progress.	2023	trade payables, IAS 2, cash and cash equivalents with report on going concern. Accounts submitted and audit is in progress.				
21.	Zimbabwe Parks and Wildlife Management Authority (ZIMPARKS)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified with a report on going concern. Accounts submitted and audit is in progress.	2022 2023	Unqualified Accounts submitted and audit is in progress.	2021	Unqualified	-	-
22.	Zimbabwe Revenue Authority (ZIMRA)	2025	Exchequer - Adverse due to non-compliance with IPSAS 4, trial balance and mining royalties database	2024	Unqualified	2023	Qualified due to non-compliance with IFRS 13.	2022	Qualified due to non-compliance with IFRS 16 and IAS 21.	2021	Unqualified

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			Grant – Clean opinion								
23.	Zimbabwe Tourism Authority (ZTA)	2023	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21 and IAS 8.	-	-	2020	Adverse due to non-compliance with IAS 21 on opening balances.
		2024	Qualified due to non compliance with IPSAS 43.	2023	Accounts submitted and audit is in progress.	2022	Accounts submitted and audit in progress.				
		2025	Accounts not yet submitted.	2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
BOARDS											
24.	Food Advisory Board	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
25.	Grain Marketing Board (GMB)	2022	Qualified due non-compliance with IFRS 10.	2022	Accounts submitted and audit in progress.	2021	Qualified due to non-compliance with IAS 21 and valuation of buildings.	2020	Adverse opinion due to non-compliance with IAS 21 and IAS 16.	-	-
		2023	Qualified due non-compliance with IFRS	2023	Accounts submitted and audit in progress.	2022	Accounts submitted and audit in progress.				
				2024	Accounts submitted and	2023	Accounts submitted and audit is in progress.				

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2024	10, IAS 36 and IAS 40. Qualified due non-compliance with IAS 40.		audit is in progress.						
		2025	Accounts submitted and audit is in progress.								
26.	Lotteries And Gaming Board	2024	Unqualified	2023	Qualified due to non-compliance with IAS 16.	2022	Qualified due to non-compliance with IAS 21, IAS 8 and IAS 29.	2021	Qualified due to non-compliance with IAS 21 on opening balances.	2020	Adverse due to non-compliance with IAS 21 and IAS 16.
		2025	Unqualified	2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.				
27.	Pig Industry Board	2025	Unqualified	2023	Qualified due to non-compliance with IAS 36, IAS 40 and opening balance.	2021	Qualified due to non-compliance with IAS 21.	-	-	2020	Qualified due to non-compliance with IAS 21 on opening balances.
				2024	Qualified due to IPSAS 41.	2022	Unqualified				
						2023	Accounts submitted and audit is in progress.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
28.	Tobacco Industry and Marketing Board (TIMB)	2025	Unqualified	2024	Unqualified	2022	Qualified due to non-compliance with IFRS 13.	2021	Qualified due to non-compliance with IFRS 13 and valuation of land and building.	-	-
						2023	Unqualified				
29.	Tobacco Research Board (TRB)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2021	Qualified due to non-compliance with IAS 21.	-	-
								2022	Qualified due to non-compliance with IAS 21 and IAS 8.		
30.	Zimbabwe National Boxing and Wrestling Control Board	2023	Adverse opinion due to unsupported foreign exchange gain and non-compliance with IAS 21	2022	Disclaimer due to IAS 21, IAS 29 and unavailability of adequate and proper supporting evidence.	2020	Qualified due to opening balances.	-	-	-	-
						2021	Unqualified				
						2022	Accounts submitted and audit is in progress.				
				2023	Accounts submitted and audit is in progress.						
		2024	Adverse opinion due to unsupported foreign exchange gain, non-compliance	2024	Accounts submitted and audit is in progress.	2023	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	with IAS 21 and IAS 8. Accounts not yet submitted.								
COMMISSIONS											
31.	Competition And Tariff Commission	2025	Accounts submitted and audit is in progress.	2023 2024	Unqualified Unqualified	2023	Accounts submitted and audit is in progress.	2021 2022	Unqualified Unqualified	-	-
32.	Consumer Protection Commission	2025	Accounts submitted and audit is in progress.	2024	Unqualified	2021 2022 2023	Unqualified Unqualified Unqualified	-	-	-	-
33.	Forestry Commission	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts not yet submitted.	2021	Qualified due to non-compliance with IAS 21 and IAS 8, IAS 16, IAS 36 and valuation of library books with report on going concern.	2019 2020	Adverse due to non-compliance with IAS 21. Qualified Due to non-compliance with IAS 21.	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
						2022	Qualified due to non-compliance to IAS 8 and IAS 21, IAS 36 and IAS 16.				
						2023	Accounts not yet submitted.				
34.	Health Service Commission (formerly Health Service Board)	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
35.	Insurance and Pensions Commission (IPEC)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21.
36.	National Competitiveness Commission (NCC)	2024	Unqualified with a report on going concern.	2023	Unqualified with a report on going concern.	2022	Unqualified with report on going concern.	2021	Unqualified	2020	Qualified due to non-compliance with IAS 21 on opening balances.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
37.	Securities and	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	Exchange Commission of Zimbabwe (SECZ)				with a report on going concern.		with a report on going concern.				with IAS 21.
38.	Sports and Recreation Commission (SRC)	2025	Unqualified	2024	Unqualified	2022	Qualified due to non-compliance with IAS 21.	2021	Qualified due to non-compliance to IAS 21.	2020	Adverse due to non-compliance with IAS 21.
						2023	Unqualified				
39.	Zimbabwe Anti-Corruption Commission (ZACC)	2022	Qualified due to non-compliance with IAS 21.	2021	Qualified due to non-compliance with IAS 21.	2021	Accounts submitted and audit in progress.	2019	Adverse due to non-compliance with IAS 21.	2018	Adverse due to non-compliance with IAS 21, and inadequate supporting documentation
		2023	Unqualified	2022	Accounts submitted and audit is in progress.	2022	Accounts submitted and audit is in progress.	2020	Qualified due to non-compliance with IAS 21.		
		2024	Unqualified								
		2025	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
				2024	Accounts submitted and audit is in progress.						
40.	Zimbabwe Electoral Commission (ZEC)	2025	Accounts submitted and audit is in progress.	2023 and 2024	Opted for IPSAS transitional and appropriation account.	2022	Qualified due to non-compliance with IAS 16 and IAS 36.	2021	Qualified due to valuation of property, plant and equipment.	2019	Adverse due to non-compliance with IAS 21.

	ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY										
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
						2023	Accounts not yet submitted.			2020	Qualified due to non -compliance with IAS 21.
41.	Zimbabwe Independent Complaints Commission	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
42.	Zimbabwe Media Commission	2024	Unqualified	2023	Unqualified with a report on going concern.	2022	Qualified due to non – compliance with IAS 36.	2021	Unqualified	2019	Adverse due to non -compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.			2020	Qualified due to non -compliance with IAS 21.
	COMPANIES AND CORPORATIONS										
43.	AFC Holdings Limited	2025	Unqualified	2024	Qualified due to non-compliance with IFRS 13.	2023	Unqualified	2022	Qualified due to processing suspense accounts of the subsidiary.	-	-
44.	AFC Insurance (Private) Limited Company	2025	Unqualified	2024	Qualified due to non-compliance with IFRS 13.	2023	Unqualified	2022	Unqualified	-	-
45.	AFC Leasing Company of Zimbabwe (Private) Limited	2025	Unqualified with a report on going concern	2024	Qualified due to non-compliance with IFRS 13.	2023	Unqualified	2021	Disclaimer due to accuracy of transactions.	-	-
								2022	Qualified due to opening balances.		

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY													
		2025 AG report		2024 AG report		2023 AG report			2022 AG report		2021 AG report		
46.	Airports Company of Zimbabwe	2022	Qualified due to unreceipted funds, expected credit losses, non-compliance with IAS 16 and IAS 36 with a report on going concern.	2021	Qualified due to non-compliance with IFRS 9 and IFRS 16 with a report on going concern.	2021	Accounts not yet submitted.		-	-	-	-	
						2022	Accounts not yet submitted.						
						2023	Accounts not yet submitted.						
				2022	Accounts not yet submitted.								
				2023	Accounts not yet submitted.								
				2024	Accounts not yet submitted.								
		2023	Accounts submitted and audit is in progress.										
		2024	Accounts submitted and audit in progress.										
		2025	Account not yet submitted.										
47.	Air Zimbabwe (Private) Limited	2024	Unqualified with a report on going concern.	2022	Unqualified with a report on going concern.	2020	Adverse due IAS 8 and IAS 2 with report on going concern.	2019	Disclaimer due to various issues.	-	-	-	

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Account not yet submitted.	2023 2024	Unqualified with a report on going concern. Accounts not yet submitted.	2021 2022 2023	Unqualified report on going concern. Accounts submitted and audit in progress. Accounts not yet submitted.				
48.	Allied Insurance Company (Private) Limited	2025	Unqualified with a report on going concern.	-	-	-	-	-	-	-	-
49.	Allied Timbers (Private) Limited	2024 2025	Adverse due to non-compliance with IAS 21 and currency conversions for biological asset valuation with a report on going concern. Accounts submitted	2023 2024	Adverse due to non – compliance with IAS 21, valuation of biological assets and existence of trade receivables. Accounts submitted and audit is in progress.	2022 2023	Qualified due to IAS 41 and IAS 16. Accounts submitted and audit in progress.	2021	Qualified due to non-compliance with IAS 21.	2020	Adverse due to non -compliance with IAS 21 and absence of audited results of foreign subsidiary.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			and audit is in progress.								
50.	Allied Timbers Saligna (Private) Limited	2024	Unqualified with a report on going concern.	-	-	-	-	-	-	-	-
		2025	Accounts submitted and audit is in progress.								
51.	Apple Bridge (Private) Limited	2015	Accounts submitted and audit is in progress.	2015	Accounts not yet submitted.	2015	Accounts not yet submitted.	-	-	-	-
				2016	Accounts not yet submitted.	2016	Accounts not yet submitted.				
		2016	Accounts submitted and audit is in progress.	2017	Accounts not yet submitted.	2017	Accounts not yet submitted.				
				2018	Accounts not yet submitted.	2018	Accounts not yet submitted.				
		2017	Accounts submitted and audit is in progress.	2019	Accounts not yet submitted.	2019	Accounts not yet submitted.				
				2020	Accounts not yet submitted.	2020	Accounts not yet submitted.				
		2018	Accounts submitted and audit is in progress.	2021	Accounts not yet submitted.	2021	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2022	Accounts not yet submitted.	2022	Accounts not yet submitted.				
				2023	Accounts not yet submitted.	2023	Accounts not yet submitted.				
				2024	Accounts not yet submitted.						
52.	Bindura Printing Press (Private) Limited	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to valuation of property, plant and equipment and supporting documents on opening balances. Accounts submitted and audit is in progress.	- -	- -	- -	- -	- -	- -
53.	Chemplex Agro Pharma (Private) Limited	2025	Unqualified	-	-	-	-	-	-	-	-
54.	Chemplex Corporation Limited	2025	Unqualified	2023	Qualified due to non-compliance with IFRS 17, and inclusion of unaudited Sable Chemical Industries Limited	2022	Qualified due to non-compliance with IAS 21 and inclusion of Sable Chemical Industries Limited financial statements.	-	-	2021	Adverse due to non-compliance with IAS 21 and IAS 29.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
					in the prior consolidated year financial statements.	2023	Accounts submitted and audit is in progress.				
				2024	Unqualified						
55.	Chinhoyi University of Technology Agro Industrial Park (Private) Limited	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
56.	CMED Fuels (Private) Limited	2024	Unqualified with a report on going concern.	2022	Unqualified	2021	Qualified due to non-compliance with IFRS 13, IAS 36 and IAS 8.	2020	Qualified due to non-compliance with IAS 21 and IAS 16.	-	-
		2025	Accounts submitted and audit is in progress.	2023	Unqualified	2022	Accounts submitted and audit in progress.				
				2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit in progress.				
57.	CMED (Private) Limited	2024	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IFRS 13, IAS 16, IAS 36 and IAS 8.	2020	Qualified due to non-compliance with IAS 21 and IAS 16.	-	-
		2025	Accounts submitted and audit is in progress.	2023	Unqualified	2022					
				2024	Accounts submitted and						

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
					audit is in progress.	2023	Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.				
58.	Conflor Investments (Private) Limited	2024	Qualified due to accounting for operating expenditure	2023	Qualified due to non-compliance with IFRS 16, opening balances and completeness of expenditure.	-	-	-	-	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.						
59.	Courier Connect (Private) Limited	2020	Disclaimer due to non-compliance with IAS 36, IAS 8, IAS 21, IAS 29, IAS 24, supporting documentation – fuel and opening balances.	2019	Disclaimer due to non-compliance with IAS 36, IAS 16, IAS 29, IAS 21, limitation of scope on assets.	2017	Disclaimer due to limitation of scope on journal entry testing, other payables, inventory, litigation and claims, absence of third-party confirmation on receivables, payables with report on going concern.	-	-	-	-
				2020	Accounts submitted and audit is in progress.						

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2021	Accounts submitted and audit is in progress.	2021	Accounts submitted and audit is in progress.	2018	Disclaimer due to non-compliance with IAS 21, IFRS 9, limitation of scope on journal entry testing, other payables, inventory, litigation and claims, absence of third-party confirmation on receivables, payables with report on going concern.				
		2022	Merged into ZIMPOST from 2022.	2022	Merged into ZIMPOST from 2022.	2019	Accounts submitted and audit in progress.				
						2020	Accounts submitted and audit in progress.				
						2021	Accounts submitted and audit in progress.				
						2022	Accounts now reported under ZIMPOST.				
60.	Defold Mine (Private) Limited	2021	Adverse due to non-compliance	2021	Accounts submitted and	2020	Qualified due to non-compliance with IFRS 10.	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2022	with IAS 21 and IAS 29. Adverse due to non-compliance with IAS 21 and IAS 29.	2022	audit is in progress. Accounts not yet submitted.	2021	Accounts submitted and audit is in progress. Accounts not yet submitted.				
		2023	Adverse due to non-compliance with IAS 21 with a report on going concern.	2023	Accounts not yet submitted.	2022	Accounts not yet submitted.				
		2024	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2023					
		2025	Accounts not yet submitted.								
61.	Deposit Protection Corporation (DPC)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2021	Qualified due to non-compliance with IAS 21.	-	-
								2022	Qualified due to non-compliance to		

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
									IAS 21, valuation of property, plant and equipment.		
62.	Deven Engineering (Private) Limited	2025	Unqualified	2024	Qualified due non-compliance with IFRS 13 with a report on going concern.	2023	Qualified due to non-compliance with IAS 21 and IAS 8 with report on going concern.	2022	Qualified due to non-compliance with IAS 21.	2021	Unqualified
63.	Dorowa Minerals Limited	2025	Unqualified with a report on going concern.	-	-	-	-	-	-	-	-
64.	EasyGo Car Hire and Travel (Private) Limited	2024 2025	Unqualified Accounts submitted and audit is in progress.	2022 2023 2024	Unqualified Unqualified Accounts submitted and audit is in progress.	2021 2022 2023	Qualified due to non-compliance with IFRS 13, IAS 8, IAS 16 and IAS 36. Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.	2020	Qualified due to non-compliance with IAS 21 and IAS 16.	-	-
65.	G & W Industrial Minerals (Private) Limited	2025	Unqualified with a report on going concern.	-	-	-	-	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
66.	Good Trueworth Enterprise (Private) Limited	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
67.	Genesis Energy (Private) Limited	2025	Company not operational.	2024	Unqualified	2022 2023	Unqualified Unqualified	2021	Unqualified	2020	Qualified due to non-compliance with IAS 21.
68.	Hotspeck Enterprises (Private) Limited	2025	Accounts submitted and audit in progress.	2023 2024	Qualified due to non-compliance with IAS 2. Unqualified	2022 2023	Qualified due to non-compliance with IAS 2. Accounts submitted and audit in progress.	2021	Qualified due to non-compliance with IAS 21, IAS 8 and IAS 29.	2020	Adverse due to non-compliance with IAS 21 on opening balances.
69.	Hwange Electricity Supply Company (Private) Limited (HESCO)	2024 2025	Qualified due to non-compliance with IAS 21 Unqualified	2023 2024	Qualified due to non-compliance with IFRS 13. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IFRS 13 and IAS 21. Accounts submitted and audit is in progress.	2021	Qualified due to non-compliance with IAS 21 and 29.	-	-
70.	Industrial Development Corporation of Zimbabwe (IDCZ)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023	Qualified due to non-compliance with IAS 8, IAS 21, IAS 29, IFRS 17 and consolidation of	2022	Qualified due to non-compliance with IAS 21, inclusion of unaudited financial statements for a subsidiary and IAS 29.	2021	Qualified due to non-compliance with IAS 21 on opening balances.	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2024	unaudited results of subsidiary. Accounts submitted and audit is in progress.	2023	Accounts submitted and audit in progress.				
71.	Infralink (Private) Limited	2025	Accounts submitted and audit is in progress.	2023	Unqualified with a report on going concern.	2022	Qualified due to non-compliance with IAS 21 on opening balances with a report on going concern.	2021	Adverse due to non-compliance with IAS 21 and unrecorded tax liabilities.	-	-
				2024	Unqualified	2023	Accounts submitted and audit in progress.				
72.	Kariba Hydro Power Company	2024	Qualified due to non-compliance with IFRS 13.	2023	Qualified due to non-compliance with IFRS 13.	2022	Qualified due to non-compliance with IAS 21 and IFRS 13.	2021	Qualified due to non-compliance with IAS 21, IAS 8, IAS 29 and valuation of property, plant and equipment.	-	-
		2025	Unqualified	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
73.	Mellofieldde Chemicals (Private) Limited	2024	Unqualified with an emphasis of matter.	2023	Unqualified with report on going concern.	2022	Unqualified with report on going concern.	2021	Qualified due to non-compliance to IAS 21.	-	-
		2025		2024	Accounts submitted and	2023					

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			Accounts submitted and audit is in progress.		audit is in progress.		Accounts submitted and audit is in progress.				
74.	Minerals Marketing Corporation of Zimbabwe (MMCZ)	2024	Unqualified with an emphasis of matter.	2023	Unqualified with a report on going concern.	2022	Unqualified	2021	Qualified due to non-compliance to IAS 21.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
75.	Mining Promotion Corporation (Private) Limited (MPC)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	2019	Adverse due to non-compliance with IAS 21.
										2020	Qualified due to non-compliance with IAS 21.
										2021	Qualified due to non-compliance with IAS 21.
76.	Mosi- Oa Tunya Development Company (Private) Limited	2023	Qualified due to non-compliance with IFRS 13.	2022	Qualified due to non-compliance with IFRS 13 and IAS 16.	2021	Qualified due to non-compliance with IFRS 13.	2020	Qualified due to non-compliance with IAS 21.	2019	Adverse due to non-compliance with IAS 21.
		2024	Unqualified	2023	Accounts submitted and audit is in progress.	2022	Accounts submitted and audit is in progress.				
						2023					

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.		Accounts not yet submitted.				
77.	National Handicraft Centre (Private) Limited	2022	Accounts not yet submitted.	2019	Disclaimer due to absence of books of accounts, unaudited opening balances, valuation of property, plant and equipment and non-compliance with IAS 1, IAS 12 and IAS 29.	2019	Accounts submitted and audit is in progress.	-	-	-	-
		2023	Accounts not yet submitted.			2020	Accounts submitted and audit is in progress.				
		2024	Accounts not yet submitted.			2021	Accounts submitted and audit is in progress.				
		2025	Accounts submitted and audit is in progress.	2020	Disclaimer due to absence of books of accounts, unaudited opening balances, valuation of property, plant and equipment and non-compliance with IAS 29.	2022	Accounts not yet submitted.				
						2023	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2021	Disclaimer due to absence of books of accounts, unaudited opening balances, valuation of property, plant and equipment and non-compliance with IAS 29 and IAS 8.						
				2022	Accounts not yet submitted.						
				2023	Accounts not yet submitted.						
				2024	Accounts not yet submitted.						
78.	National Handling Services (Private) Limited	2024	Qualified due to non-compliance with IAS 16 and IFRS 16 with a report on going concern.	2023	Qualified due to non-compliance with IAS 29 with a report on going concern.	2022	Disclaimer due to non-compliance with IFRS 3, IFRS 10 and IAS 2.	2020	Adverse due to non-compliance with IAS 21, IAS16.	2019	Adverse due to non-compliance with IAS 21.
				2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.	2021	Adverse due to IAS 21, IAS 8, IAS 29, IFRS 3 and IFRS 10.		
		2025	Accounts submitted								

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			and audit is in progress.								
79.	National Handling Services Close Corporation (CC)	2024	Unqualified with a report on going concern.	2019	Unqualified with a report on going concern.	2019	Accounts submitted and audit in progress.	-	-	-	-
		2025	Unqualified with a report on going concern.	2020	Qualified due to storage fees, not supported with a report on going concern.	2020	Accounts submitted and audit in progress.				
				2021	Qualified due to unsupported accumulated loss from prior year with a report on going concern.	2021	Accounts submitted and audit in progress.				
				2022	Qualified due to unsupported accumulated loss from prior year with a report on going concern.	2022	Accounts submitted and audit in progress.				
				2023	Unqualified with a report on going concern. Accounts submitted and	2023	Accounts not yet submitted.				

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2024	audit is in progress.						
80.	National Oil Infrastructure Company (Private) Limited (NOIC)	2025	Unqualified	2024	Unqualified	2022	Qualified due to valuation of property, plant and equipment.	2021	Unqualified	2020	Qualified due to non-compliance to IAS 21 on opening balances.
						2023	Unqualified				
81.	National Pharmaceutical Company (NATPHARM)	2025	Unqualified	2024	Unqualified	2022	Qualified due to non-compliance to IAS 8 and IAS 21.	-	-	2021	Qualified due to non-compliance to IAS 21 on opening balances.
						2023	Unqualified				
82.	National Railways of Zimbabwe (NRZ)	2023	Adverse due to non-compliance with IAS 21, IFRS 13, IAS 8, IAS 29, valuation of inventory, completeness, existence and accuracy of loans and borrowings accuracy of income tax,	2022	Adverse due to non-compliance with Income Tax Act, IAS 21, valuation property, plant and equipment and investment property, right of use assets, inventory valuation and completeness, existence and accuracy of loans and borrowings with a report on going concern.	2021	Adverse due to non – compliance with IAS 21, valuation of loans and borrowings, IAS 16, IAS 40, intangible assets, misstatement of receivables and revenue, payables and expenses, valuation of inventory, IAS 19 with report on going concern.	-	-	-	-
						2022	Accounts submitted and audit is in progress.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			completeness and existence of trade and other receivables and trade and other payables, completeness and accuracy of real estate income with a report on going concern.	2023	Accounts not yet submitted.	2023	Accounts not yet submitted.				
				2024	Accounts not yet submitted.						
		2024	Accounts not yet submitted.								
		2025	Accounts not yet submitted.								
83.	National Venture Capital Company of Zimbabwe	2023	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
		2024									

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.								
			Accounts not yet submitted.								
84.	NetOne Cellular (Private) Limited	2024	Qualified due to non-compliance with IFRS 13 with a report on going concern.	2023	Qualified due to non-compliance with IFRS 13 with a report on going concern.	2022	Qualified due to non-compliance to IAS 21, and valuation of property, plant and equipment with a report on going concern.	2021	Adverse due to non-compliance with IAS 21, IAS 29 and valuation of Property, plant and equipment	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
85.	New Ziana (Private) Limited	2022	Accounts submitted and audit is in progress.	2021	Adverse due to valuation of property, plant and equipment, operating expenses, trade receivables, accounts payables, cash and cash equivalents.	2020	Adverse due to non – compliance with IAS 21 and valuation of property, plant and equipment with a report on going concern.	2019	Adverse opinion due to non-compliance with IAS 21, and valuation of assets.	-	-
		2023	Accounts not yet submitted.								
		2024	Accounts not yet submitted.			2021	Accounts not yet submitted.				
						2022					

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.	2022 2023 2024	Accounts not yet submitted. Accounts not yet submitted. Accounts not yet submitted.	2023	Accounts not yet submitted. Accounts not yet submitted.				
86.	Percentage Discount (Private) Limited	2024 2025	Unqualified Accounts submitted and is at signing stage.	-	-	-	-	-	-	-	-
87.	Petrotrade (Private) Limited	2024 2025	Unqualified Unqualified	2022 2023 2024	Qualified due to non-compliance with IFRS 13. Unqualified Accounts submitted and audit is in progress.	2022 2023	Accounts submitted and audit in progress. Accounts submitted and audit is in progress.	2021	Qualified due to valuation of property, plant and equipment, IFRS 13.	2020	Qualified due to non-compliance with IAS 21 on opening balances.
88.	Petrozim line (Private) Limited	2025	Unqualified	2024	Unqualified	2022 2023	Qualified due to valuation of property, plant and equipment. Unqualified	2021	Unqualified	2020	Qualified due to non-compliance with IAS 21 on opening balances

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
89.	Powertel Communications (Private) Limited	2024	Qualified due to non-compliance with IFRS 13 with a report on going concern.	2023	Qualified due to non-compliance with IFRS 13 with a report on going concern.	2022	Qualified due to valuation of property, plant and equipment with report on going concern.	2021	Qualified due to non-compliance with IAS 21, IAS 29 and revaluation of property, plant and equipment.	-	-
		2025	Unqualified with a report on going concern.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
90.	Printflow (Private) Limited	2024	Unqualified	2023	Unqualified	2022	Qualified due to non-compliance with IFRS 13.	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
91.	Rainbow Tourism Group	2025	Unqualified	2024	Unqualified	2023	Unqualified	-	-	-	-
92.	Road Motor Services (RMS)	2021	Accounts not yet submitted.	2021	Accounts not yet submitted.	2021	Accounts not yet submitted.	-	-	2018	Adverse due to non-compliance with IAS 21 and with report on going concern.
		2022	Accounts not yet submitted.	2022	Accounts not yet submitted.	2022	Accounts not yet submitted.				
		2023	Accounts not yet submitted.	2023		2023				2019	Adverse due to

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2024	Accounts not yet submitted.	2024	Accounts not yet submitted.		Accounts not yet submitted.				non-compliance with IAS 21 and with report on going concern.
		2025	Accounts not yet submitted.								
93.	Sabi Gold Mine (Kimberworth Investment) (Private) Limited	2025	Accounts submitted and audit is in progress.	2024	Unqualified	2022	Unqualified	-	-	2017	Unqualified
						2023	Unqualified with report on going concern.			2018	Adverse due to non-compliance with IAS 21 with report on going concern.
										2019	Adverse due to non-compliance with IAS 21.
										2020	Adverse due to non-compliance with IAS 21.
										2021	Qualified due to non-compliance with IAS 21 with report on going concern.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
94.	Silo Foods Industries (Private) Limited	2022	Accounts submitted and audit is in progress.	2022	Accounts submitted and audit is in progress.	2022	Accounts not yet submitted.	2021	Qualified due to non-compliance with IFRS 16.	2020	Adverse due to non-compliance with IAS 21.
		2023	Accounts not yet submitted.	2023	Accounts not yet submitted.	2023	Accounts not yet submitted.				
		2024	Accounts not yet submitted.	2024	Accounts not yet submitted.						
		2025	Accounts not yet submitted.								
95.	Sunway City (Private) Limited	2025	Unqualified	2024	Unqualified	2022	Qualified due to non-compliance with IAS 21.	-	-	2021	Adverse due to non-compliance with IAS 21, IAS 29 and IFRS 13.
						2023	Qualified due to non-compliance with IAS 21.				
96.	Technological and Commercial Information Promotion Systems (TIPS)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
97.	TelOne (Private) Limited	2024	Unqualified with a report on going concern.	2024	Accounts submitted and audit is in progress.	2023	Unqualified with an emphasis of matter.	2022	Unqualified with a material uncertainty relating to going concern.	2021	Unqualified with a material uncertainty relating to going concern.
		2025	Unqualified								
98.	Transmedia Corporation (Private) Limited	2024	Unqualified	2023	Unqualified	2023	Accounts submitted and audit is in progress.	2022	Qualified due to investment in associate.	2021	Adverse due to non-compliance with IAS 21, IAS 29 and IAS 28.
		2025	Unqualified	2024	Accounts submitted and audit is in progress.						
99.	Urban Development Corporation (UDCORP)	2024	Qualified due to non-compliance with IAS 2.	2023	Adverse due to non-compliance with IFRS 13, IAS 8, IAS 21 on opening balances and IAS 29.	2021	Adverse due to non-compliance to IAS 21, IAS 8, IAS 29 and IAS 40.	2020	Adverse due to non-compliance to IAS 21, IAS 8 and valuation of investment property.	-	-
		2025	Unqualified	2024	Accounts submitted and audit is in progress.	2022	Adverse due to non-compliance to IAS 21, IAS 8 and IFRS 13.				
						2023	Accounts submitted and audit in progress.				
100.	Verify Engineering (Private) Limited	2023	Qualified due to valuation of inventory and existence	2022	Adverse due to supporting documents for other income, inventory variance and non-	2019	Adverse due to non-compliance with IAS 21, IAS 2, IAS 37 with report on going concern.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			and accuracy of expenditure with a report on going concern.		compliance with IFRS 16 and IAS 37.	2020	Adverse due to non-compliance with IAS 21, IAS 37, revenue and report on going concern.				
		2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.	2021	Adverse due to non-compliance with IAS 21, IFRS 16, IAS 37, and report on going concern.				
		2025	Accounts not yet submitted.	2024	Accounts not yet submitted.	2022	Accounts submitted and audit in progress.				
						2023	Accounts not yet submitted.				
101.	Willowvale Motor Industries (Private) Limited	2025	Unqualified	2024	Qualified due to misclassification of trade and other payables and posting errors in accounting receivables and cash control account.	2022	Qualified due to non-compliance with IAS 21.	2021	Adverse due to non-compliance with IAS 21.	-	-
						2023	Qualified due to non-compliance with IAS 21 with a report on going concern.				
102.	Woodlands Farm Private) Limited	-	The company now a JV.	2023	Qualified due to unsupported expenditure and	2022	Qualified due to shareholder loan and unsupported expenditure.	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2024	completeness of wage bill. Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
103.	ZESA Enterprises (Private) Limited (ZENT)	2024	Qualified due non-compliance with IFRS 13 with a report on going concern.	2023	Qualified due non-compliance with IFRS 13 and IAS 16 with a report on going concern.	2022	Qualified due to non-compliance with IAS 21.	2021	Qualified due to valuation of property, plant and equipment.	-	-
		2025	Unqualified with a report on going concern.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit in progress.				
104.	ZESA Holdings (Private) Limited	2024	Qualified due to non-compliance with IFRS 13.	2023	Qualified due to non-compliance with IFRS 13.	2022	Qualified due to non-compliance with IFRS 13, IAS 29, IAS 21, and IAS 8 with report on going concern.	2021	Qualified due to non-compliance with IAS 21, IAS 29 and IFRS 13.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit in progress.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
105.	Zimbabwe Academic and Research Network (ZARNet) (Private) Limited	2022	Accounts submitted and is at signing stage.	2020	Qualified due to IAS 21 on opening balances.	2020	Accounts submitted and audit in progress.	2018	Adverse due to non-compliance with IAS 21.	-	-
		2023	Accounts submitted and is at signing stage.	2021	Qualified due to non-compliance with IAS 16, IAS 36, IAS 21 and IAS 8.	2021	Accounts not yet submitted.	2019	Adverse due to non-compliance with IAS 21, IAS 8.		
		2024	Accounts submitted and audit is in progress.	2022	Accounts not yet submitted.	2022	Accounts not yet submitted.				
		2025	Accounts submitted and audit is in progress.	2023	Accounts not yet submitted.	2023	Accounts not yet submitted.				
106.	Zimbabwe Broadcasting Corporation (ZBC)	2024	Qualified due to completeness of revenue.	2023	Qualified due to completeness of revenue and non-compliance with IAS 16.	2020	Adverse due to IAS 21.	2018	Adverse due to non-compliance with IAS 21.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2021	Qualified due to IAS 21, IAS 8, IAS 16, IAS 36, IFRS 16 and revenue.	2019	Adverse due to non-compliance with IAS 21.		
						2022	Qualified due to IAS 21, IAS 8, IAS 16,				

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
						2023	IAS 36, IFRS 16 and revenue. Accounts not yet submitted.				
107.	Zimbabwe Consolidated Diamond Company (ZCDC)	2024	Adverse due to IAS 21 with an emphasis of matter.	2023	Adverse due to IAS 21 with an emphasis of matter.	2022	Adverse due to IAS 21.	2021	Adverse due to non-compliance with IAS 21.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
108.	Zimbabwe Electricity Transmission and Distribution Company (ZETDC)	2024	Qualified due to non-compliance with IFRS 13.	2023	Qualified due to non-compliance with IFRS 13.	2022	Qualified due to non-compliance with IAS 21, IAS 29 and IFRS 13.	2021	Qualified due to non-compliance with IAS 21, IAS 8, IAS 29 and valuation of property, plant and equipment.	-	-
		2025	Unqualified with a report on going concern.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
109.	Zimbabwe Iron and Steel Company (ZISCO)*	2019-2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
110.	Zimbabwe Mining Development Corporation (ZMDC)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Adverse due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	2022 2023	Adverse due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	2021	Adverse due to non-compliance with IAS 21, IAS 28, IFRS 11 and IAS 8.	-	-
111.	Zimbabwe Phosphate Industries Limited	2025	Unqualified	-	-	-	-	-	-	-	-
112.	Zimbabwe Post (Private) Limited (ZIMPOST)	2019	Disclaimer due to non-compliance with IAS 16, IAS 36, IAS 29, IAS 21, existence of property, plant and equipment, asset register, limitation of scope on inventory, trade receivables, litigations and claims, journal	2019 2020 2021 2022	Accounts submitted and audit is in progress. Accounts submitted and audit is in progress. Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.	2017 2018	Disclaimer due to IAS 16, cash and cash equivalents, limitation of scope with a report on going concern. Disclaimer due to IAS 21, IFRS 9, IAS 16, cash and cash equivalents, trade payables, trade receivables, expenses, prepayments, contingent liability, limitation of scope with a report on going concern.	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2020	testing, trade and other payables, third party confirmation for consignment inventory, debenture receivables, prepayments, deferred revenue, general limitation of scope, contingent liability, inclusion of unaudited financial statements of a subsidiary, share capital with a report on going concern. Accounts submitted	2023	Accounts submitted and audit is in progress.	2019	Accounts submitted and audit is in progress.				
				2024	Accounts submitted and audit is in progress.	2020	Accounts submitted and audit is in progress.				
						2021	Accounts submitted and audit is in progress.				
						2022	Accounts submitted and audit is in progress.				
						2023	Accounts submitted and audit is in progress.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2021	and audit is in progress.								
		2022	Accounts submitted and audit is in progress.								
		2023	Accounts submitted and audit is in progress.								
		2024	Accounts submitted and audit is in progress.								
		2025	Accounts submitted and audit is in progress.								
113.	Zimbabwe Post Properties (Private) Limited	2020	Disclaimer due to non-compliance with IAS 36, IAS 16, IAS	2019	Disclaimer due to IAS 21, IAS 29, IAS 36, IFRS 9, IAS 16, IAS 37, inclusion of	2017	Disclaimer due to IAS 16, cash and cash equivalents, trade and other receivables,	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2021	29, IAS 21, IAS 24 and opening balances. Accounts submitted and audit in progress.		unaudited financial statements of a subsidiary, asset register, supporting document for vehicle mileage books, limitation of scope on inventories, journals, cash and cash equivalents, trade payables, and contingent liability on the pension fund with a report on going concern.	2018	payables, IAS 37 limitation of scope with a report on going concern. Disclaimer due to IAS 21, IFRS 9, IAS 16, IAS 37, cash and cash equivalents, trade payables, trade receivables, expenses, prepayments, contingent liability, limitation of scope with a report on going concern.				
		2022	Account now reported under ZIMPOST starting 2022.	2020	Accounts submitted and audit in progress.	2019	Accounts submitted and audit in progress.				
				2021	Accounts submitted and audit in progress.	2020	Accounts submitted and audit in progress.				
				2022	Account now reported under ZIMPOST starting 2022.	2021	Accounts submitted and audit in progress.				
						2022	Account now reported under ZIMPOST.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
114.	Zimbabwe Power Company (Private) Limited (ZPC)	2024	Qualified due to non-compliance with IAS 21 and IFRS 13.	2023	Qualified due to non-compliance with IAS 21 and IFRS 13.	2022	Qualified due to non – compliance with IAS 21 with report on going concern.	2021	Qualified due to non– compliance with IAS 21, IAS 29, valuation of property, plant and equipment.	-	-
		2025	Unqualified	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
115.	Zimbabwe United Passenger Company (ZUPCO)	2022	Adverse due to with IAS 21, IAS 8, material misstatements of cost of sales, inventory, trade payables, trade receivables, cash and cash equivalents, valuation of gratuity provision, material misstatement of other income,	2022	Accounts submitted and audit is in progress.	2021	Adverse due to with IAS 21, IAS 24, IAS 40, cost of sales, trade payables, trade receivables and private hire revenue with report on going concern.	2020	Adverse due to non-compliance with IAS 21, IAS 24, IAS 40, trade and other payables, cash and cash equivalents and revenue issues.	-	-
				2023	Accounts not yet submitted.						
				2024	Accounts not yet submitted.	2022	Accounts submitted and audit in progress.				
						2023	Accounts not yet submitted.				

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2023	misstatement of operating expenses with report on going concern. Adverse due to non-compliance with IAS 21, unconfirmed balance, unsupported amounts and balances and unreconciled balances with a report on going concern.								
		2024	Accounts not yet submitted.								
		2025	Accounts not yet submitted.								

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
116.	Zimbabwe Technological Solutions (Private) Limited	2025	Unqualified	-	-	-	-	-	-	-	-
COUNCILS											
117.	Agricultural Research Council of Zimbabwe (ARC)	2023	Qualified due to IAS 16	2022	Qualified due to IAS 16 and staff costs.	2021	Qualified due to non-compliance with IAS 21.	2020	Qualified due to non-compliance with IAS 21.	2018	Adverse due to non-compliance with IAS 21.
				2023	Accounts submitted and audit is in progress.	2022	Accounts not yet submitted.				
				2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
118.	Allied Health Practitioners Council of Zimbabwe (AHP CZ)	2024	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21.	2019	Adverse due to non-compliance with IAS 21.	-	-
		2025	Accounts not yet submitted.	2023	Unqualified		Accounts submitted and audit in progress.		Qualified due to non-compliance with IAS 21.		
				2024	Accounts not yet submitted.	2022	Accounts not yet submitted.	2020			
						2023	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
119.	Consumer Council of Zimbabwe (CCZ)	2025	Unqualified	2024	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21 on opening balances.	-	-
						2023	Qualified due to unsupported expenditure.				
120.	Council of Social Works	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
		2024	Accounts not yet submitted.								
		2023	Accounts not yet submitted.								
121.	Environmental Health Practitioners Council of Zimbabwe (EHPCZ)	2024	Qualified due to non-compliance with IAS 21 and IAS 8.	2022	Adverse due to revenue recognition, unallocated and non-compliance with IAS 21, IAS 29 and IFRS 9.	2021	Adverse due to non-compliance with IAS 21, IAS 16, revenue recognition, IFRS 9 and IAS 29.	2019	Adverse due to non-compliance with IAS 21.	-	-
		2025	Accounts not yet submitted.	2023	Adverse due to IAS 21, IAS 8, revenue, valuation of property, plant and equipment.	2022	Accounts submitted and audit is in progress.	2020	Qualified due to non-compliance with IAS 21 on opening balances.		
						2023	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2024	Accounts not yet submitted.						
122.	Food and Nutrition Council (FNC)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	-	-
123.	Medical and Dental Practitioners Council of Zimbabwe (MDPCZ)	2024	Qualified due to completeness and accuracy of revenue.	2023	Unqualified	2022	Qualified due to non-compliance with IAS 21, IAS 8 and IAS 29.	2021	Qualified due to non-compliance with IAS 21, IAS 29 and IAS 8.	2020	Adverse due to non-compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
124.	Medical Laboratory and Clinical Scientists Council of Zimbabwe (MLCSCZ)	2024	Unqualified	2023	Unqualified	2022	Adverse due to non-compliance with IAS 21 and IAS 29.	2019	Adverse due to non-compliance with IAS 21 and IAS 16 valuation of property, plant and equipment.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit in progress.	2023	Accounts submitted and audit in progress.	2020	Adverse due to non-compliance with IAS 21 and IAS 16 valuation of property, plant and equipment.		
								2021			

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
									Adverse due to non-compliance with IAS 21, IAS 29 and IFRS 9.		
125.	Medical Rehabilitation Practitioners Council of Zimbabwe (MRPCZ)	2024	Unqualified	2023	Unqualified	2021	Adverse due to non – compliance with IAS 16, IAS 21, IAS 29 and IFRS 13.	-	-	2019	Adverse due to non – compliance with IAS 21.
		2025	Unqualified	2024	Accounts not yet submitted.	2022	Adverse due to non-compliance with IAS 21 and IAS 16.			2020	Adverse due to non- compliance with IAS 21.
						2023	Accounts not yet submitted.				
126.	National AIDS Council of Zimbabwe (NAC)	2024	Unqualified	2023	Qualified due to non-compliance with IFRS 13, IAS 16, IFRS 15 and IFRS 16.	2022	Qualified due to non - compliance with IAS 2, IAS 16, IAS 36 and IFRS 13.	2021	Unqualified	2020	Qualified due to non -compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
127.	National Arts Council of Zimbabwe	2022	Unqualified	2022	Accounts submitted and audit is in progress.	2021	Qualified due to IAS 21, IAS 8 and IAS 16.	-	-	2020	Qualified due to non -compliance with IAS 21.
		2023	Unqualified			2022	Accounts not yet submitted.				
		2024		2023							

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress. Accounts not yet submitted.	2023	Accounts not yet submitted.				
128.	Nurses Council of Zimbabwe (NCZ)	2023	Qualified due to unclassified deposits, system integration and VAT invoices.	2021	Qualified due to unclassified deposits.	2021	Accounts submitted and audit in progress.	2019	Adverse due to non – compliance with IAS 21.	-	-
		2024	Accounts not yet submitted.	2022	Qualified due to unclassified deposits.	2022	Accounts submitted and audit is in progress.	2020	Qualified due to non- compliance with IAS 21, trade receivables.		
		2025	Accounts not yet submitted.	2023	Accounts not yet submitted.	2023	Accounts not yet submitted.				
				2024	Accounts not yet submitted.						
129.	Pharmacists Council of Zimbabwe	2024	Accounts submitted and audit in progress.	2023	Qualified due to revenue recognition and non-compliance with IAS 21, IAS 8 and IAS 21.	2022	Qualified due to non-compliance with IAS 21, IAS 29 and unsupported sundry expenses.	2021	Adverse due to non-compliance with IAS 21, suspense account and trade and other payables.	2020	Adverse due to non -compliance with IAS 21
		2025									

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			Accounts not yet submitted.	2024	Accounts not yet submitted.	2023	Accounts submitted and audit in progress.				
130.	Research Council of Zimbabwe	2024	Qualified due to non-compliance with IFRS 13.	2023	Qualified due to non-compliance with IAS 38 and IAS 38.	2022	Unqualified	-	-	2021	Unqualified
		2025	Unqualified	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
131.	Traditional Medical Practitioners Council	2025	Accounts submitted and audit in progress.	2023	Qualified due to non-compliance with IAS 21 and IAS 8.	2022	Adverse due to non-compliance with IAS 1 and IAS 21.	-	-	-	-
				2024	Unqualified	2023	Accounts submitted and audit in progress.				
132.	Traffic Safety Council of Zimbabwe	2024	Unqualified	2023	Unqualified	2023	Accounts submitted and audit in progress.	2021	Qualified due to non-compliance with IAS 21 on opening balances.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.			2022	Unqualified		
133.	Valuers Council of Zimbabwe	2023	Qualified due to non-compliance	2022	Qualified due to non-compliance with IAS 21 and IFRS 9.	2019	Adverse due to non-compliance with IAS 21, IAS 29, IFRS 9 and valuation of	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2024	with IAS 21 and IFRS 9. Qualified due to non-compliance with IFRS 9, IFRS 13 and IAS 29. Accounts submitted and audit in progress.	2023	Accounts submitted and audit is in progress.	2020	property, plant and equipment. Adverse due to non-compliance with IAS 21 on opening balances, IAS 29, IFRS 9 and valuation of property, plant and equipment.				
		2025		2024	Accounts not yet submitted.	2021	Adverse due to non-compliance with IAS 21 on opening balances, IAS 29, IFRS 9 and valuation of property, plant and equipment.				
						2022	Accounts submitted and audit in progress.				
						2023	Accounts submitted and audit in progress.				
134.	Zimbabwe Council of Higher Education (ZIMCHE)	2024	Unqualified	2023	Unqualified	2022	Qualified due to non-compliance to IFRS 13.	2021	Qualified due to non-compliance to IAS 21, valuation of property, plant and equipment, depreciation of land and buildings.	2020	Qualified opinion due to non-compliance with IAS 21 on opening balances.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
135.	Zimbabwe National Family Planning Council (ZNFPCC)	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Qualified opinion due to non-compliance with IAS 21.	2020	Qualified opinion due to non-compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
136.	Zimbabwe School Examinations Council (ZIMSEC)	2024	Unqualified	2023	Unqualified	2021	Qualified opinion due to non-compliance with IAS 21.	2019	Adverse due to non-compliance with IAS 21.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts yet not submitted.	2022	Qualified opinion due to non-compliance with IAS 21.	2020	Qualified due to non-compliance with IAS 21.		
						2023	Accounts yet not submitted.				
137.	Zimbabwe Youth Council (ZYC)	2023	Adverse due to non-compliance with IFRS 13, IAS 8, IAS 36, supporting documentation with a report on going concern.	2022	Qualified due to cash and cash equivalents, posting of transactions in the accounting system and non-compliance with IFRS 13.	2020	Qualified due to non-compliance with IAS 21, IAS16 and supporting documents.	-	-	2018	Adverse due to non-compliance with IAS 21.
				2023	Accounts yet not submitted.	2021	Qualified due to non-compliance with IAS 21, IAS16 and supporting documents.			2019	Adverse due to non-compliance with IAS 21.
		2024	Qualified due to non-	2024	Accounts yet not submitted.	2022	Accounts yet not submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	compliance with IPSAS 3, IPSAS 21, IPSAS 45, IPSAS 18, IPSAS 1, revenue and supporting documentation with a report on going concern. Accounts submitted and audit is in progress.			2023	Accounts yet not submitted.				
FINANCIAL INSTITUTIONS											
138.	AFC Commercial Bank Limited (AFC)	2025	Unqualified	2024	Qualified due to non-compliance with IFRS 13.	2023	Unqualified	2022	Qualified due to IT systems and impact on suspense accounts.	2021	Qualified due to impact of suspense accounts.
139.	AFC Land and Development Bank	2025	Unqualified	2024	Qualified due to non-compliance with IFRS 13.	2023	Unqualified	2022	Unqualified	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	(Private) Limited										
140.											
141.	EmpowerBank Limited	2025	Unqualified with a report on going concern.	2024	Unqualified with a report on going concern.	2023	Qualified due to non-compliance to IAS 21, IFRS 13 and IAS 29.	2022	Qualified due to non-compliance to IAS 21, IAS 8 and IAS 29.	2021	Adverse due to non-compliance with IAS 21 and IAS 29.
142.	Infrastructure Development Bank of Zimbabwe (IDBZ)	2025	Adverse due to non-compliance with IAS 29, IAS 8 and property development projects.	2024	Adverse due to non-compliance with IAS 29.	2023	Qualified due to valuation of investment property and valuation of unquoted shares.	2022	Qualified due non-compliance with IFRS 13, valuation of property, plant and equipment and investment property, valuation of unquoted shares.	2021	Qualified due to valuation of investment property, valuation of deferred income.
143.	Lenderspark Finance (Private) Limited	2025	Unqualified	2024	Unqualified	-	-	-	-	-	-
144.	National Building Society (NBS)	2025	Qualified due to non-compliance with IAS 21 and IAS 8.	2024	Qualified due to non-compliance with IAS 8 and IFRS 13.	2022	Qualified due to non-compliance with IAS 8 and IFRS 13, IAS 40, IFRS 2 and unsupported suspense account.	2021	Qualified due to valuation of property, plant and equipment and valuation of stands.	-	-
						2023	Qualified due to IFRS 13, IAS 16, completeness of				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
							property, plant and equipment.				
145.	People's Own Savings Bank (POSB)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Unqualified
146.	Small and Medium Enterprise Development Corporation (SMEDCO)	2024	Unqualified	2023	Unqualified	2022	Unqualified	2020	Qualified due to non-compliance with IAS 21.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.	2021	Unqualified.		
147.	Zimbabwe Women's Microfinance Bank (ZWMB)	2025	Qualified due to non-compliance with IFRS 9, supporting documentation and accruing interest in the banking system with a report on going concern.	2024	Unqualified with report on going concern.	2022	Unqualified with report on going concern.	2021	Unqualified	-	-
						2023	Qualified due to IFRS 13 and IFRS 16.				
FUNDS											

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
148.	Agricultural Marketing Fund	2024	Qualified due to non-compliance with IPSAS 45 and IPSAS 3.	2023	Qualified due to valuation of property, plant and equipment.	2022	Unqualified	2021	Qualified due to accounts receivable.	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
149.	Aviation Infrastructure Development Fund (AIDF)	2022	Adverse due to receivables, Aviation Industry Development Fund transactions with a report on going concern. Accounts submitted and audit is in progress.	2021	Unqualified	2020	Qualified due to IAS 21.	-	-	-	-
				2022	Accounts not yet submitted.	2021	Accounts not yet submitted.				
				2023	Accounts not yet submitted.	2022	Accounts not yet submitted.				
				2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
		2023	Accounts submitted and audit is in progress.								
		2024	Accounts submitted and audit is in progress.								

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.								
150.	Broadcasting Authority Fund	2021	Accounts not yet submitted.	-	-	-	-	-	-	-	-
		2022	Accounts not yet submitted.								
		2023	Accounts not yet submitted.								
		2024	Accounts not yet submitted.								
		2025	Accounts not yet submitted.								
151.	Investor Protection Fund (IPF)	2024	Unqualified	2023	Unqualified	2023	Accounts submitted and audit is in progress.	2021	Qualified due non-compliance with IAS 21.	-	-
		2025	Unqualified	2024	Accounts submitted and audit is in progress.			2022	Unqualified		
152.	Lake Kariba Fisheries Research Institute	2025	Accounts submitted and audit is in progress.	2023	Unqualified	2022	Unqualified	2021	Unqualified	2020	Qualified due to non-compliance
				2024	Unqualified	2023					

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
							Accounts submitted and audit is in progress.				with IAS 21 on opening balances.
153.	Rhodes Matopos Estate Fund	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Unqualified	2020	Qualified due to non-compliance with IAS 21 on opening balances.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
154.	Rhodes Nyanga Estate Fund	2025	Accounts submitted and audit is in progress.	2024	Unqualified	2022	Unqualified	2021	Unqualified	2020	Qualified due to non-compliance with IAS 21.
						2023	Unqualified				
155.	Rural Electrification Fund (Former REA)	2025	Accounts submitted and audit in progress.	2023	Qualified due to valuation of investment property.	2022	Qualified due to IFRS 13 and land ownership.	2021	Adverse due to non-compliance with IAS 21 and IAS 29.	2020	Adverse due to non-compliance with IAS 21.
				2024	Qualified due to non-compliance with IAS 16, IAS 36 and IFRS 13.	2023	Accounts submitted and audit in progress.				
156.	State Lotteries Fund	2024	Unqualified	2022	Qualified due to non-compliance with IFRS 13.	2020	Qualified due to non-compliance with IAS 21 and IAS 16.	-	-	2019	Adverse due to non-compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2023	Qualified due to non-compliance with IFRS 13 on	2021	Qualified due to non-compliance with IAS 21 and IAS 16 with				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
				2024	opening balances. Accounts submitted and audit is in progress.	2022 2023	report on going concern. Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.				
157.	Universal Services Fund (USF)	2025	Accounts submitted and audit is in progress.	2023 2024	Unqualified Unqualified	2022 2023	Unqualified Accounts submitted and audit in progress.	2021	Unqualified	-	-
158.	Zimbabwe Manpower Development Fund (ZIMDEF)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts submitted and audit is in progress.	2022 2023	Unqualified Accounts submitted and audit is in progress.	2021	Unqualified	2020	Qualified due to non -compliance with IAS 21.
159.	Zimbabwe Tourism Fund	2023 2024	Unqualified Qualified due to Tourism levy remittances assessment	2022 2023	Qualified due to completeness and accuracy of tourism levy income and receivables. Accounts submitted and	-	-	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.	2024	audit is in progress. Accounts not yet submitted.						
160.	ZINARA Road Fund	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
HOSPITALS											
161.	Chitungwiza Central Hospital	2021	Accounts submitted and audit is in progress.	2021	Accounts submitted and audit is in progress.	2020	Disclaimer due to completeness of accounting records, IFRS 15, Limitation of scope, IAS 16, IAS 21 and IAS 29, trial balance not agreeing with ledgers.	-	-	2019	Adverse due to non-compliance with IAS 21.
		2022	Accounts submitted and audit is in progress.	2022	Accounts not yet submitted.						
		2023	Accounts not yet submitted.	2023	Accounts not yet submitted.	2021	Accounts not yet submitted.				
		2024	Accounts not yet submitted.	2024	Accounts not yet submitted.	2022	Accounts not yet submitted.				
						2023	Accounts not yet submitted.				

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.								
162.	Ingutsheni Central Hospital	2022	Adverse due to non-compliance with IAS16, IFRS 13, IAS 21, IAS 8, IAS 29 and inventory supporting documents.	2021	Adverse due to non-compliance with IAS 21, IAS 8, IAS 29, IAS 16 and inventory records.	2020	Adverse due to non-compliance with IAS 21, IAS 16, inventory, IFRS 9 and IAS 29.	-	-	2018	Adverse due to non-compliance with IAS 21.
				2022	Accounts submitted and audit is in progress.	2021	Accounts submitted and audit is in progress.			2019	Adverse due to non-compliance with IAS 21.
		2023	Accounts submitted and audit is in progress.	2023	Accounts not yet submitted.	2022	Accounts not yet submitted.				
		2024	Accounts not yet submitted.	2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
		2025	Accounts not yet submitted.								
163.	Mpilo Central Hospital	2024	Accounts submitted and audit is in progress.	2023	Qualified due to completeness and valuation of donations,	2021	Adverse due to non-compliance with IAS 21, donations, property, plant and	-	-	2020	Adverse due to non-compliance with IAS 21, completeness of

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts not yet submitted.		completeness of other income, valuation, completeness and existence of property, plant and equipment, occurrence of inventory consumed, and valuation of receivables.	2022	equipment, IFRS 9 and IAS 2. Adverse due to non – compliance with IAS 21, donations, trade payables and receivables, property, plant and equipment, IFRS 9 and IAS 2.				donations, completeness and valuation of trade payables, property, plant and equipment, non-compliance with IFRS 9 and IAS 29, valuation and occurrence of inventory.
				2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.				
164.	Parirenyatwa Group of Hospitals	2024	Adverse due to non-compliance with IAS 16, accounting for asset disposals, revenue billing charge sheets and revenue from exemption.	2023	Qualified due to non-compliance with IFRS 13, IAS 16, IAS 36 and existence and valuation of receivables.	2022	Qualified due to non-compliance with IAS 16.	2021	Qualified due to non-compliance with IAS 21 and IAS 8 and valuation of property, plant and equipment.	2019	Adverse due to non-compliance with IAS 21.
		2025	Accounts submitted	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.			2020	Qualified due to non-compliance with IAS 21.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			and audit is in progress.								
165.	Sally Mugabe Central Hospital	2023	Qualified due to non-compliance with IFRS 9, IAS 8, completeness and valuation of inventory and donations value.	2023	Accounts submitted and audit is in progress.	2022	Adverse due to non – compliance with IAS 21, trade receivables, IFRS 9, IAS 2 and donations valuations.	2020	Adverse due to non-compliance with IAS 21 and IAS 29.	2019	Adverse due to non-compliance with IAS 21 and IAS 29, misstatement of inventory.
		2024	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2023	Accounts not yet submitted.	2021	Adverse due to non-compliance with IAS 21 and IAS 29.		
		2025	Accounts not yet submitted.								
166.	United Bulawayo Hospitals (UBH)	2024	Adverse due to transition from Zimbabwe Dollar to Zimbabwe Gold,	2023	Disclaimer due to non-recognition of infrastructure assets, unreconciled variances in the asset register, accuracy of	2021	Disclaimer due to property, plant and equipment, working progress and completed capital projects, retention liabilities, IFRS 9, IAS 2, IFRS 15, trade	2020	Disclaimer due to various issues including accuracy of records and incomplete records.	2019	Adverse due to non-compliance with IAS 21.

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Occurrence, completeness, accuracy and valuation of revenue and trade receivables, Completeness and accuracy of trade and other payables and allowance for expected credit losses with a report on going concern. Accounts submitted and audit is in progress.	2024	inventory valuation, supporting documentation for revenue, accounts receivables, inventories and trade payables as well as non-compliance with IPSAS 45 and IPSAS 41 with a report on going concern. Accounts not yet submitted for audit.	2022	receivables, donations and deferred income, trade payables and expense with report on going concern. Disclaimer due to property, plant and equipment, working progress, retention liabilities, IFRS 9, IAS 2, IFRS 15, trade receivables, trade payables and expense with report on going concern.				
						2023	Accounts not yet submitted for audit.				

	ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY										
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	UNIVERSITIES AND TERTIARY INSTITUTIONS										
167.	Bindura University of Science Education	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to non-compliance with IFRS 10 and IFRS 13. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IFRS 10 and IFRS 13. Accounts submitted and audit is in progress.	2021	Unqualified	-	-
168.	Chinhoyi University of Technology (CUT)	2024 2025	Qualified due to non-compliance with IAS 8. Accounts submitted and audit is in progress.	2023 2024	Qualified due to non-compliance with IAS 21, IFRS 11 and IFRS 13 on opening balances. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 21, IFRS 11 and IFRS 13. Accounts submitted and audit in progress.	2021	Adverse due to non-compliance with IAS 21and IFRS 13.	-	-
169.	Great Zimbabwe University	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 20. Accounts submitted and audit is in progress.	2021	Unqualified	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
170.	Gwanda State University	2024	Qualified due to valuation of property, plant and equipment.	2024	Accounts submitted and audit is in progress.	2022	Qualified due to valuation of property, plant and equipment.	2020	Disclaimer due to non-compliance with IAS 21, existence of biological assets, Accuracy of payables, completeness, accuracy and occurrence of fees income and occurrence and accuracy of expenditure.	2019	Disclaimer due to non-compliance with IAS 21 Existence and accuracy of receivables Completeness and accuracy of revenue Occurrence and accuracy of expenditure.
		2025	Accounts submitted and audit is in progress.			2023	Unqualified	2021	Qualified due to valuation of property, plant and equipment.		
171.	Harare Institute of Technology	2024	Unqualified	2023	Unqualified	2022	Unqualified	2021	Qualified due to non-compliance with IAS 21, IFRS 15 and IAS 24.	2020	Adverse due to non-compliance with IAS 21, valuation of Property, plant and equipment.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit in progress.				
172.	Lupane State University	2024	Qualified due to valuation of property, plant and equipment.	2023	Qualified due to completeness, accuracy and occurrence of academic fees and non-	2022	Disclaimer due to receivables, revenue and property, plant and equipment.	2021	Qualified due to valuation of property, plant and equipment.	-	-
						2023					

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	Accounts submitted and audit in progress	2024	compliance with IFRS 13 on opening balances. Accounts not yet submitted.		Accounts submitted and audit in progress.				
173.	Management Training Bureau (MTB)	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to IFRS 13. Accounts submitted and audit is in progress.	2022 2023	Qualified due to IFRS 13. Accounts submitted and audit is in progress.	2021	Unqualified	-	-
174.	Manicaland State University of Applied Sciences	2024 2025	Unqualified Accounts submitted and audit is in progress.	2022 2023 2024	Qualified due to non-compliance with IAS 21 on opening balances. Unqualified Accounts submitted and audit is in progress.	2021 2022 2023	Adverse due to non-compliance with IAS 21. Accounts submitted and audit is in progress. Accounts not yet submitted.	2020	Adverse due to non-compliance with IAS 21 and IAS 29.	-	-
175.	Marondera University of Agricultural	2025	Accounts submitted and audit is in progress.	2024	Unqualified	2023	Unqualified	2020	Qualified due to due to non – compliance with IAS 21	2019	Adverse due to non-compliance with IAS 21

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
	Sciences and Technology							2021	Unqualified		
								2022	Unqualified		
176.	Midlands State University	2025	Unqualified	2024	Unqualified	2023	Unqualified	2021	Qualified due to due to non – compliance with IAS 21.	-	-
								2022	Unqualified		
177.	National University of Science and Technology (NUST)	2024	Qualified due to non– compliance with IFRS 13.	2023	Qualified due to non– compliance with IAS 21.	2022	Qualified due to non – compliance with IAS 21 and valuation of motor vehicles.	2021	Disclaimer due to various issues.	2020	Disclaimer due to various issues.
		2025	Accounts submitted and audit is in progress.	2024	Accounts not yet submitted.	2023	Accounts submitted and audit is in progress.				
178.	School of Hospitality and Tourism	2021	Accounts submitted and audit is in progress.	2021	Accounts not yet submitted.	2020	Adverse due to non – compliance with IAS 21, IAS 8, IAS 16 and IFRS 9.	-	-	-	-
		2022	Accounts not yet submitted.	2022	Accounts not yet submitted.	2021	Accounts not yet submitted.				
		2023	Accounts not yet submitted.	2023	Accounts not yet submitted.	2022	Accounts not yet submitted.				
				2024	Accounts not yet submitted.	2023					

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2024	Accounts not yet submitted.				Accounts not yet submitted.				
		2025	Accounts not yet submitted.								
179.	University of Zimbabwe (UZ)	2024	Unqualified	2023	Unqualified	2022	Qualified due to non-compliance with IFRS 13.	2021	Qualified due to property, plant and equipment opening balances.	2020	Qualified due to non-compliance with IAS 21.
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.	2023	Accounts submitted and audit is in progress.				
180.	Zimbabwe Centre for Higher Performance	2020	Adverse due to non-compliance with IPSAS 17 and supporting records.	2020	Accounts submitted and audit is in progress.	-	-	-	-	-	-
		2021	Accounts submitted and audit is in progress. Accounts submitted and audit is in progress.	2021	Accounts submitted and audit is in progress.						
		2022	Accounts submitted and audit is in progress.	2022	Accounts submitted and audit is in progress.						
		2023	Accounts submitted and	2023	Accounts submitted and						

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2023	Accounts submitted and audit is in progress.	2024	audit is in progress. Accounts not yet submitted.						
		2024	Accounts not yet submitted.								
		2025	Accounts not yet submitted.								
181.	Zimbabwe Foreign Services Institute	2024	Unqualified	2023	Qualified due to existence, completeness and valuation of inventory.	-	-	-	-	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.						
182.	Zimbabwe Institute of Public Administration (ZIPAM)	2024	Unqualified	2023	Unqualified	2023	Accounts submitted and audit is in progress.	2021	Unqualified	-	-
		2025	Accounts submitted and audit is in progress.	2024	Accounts submitted and audit is in progress.			2022	Unqualified		

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
183.	Zimbabwe National Defence University (ZNDU)	2019	Accounts submitted and audit is in progress.	2017	Unqualified	2017	Accounts submitted and audit in progress.	-	-	-	-
				2018	Qualified due to non-compliance with IAS 16.	2018	Accounts submitted and audit in progress.				
		2020	Accounts submitted and audit in progress.	2019	Accounts not yet submitted.		Accounts submitted and audit in progress.				
				2020	Accounts not yet submitted.	2019	Accounts not yet submitted.				
		2021	Accounts submitted and audit in progress.	2021	Accounts not yet submitted.	2020	Accounts not yet submitted.				
				2022	Accounts not yet submitted.	2021	Accounts not yet submitted.				
		2022	Accounts submitted and audit in progress.	2023	Accounts not yet submitted.	2022	Accounts not yet submitted.				
				2024	Accounts not yet submitted.	2023	Accounts not yet submitted.				
		2023	Accounts submitted and audit in progress.								
		2024	Accounts not yet submitted.								
		2025	Accounts not yet submitted.								

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
184.	Zimbabwe Open University (ZOU)	2024	Unqualified	2024	Accounts submitted and audit is in progress.	2023	Unqualified	2021	Qualified due non-compliance with IFRS 13.	-	-
		2025	Unqualified					2022	Qualified due to non-compliance with IFRS 13.		
185.	Zimbabwe School of Mines (ZSM)	2024	Qualified due to unclassified deposits.	2023	Qualified due to unclassified deposits and non-compliance with IAS 36 with a report on going concern.	2022	Qualified due to un-receipted tuition fees, non-compliance with IAS 36, donations, with a report on going concern.	2020	Qualified due to non-compliance with IAS 21 on opening balances, IAS 16 and IAS 36.	2019	Adverse due to non-compliance with IAS 21.
		2025	Accounts submitted and is at signing stage.	2024	Accounts submitted and audit is in progress.	2023	Accounts not yet submitted.	2021	Qualified due to non-compliance IAS 16 and IAS 36.		
TEACHERS' COLLEGES AND POLYTECHNICS											
186.	Belvedere Teachers College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
187.	Bulawayo Polytechnic	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
188.	Gweru Polytechnic	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
189.	Harare Polytechnic	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
190.	Hillside Teachers College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
191.	Hwange Teacher's College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
192.	Joshua Mqabuko Nkomo Polytechnic	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
193.	Kushinga Phikelela Polytechnic	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
194.	Kwekwe Polytechnic	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
195.	Madziwa Teachers College	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
196.	Marymount Teachers College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
197.	Masvingo Polytechnic	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
198.	Masvingo Teacher's College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
199.	Mkoba Teachers	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
200.	Morgan's Zintec College	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
201.	Msasa Industrial Training College	2025	Accounts not yet submitted.	-	-	-	-	-	-	-	-
202.	Mutare Polytechnic	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
203.	Mutare Teachers College	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
204.	Seke Teachers College	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
205.	United College of Education	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
206.	Westgate Industrial Training Centre	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
OTHERS											
207.	Bindura University of Science Education Farm Trust	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to valuation of inventory and property, plant and equipment. Accounts submitted and	-	-	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
					audit is in progress.						
208.	Centre for Education Innovation Research and Development	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
209.	Chinhoyi University of Technology Farm Trust	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	- -	- -	- -	- -
210.	Chinhoyi University of Technology Hotel Trust	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Qualified due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	- -	- -	- -	- -
211.	Marondera University Farm Trust	2025	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
212.	National Economic Consultative Forum (NECF)	2019	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
		2020	Accounts submitted and audit is in progress.								
		2021	Accounts submitted and audit is in progress.								
		2022	Accounts submitted and audit is in progress.								
		2023	Accounts submitted and audit is in progress.								
		2024	Accounts submitted and audit is in progress.								
		2025	Accounts submitted								

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			and audit is in progress.								
213.	National Gallery of Zimbabwe	2024	Qualified due to consolidation of unaudited subsidiary.	2023	Adverse due non-compliance with IFRS 10.	2020	Adverse due to non-compliance with IAS 21.	-	-	-	-
		2025	Accounts not yet submitted.	2024	Accounts not yet submitted.	2021	Qualified due to non-compliance with IAS 16 and IAS 21.				
						2022	Qualified due to non-compliance with IAS 16.				
						2023	Accounts submitted and audit in progress.				
214.	National Libraries and Documentation Services	2019-2025	Accounts not yet submitted. National Library and Documentation of Zimbabwe became a department under Ministry of Primary and	-	-	-	-	-	-	-	-

ANNEXURE "A": STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
			Secondary Education								
215.	National Museums and Monuments of Zimbabwe (NMMZ)	2023	Qualified due to non-compliance with IAS 16.	2022	Qualified due to IAS 16.	2020	Adverse due to non-compliance with IAS 21.	2019	Adverse due to non-compliance with IAS 21.	-	-
		2024	Unqualified	2023	Accounts submitted and audit is in progress.	2021	Adverse due to non-compliance with IFRS 13.				
		2025	Accounts not yet submitted.	2024	Accounts not yet submitted.	2022	Accounts submitted and audit is in progress.				
						2023	Accounts not yet submitted.				
216.	Scientific Industrial Research and Development Centre (SIRDC)	2025	Unqualified	2024	Unqualified	2023	Unqualified	2021	Unqualified	-	-
								2022	Unqualified		
217.	Tripartite Negotiating Forum (TNF)	2023	Accounts submitted and audit is in progress.	-	-	-	-	-	-	-	-
		2024	Accounts submitted								

ANNEXURE “A”: STATE OWNED ENTERPRISES AND PARASTATALS AUDIT OPINIONS PER ENTITY											
		2025 AG report		2024 AG report		2023 AG report		2022 AG report		2021 AG report	
		2025	and audit is in progress. Accounts submitted and audit is in progress.								
218.	University of Zimbabwe Farm Trust	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 21 and IFRS 13. Accounts submitted and audit is in progress.	-	-	-	-
219.	University of Zimbabwe Specific Funds	2024 2025	Unqualified Accounts submitted and audit is in progress.	2023 2024	Unqualified Accounts submitted and audit is in progress.	2022 2023	Qualified due to non-compliance with IAS 21. Accounts submitted and audit is in progress.	-	-	-	-

*National Libraries and Documentation Services – the entity became a department under Ministry of Primary and Secondary Education

ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED

ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED AS AT JUNE 24, 2026		
	ENTITY	YEAR
1.	Airports Company of Zimbabwe (ACZ)	2023 & 2024
2.	Agriculture Research and Development Authority (ARDA)	2025
3.	Agricultural Marketing Authority (AMA)	2025
4.	Agricultural Marketing Fund	2025
5.	Allied Timbers (Private) Limited	2025
6.	Allied Timbers Saligna (Private) Limited	2025
7.	Aviation Infrastructure Development Fund (AIDF)	2023 & 2024
8.	Bindura Printing Press (Private) Limited	2025
9.	Bindura University of Science Education (BUSE)	2025
10.	Bindura University of Science Education Farm Trust	2025
11.	Broadcasting Authority of Zimbabwe	2024
12.	Centre for Education Innovation Research and Development	2025
13.	Chinhoyi University of Technology (CUT)	2025
14.	Chinhoyi University of Technology Agro Industrial Park (Private) Limited	2025
15.	Chinhoyi University of Technology Farm Trust	2025
16.	Chinhoyi University of Technology Hotel Trust	2025
17.	Chitungwiza Central Hospital	2021 - 2022
18.	CMED (Private) Limited	2025
19.	CMED Fuels (Private) Limited	2025
20.	Competition and Tariff Commission	2025
21.	Conflor Investments (Private) Limited	2025
22.	Consumer Protection Council of Zimbabwe	2025
23.	Courier Connect (Private) Limited	2021
24.	Defold Mine (Private) Limited	2024
25.	Easy Go Car Hire and Travel (Private)Limited	2025
26.	Environmental Management Agency	2025
27.	Forestry Commission	2025
28.	Good Truworth Enterprises Limited	2025
29.	Grain Marketing Board (GMB)	2025-2026
30.	Great Zimbabwe University (GZU)	2025
31.	Gwanda State University (GSU)	2025
32.	Harare Institute of Technology (HIT)	2025
33.	Harare Polytechnic	2025
34.	Health Professions Authority of Zimbabwe (HPAZ)	2025
35.	Health Service Commission (HSC)	2025
36.	Hotspeck Enterprises (Private) Limited	2025
37.	Industrial Development Corporation of Zimbabwe (IDCZ)	2025
38.	Infralink (Private) Limited	2025
39.	Ingutsheni Central Hospital	2023
40.	Joshua Mqabuko Nkomo Polytechnic	2025
41.	Kwekwe Polytechnic	2025

ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED AS AT JUNE 24, 2026

	ENTITY	YEAR
42.	Lake Kariba Fisheries Research Institute	2025
43.	Lupane State University	2025
44.	Madziwa Teachers College	2025
45.	Manicaland State University of Applied Sciences (MSUAS)	2025
46.	Marondera University of Agriculture Science and Technology (MUASt)	2025
47.	Management Training Bureau (MTB)	2025
48.	Masvingo Polytechnic	2025
49.	Medical and Dental Practitioners Council of Zimbabwe	2025
50.	Medical Laboratory and Clinical Scientists Council of Zimbabwe	2025
51.	Mellofieldde Chemicals (Private) Limited	2025
52.	Minerals Marketing Corporation of Zimbabwe (MMCZ)	2025
53.	Mkoba Teachers College	2025
54.	Morgan Zintec College	2025
55.	Mosi Oa Tunya Development Company (Private) Limited	2025
56.	Mpilo Central Hospital	2024
57.	Mutare Polytechnic	2025
58.	Mutare Teachers College	2025
59.	National AIDS Council (NAC)	2025
60.	National Arts Council of Zimbabwe	2024-2025
61.	National Biotechnology Authority of Zimbabwe (NBA)	2024
62.	National Competitiveness Commission (NCC)	2025
63.	National Economic Consultative Forum	2019 - 2025
64.	National Handicraft Centre	2025 ¹
65.	National Handling Services (NHS)	2025
66.	National Social Security Authority (NSSA)	2025
67.	National Venture Capital Company of Zimbabwe	2023
68.	National University of Science and Technology (NUST)	2025
69.	NetOne Cellular (Private) Limited	2025
70.	New Ziana	2022
71.	Parirenyatwa Group of Hospitals	2025
72.	Pharmacist Council of Zimbabwe	2024
73.	Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ)	2025
74.	Post Properties (Private) Limited	2021
75.	Printflow (Private) Limited	2025
76.	Procurement Regulatory Authority of Zimbabwe (PRAZ)	2025
77.	Radiation Protection Authority of Zimbabwe	2025
78.	Rhodes Matopo Estate Fund	2025
79.	Rhodes Nyanga Estate Fund	2025
80.	Road Motor Services (RMS)	2020
81.	Rural Electrification Fund	2025
82.	Rural Infrastructure Development Agency	2023
83.	Sabi Gold Mine (Kimberworth Investments) (Private) Limited	2025

¹ The entity only submitted 2025 and omitted 2022 to 2024.

ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED AS AT JUNE 24, 2026

	ENTITY	YEAR
84.	Sally Mugabe Central Hospital	2024
85.	School of Hospitality and Tourism (SCHOTO)	2021
86.	Seke Teachers College	2025
87.	Silo Food Industries (Private) Limited	2022
88.	Small And Medium Enterprise Development (SMEDCO)	2025
89.	State Enterprise Restructuring Agency (SERA)	2024 & 2025
90.	State Lotteries Fund	2025
91.	Traditional Medical Practitioners Council	2025
92.	Traffic Safety Council of Zimbabwe	2025
93.	Tripartite Negotiating Forum	2023-2025
94.	Universal Service Fund (USF)	2025
95.	University of Zimbabwe (UZ)	2025
96.	University of Zimbabwe Farm trust	2025
97.	University of Zimbabwe Specific Funds	2025
98.	United Bulawayo Hospitals (UBH)	2025
99.	United College of Education (UCE)	2025
100.	Valuers Council of Zimbabwe	2025
101.	Westgate Industrial Training Centre	2025
102.	Woodlands Farm (Private) Limited	2025
103.	ZESA Holdings (Private) Limited	2025
104.	Zimbabwe Academic and Research Network (ZARNET)	2024-2025
105.	Zimbabwe Anti-Corruption Commission (ZACC)	2025
106.	Zimbabwe Broadcasting Corporation (ZBC)	2025
107.	Zimbabwe Centre for High Performance Computing (ZCHPC)	2021-2023
108.	Zimbabwe Consolidated Diamond Company (ZCDC)	2025
109.	Zimbabwe Council for Higher Education (ZIMCHE)	2025
110.	Zimbabwe Foreign Services Institute (ZFSI)	2025
111.	Zimbabwe Independent Complaints Commission	2025
112.	Zimbabwe Development Agency (ZIDA)	2025
113.	Zimbabwe Institute of Public Administration and Management (ZIPAM)	2025
114.	Zimbabwe Manpower Development Fund (ZIMDEF)	2025
115.	Zimbabwe Media Commission (ZMC)	2025
116.	Zimbabwe Mining Development Corporation (ZMDC)	2025
117.	Zimbabwe National Boxing and Wrestling Control Board	2025
118.	Zimbabwe National Defence University (ZNDU)	2019-2023
119.	Zimbabwe National Geospatial and Space Agency (ZINGSA)	2020
120.	Zimbabwe National Family Planning Council (ZNFPD)	2025
121.	Zimbabwe National Road Administration (ZINARA)	2025
122.	Zimbabwe National Statistics (ZIMSTAT)	2025
123.	Zimbabwe National Water Supply Authority (ZINWA)	2025
124.	Zimbabwe Parks and Wildlife Management Authority (ZIMPARKS)	2025

ANNEXURE “B”: AUDITS IN PROGRESS AND BEING FINALISED AS AT JUNE 24, 2026

	ENTITY	YEAR
125.	Zimbabwe Post (Private) Limited (ZIMPOST)	2020-2025 ²
126.	Zimbabwe School Examinations Council (ZIMSEC)	2025
127.	Zimbabwe Youth Council (ZYC)	2025
128.	ZINARA Road Fund	2025

² The entity took 8 months on 2020 and unavailability of information is derailing audits of 2021 to 2025.

ANNEXURE “C”: AUDITS AT SIGNING STAGE

	PUBLIC ENTITY	YEAR
1.	Medical Control Authority of Zimbabwe (MCAZ)	2025
2.	Percentage Discount (Private) Limited	2025
3.	Zimbabwe Academic and Research Network (ZARNET)	2022
4.	Zimbabwe Academic and Research Network (ZARNET)	2023
5.	Zimbabwe School of Mines (ZSM)	2025

ANNEXURE “D”: ACCOUNTS NOT SUBMITTED FOR AUDIT

ANNEXURE “D”: ACCOUNTS NOT SUBMITTED FOR AUDIT AS AT JUNE 24, 2026		
	PUBLIC ENTITY	YEAR
1.	Agricultural Research Council of Zimbabwe	2024 & 2025
2.	Air Zimbabwe (Private) Limited	2025
3.	Airports Company of Zimbabwe	2025
4.	Allied Health Practitioners Council (AHPZ)	2025
5.	Aviation Infrastructure Development Fund (AIDEF)	2025
6.	Belvedere Teachers College	2025
7.	Broadcasting Authority Fund	2021 - 2025
8.	Broadcasting Authority of Zimbabwe (BAZ)	2025
9.	Bulawayo Polytechnic	2025
10.	Chitungwiza Central Hospital	2023 - 2025
11.	Council of Social Works	2023 - 2025
12.	Defold Mine (Private) Limited	2025
13.	Environmental Health Practitioners Council of Zimbabwe	2025
14.	Food Advisory Board	2025
15.	Gweru Polytechnic	2025
16.	Hillside Teachers College	2025
17.	Hwange Teacher's College	2025
18.	Ingutsheni Central Hospital	2024 & 2025
19.	Kushinga Phikelela Polytechnic	2025
20.	Marymount Teachers College	2025
21.	Masvingo Teacher's College	2025
22.	Mpilo Central Hospital	2025
23.	Msasa Industrial Training College	2025
24.	National Biotechnology Authority (NBA)	2025
25.	National Gallery of Zimbabwe	2025
26.	National Handicraft Centre (NHC) ³	2022 - 2024

³ National Handcraft Centre submitted 2025 financial statement and did not submit 2022-2024

ANNEXURE “D”: ACCOUNTS NOT SUBMITTED FOR AUDIT AS AT JUNE 24, 2026

	PUBLIC ENTITY	YEAR
27.	National Museums and Monuments of Zimbabwe	2025
28.	National Railways of Zimbabwe (NRZ)	2024 & 2025
29.	National Venture Capital Company of Zimbabwe	2024 & 2025
30.	New Ziana (Private) Limited	2023 - 2025
31.	Nurses Council of Zimbabwe	2024 & 2025
32.	Pharmacist Council of Zimbabwe	2025
33.	Road Motor Services (RMS)	2021 - 2025
34.	Rural Infrastructure Development Agency (RIDA)	2024 & 2025
35.	Sally Mugabe Central Hospital	2025
36.	School of Hospitality and Tourism (SCHOTO)	2022 - 2025
37.	Silo Foods Industries (Private) Limited	2023 - 2025
38.	Verify Engineering (Private) Limited	2024 & 2025
39.	Zimbabwe Centre for High Performance and Computing	2024 & 2025
40.	Zimbabwe Iron and Steel Company (ZISCO)	2021-2025
41.	Zimbabwe National Defence University (ZNDU)	2024 & 2025
42.	Zimbabwe National Geospatial and Space Agency (ZINGSA)	2021-2025
43.	Zimbabwe Tourism Authority (ZTA)	2025
44.	Zimbabwe Tourism Fund	2025
45.	Zimbabwe United Passenger Company (ZUPCO)	2024 & 2025

ANNEXURE “E”: SUBMISSION OF FINANCIAL STATEMENTS STATUS OF STATE-OWNED ENTERPRISES AND PARASTATALS 2019 - 2025

Key

√ - The financial statements have been submitted and the entity is up to date

x - The financial statements have not been submitted and the entity is in arrears for the years indicated in Annexure D

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
	AUTHORITIES AND AGENCIES								
1.	Agricultural Rural Development Authority (ARDA)	√	√	√	√	√	√	√	Agriculture
2.	Agricultural Marketing Authority (AMA)	√	√	√	√	√	√	√	Agriculture
3.	Broadcasting Authority of Zimbabwe (BAZ)	x	√	√	√	√	√	√	Information, Publicity and Broadcasting Services
4.	Civil Aviation Authority of Zimbabwe (CAAZ)	√	√	√	√	√	√	√	Transport and Infrastructural Development
5.	Environmental Management Agency (EMA)	√	√	√	√	√	√	√	Environment, water and climate
6.	Health Professions Authority of Zimbabwe (HPAZ)	√	√	√	√	√	√	√	Health and Child Care
7.	Medicines Control Authority of Zimbabwe (MCAZ)	√	√	√	√	√	√	√	Health and Child care
8.	National Biotechnology Authority (NBA)	x	√	√	√	√	√	√	Higher Tertiary Education Innovation Science and

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
									Technology Development
9.	National Social Security Authority (NSSA)	✓	✓	✓	✓	✓	✓	✓	Public Service, Labour and Social Welfare
10.	Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ)	✓	✓	✓	✓	✓	✓	✓	Regulator - Telecommunication
11.	Procurement Regulatory Authority of Zimbabwe (PRAZ)	✓	✓	✓	✓	✓	✓	✓	Regulatory - Procurement
12.	Radiation Protection Authority of Zimbabwe (RPAZ)	✓	✓	✓	✓	✓	✓	✓	Health and child care
13.	Rural Infrastructure Development Agency (RIDA)	x	x	✓	Designated to be an SOE for the financial year starting 2024				Infrastructure Development
14.	State Enterprises Restructuring Agency (SERA)	✓	✓	Designated to be an SOE for the financial year starting 2024					Office of the President and Cabinet
15.	Zimbabwe Energy Regulatory Authority (ZERA)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
16.	Zimbabwe Investment and Development Agency (ZIDA)	✓	✓	✓	✓	✓	✓	✓	Finance, Economic Development and Investment Promotion
17.	Zimbabwe National Geospatial and Space Agency (ZINGSA)	x	x	x	x	x	✓	Started operations in 2020	Higher and Tertiary Education, Innovation
18.	Zimbabwe National Road Administration (ZINARA)	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
19.	Zimbabwe National Statistical Agency (ZIMSTAT)	✓	✓	✓	✓	✓	✓	✓	Finance, Economic Development and Investment Promotion

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
20.	Zimbabwe National Water Authority (ZINWA)	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
21.	Zimbabwe Parks and Wildlife Management Authority	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
22.	Zimbabwe Revenue Authority (ZIMRA)	✓	✓	✓	✓	✓	✓	✓	Finance, Economic Development and Investment Promotion
23.	Zimbabwe Tourism Authority (ZTA)	x	✓	✓	✓	✓	✓	✓	Tourism and Hospitality Industry
	BOARDS								
24.	Food Advisory Board	x	-	-	-	-	-	-	Agriculture
25.	Grain Marketing Board (GMB)	✓	✓	✓	✓	✓	✓	✓	Agriculture
26.	Lotteries and Gaming Board	✓	✓	✓	✓	✓	✓	✓	Social welfare
27.	Pig Industry Board (PIB)	✓	✓	✓	✓	✓	✓	✓	Agriculture
28.	Tobacco Industry and Marketing Board (TIMB)	✓	✓	✓	✓	✓	✓	✓	Agriculture
29.	Tobacco Research Board (TRB)	✓	✓	✓	✓	✓	✓	✓	Agriculture
30.	Zimbabwe National Boxing and Wrestling Control Board	✓	✓	✓	✓	✓	✓	Started in 2020	Sports Recreation Arts and Culture
	COMMISSIONS								

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
31.	Competition and Tariff Commission	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
32.	Consumer Protection Commission (CPC)	✓	✓	✓	✓	✓	Started in 2021		Industry and commerce
33.	Forestry Commission	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
34.	Health Service Commission (HSC)	✓	✓	✓	✓	✓	✓	✓	Health and child care
35.	Insurance and Pensions Commission (IPEC)	✓	✓	✓	✓	✓	✓	✓	Regulator – Pension and Insurance
36.	National Competitiveness Commission (NCC)	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
37.	Securities and Exchange Commission of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Financial services
38.	Sports and Recreation Commission (SRC)	✓	✓	✓	✓	✓	✓	✓	Sports Recreation Arts and Culture
39.	Zimbabwe Anti-Corruption Commission (ZACC)	✓	✓	✓	✓	✓	✓	✓	Justice and Legal
40.	Zimbabwe Electoral Commission (ZEC) – IPSAS (2025)	✓	x**	x**	✓	✓	✓	✓	Justice and Legal
41.	Zimbabwe Independent Complaints Commission	✓	-	-	-	-	-	-	
42.	Zimbabwe Media Commission (ZMC)	✓	✓	✓	✓	✓	✓	✓	Information, Publicity and Broadcasting Services
	COMPANIES AND CORPORATIONS								

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
43.	AFC Holdings Limited	✓	✓	✓	✓	Started in 2022			Financial services
44.	AFC Insurance Company (Private) Limited	✓	✓	✓	✓	Started in 2022			Financial services
45.	AFC Leasing Company of Zimbabwe (Private) Limited	✓	✓	✓	✓	✓	Started 2021		Financial services
46.	Airports Company of Zimbabwe	X	✓	✓	✓	✓	The Company was established in 2021		Transport and Infrastructure Development
47.	Air Zimbabwe (Private) Limited	X	✓	✓	✓	✓	✓	✓	Transport and Infrastructure Development
48.	Allied Insurance Company (Private) Limited	✓	-	-	-	-	-	-	
49.	Allied Timbers (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Agriculture
50.	Allied Timbers Saligna (Private) Limited	✓	-	-	-	-	-	-	
51.	Apple Bridge (Private) Limited *Operations 2015 - 2018	-	-	-	-	-	-	✓ 2015-2018	Mines and Mining Development
52.	Bindura Printing Press (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
53.	Chemplex Agro Pharma (Private) Limited	✓	-	-	-	-	-	-	
54.	Chemplex Corporation Limited	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
55.	Chinhoyi University of Technology Agro Industrial Park (Private) Limited	✓	-	-	-	-	-	-	
56.	CMED (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
57.	CMED Fuels (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
58.	Conflor Investments (Private) Limited	✓	✓	✓	Started accounting in 2023				Financial Services
59.	Courier Connect (Private) Limited	-	-	-	N/A ⁴	✓	✓	✓	Information Communication Technology and Courier Services
60.	Defold Mine (Private) Limited	×	✓	✓	✓	✓	✓	Started in 2020	Mines and Mining development
61.	Deposit Protection Corporation (DPC)	✓	✓	✓	✓	✓	✓	✓	Financial services
62.	Deven Engineering (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
63.	Dorowa Minerals Limited	✓							
64.	Easy Go Car Hire and travel (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
65.	G & W Industrial Minerals (Private) Limited	✓	-	-	-	-	-	-	
66.	Genesis (Private) Limited**	-	✓	✓	✓	✓	✓	✓	Energy and Power Development
67.	Good Truworth Enterprises (Private) Limited	✓	-	-	-	-	-	-	

⁴ Courier Connect from 2022 merged with ZIMPOST

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
68.	Hotspeck Enterprises (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
69.	Hwange Electricity Supply Company (HESCO)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
70.	Industrial Development Corporation of Zimbabwe (IDCZ)	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
71.	Infralink (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
72.	Kariba Hydropower Company	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
73.	Mellofieldde Chemicals (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Mines and Mining Development
74.	Minerals Marketing Corporation of Zimbabwe (MMCZ)	✓	✓	✓	✓	✓	✓	✓	Mines and Mining Development
75.	Mining Promotion Corporation (MPC)	✓	✓	✓	✓	✓	✓	✓	Mines and Mining Development
76.	Mosi Oa Tunya Development Company	✓	✓	✓	✓	✓	✓	✓	Tourism and Hospitality Industry
77.	National Handling Services (NHS)	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
78.	National Handling Services Close Corporation (NHS CC)	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructural Development
79.	National Oil Infrastructure Company (NOIC)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
80.	National Pharmaceutical Company (NATPHARM)	✓	✓	✓	✓	✓	✓	✓	Health and Child care

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
81.	National Railways of Zimbabwe (NRZ)	X	X	✓	✓	✓	✓	✓	Transport and Infrastructural Development
82.	National Venture Capital Company of Zimbabwe	X	X	✓	-	-	-	-	
83.	NetOne Cellular (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Telecommunication
84.	New Ziana (Private) Limited	X	X	X	✓	✓	✓	✓	Information, Publicity and Broadcasting Services
85.	Percentage Discount (Private) Limited	✓	-	-	-	-	-	-	Health and Child care
86.	Petrotrade (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
87.	Petrozim Line (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
88.	Post Properties (Private) Limited	-	N/A ⁵			✓	✓	✓	Property Development
89.	Powertel Communications (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
90.	Printflow (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Printing and Manufacturing
91.	Rainbow Tourism Group (RTG)	✓	✓	✓	Previously considered under NSSA				Tourism and Hospitality
92.	Road Motor Services (RMS)	X	X	X	X	X	✓	✓	Transport and Infrastructure Development

⁵ Post properties from 2022 merged with ZIMPOST

³ Zimbabwe Electoral Commission - the commission used to prepare both IFRS and Appropriation financial statements. Starting 2023 the Commission chose to report under Appropriation Accounts only and transitional accounts

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
93.	Sabi Gold Mine / Kimberworth Investments	✓	✓	✓	✓	✓	✓	✓	Mines and Mining Development
94.	Silo Foods Industries (Private) Limited	X	X	X	✓	✓	✓	✓	Agriculture
95.	Sunway City (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Infrastructure Development
96.	Technological and Commercial Information Promotion Systems (TIPS)	✓	✓	✓	✓	The operations were being accounted for under SIRDC			Information Communication Technology and Courier Services
97.	Telone (Private) Limited	✓	✓	✓	✓	✓	✓	✓	Telecommunications
98.	Transmedia Corporation	✓	✓	✓	✓	✓	✓	✓	Information, Publicity and Broadcasting Services
99.	Urban Development Corporation (UDCORP)	✓	✓	✓	✓	✓	✓	✓	Infrastructure Development
100.	Verify Engineering (Private) Limited	X	X	✓	✓	✓	✓	✓	Industry and commerce
101.	Willowvale Mazda Motor Industries	✓	✓	✓	✓	✓	✓	✓	Industry and commerce
102.	Woodlands Farm (Private) Limited	-	⁶	✓	✓	The Company started operations in 2022			Agriculture
103.	ZESA Enterprises (Private) Limited (ZENT)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
104.	ZESA Holdings	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
105.	Zimbabwe Academic and Research Network (ZARNET)	✓	✓	✓	✓	✓	✓	✓	Information Communication

⁶ This entity is JV from 2024.

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
									Technology and Courier Services
106.	Zimbabwe Broadcasting Corporation (ZBC)	✓	✓	✓	✓	✓	✓	✓	Information, Publicity and Broadcasting Services
107.	Zimbabwe Consolidated Diamond Company (ZCDC)	✓	✓	✓	✓	✓	✓	✓	Mining and Mining Development
108.	Zimbabwe Electricity Transmission and Distribution Company (ZETDC)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
109.	Zimbabwe Iron and Steel Company*	x	x	x	x	x	x	x	Industry and Commerce
110.	Zimbabwe Mining Development Corporation (ZMDC)	✓	✓	✓	✓	✓	✓	✓	Mining and Mining Development
111.	Zimbabwe Phosphate Industries Limited	✓							
112.	Zimbabwe Posts (Private) Limited (ZIMPOST)	✓	✓	✓	✓	✓	✓	✓	Information Communication Technology and Courier Services
113.	Zimbabwe Power Company (ZPC)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
114.	Zimbabwe Technological Solutions (Private) Limited	✓	-	-	-	-	-	-	Research and Development
115.	Zimbabwe United Passenger Company (ZUPCO)	x	x	✓	✓	✓	✓	✓	Transport
	COUNCILS								

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
116.	Agricultural Research Council of Zimbabwe	X	X	✓	✓	✓	✓	✓	Agriculture
117.	Allied Health Practitioners Council (AHPZ)	X	✓	✓	✓	✓	✓	✓	Health and Child care
118.	Consumer Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Industry and Commerce
119.	Council of Social Works	X	X	X	-	-	-	-	
120.	Environmental Health Practitioners Council of Zimbabwe	X	✓	✓	✓	✓	✓	✓	Health and Child care
121.	Food and Nutrition Council	✓	✓	✓	✓	The operations were being accounted for under SIRDC			Agriculture
122.	Medical and Dental Practitioners Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Health and Child care
123.	Medical Laboratory and Clinical Scientists Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Health and Child care
124.	Medical Rehabilitation Practitioners Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Health and Child care
125.	National AIDS Council of Zimbabwe (NAC)	✓	✓	✓	✓	✓	✓	✓	Health and Child care
126.	National Arts Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Sports, Arts and Culture
127.	Nurses Council of Zimbabwe	X	X	✓	✓	✓	✓	✓	Health and Child care
128.	Pharmacists Council of Zimbabwe	X	✓	✓	✓	✓	✓	✓	Health and Child care
129.	Research Council of Zimbabwe (RCZ)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
130.	Traditional Medical Practitioners Council	✓	✓	✓	✓	Started to submit in 2022			Health and child care
131.	Traffic Safety Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Transport and Infrastructure Development
132.	Valuers Council of Zimbabwe	✓	✓	✓	✓	✓	✓	✓	Regulator - valuers
133.	Zimbabwe Council for Higher Education (ZIMCHE)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
134.	Zimbabwe National Family Planning Council (ZNFPC)	✓	✓	✓	✓	✓	✓	✓	Health and Child care

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
135.	Zimbabwe Schools Examination Council (ZIMSEC)	✓	✓	✓	✓	✓	✓	✓	Education
136.	Zimbabwe Youth Council (ZYC)	✓	✓	✓	✓	✓	✓	✓	Youth and Empowerment
	FINANCIAL INSTITUTIONS								
137.	AFC Commercial Bank	✓	✓	✓	✓	✓	✓	✓	Financial services
138.	AFC Land and Development bank	✓	✓	✓	✓	The Company started operations in 2022			Financial services
139.	EmpowerBank Limited	✓	✓	✓	✓	✓	✓	✓	Financial services
140.	Infrastructure Development Bank of Zimbabwe (IDBZ)	✓	✓	✓	✓	✓	✓	✓	Financial services
141.	Lenderspark Finance (Private) Limited	✓	✓	The microfinance started operations in 2024					Financial services
142.	National Building Society (NBS)	✓	✓	✓	✓	✓	✓	✓	Financial services
143.	People’s Own Savings Bank (POSB)	✓	✓	✓	✓	✓	✓	✓	Financial services
144.	Small and Medium Enterprise Development Corporation (SMEDCO)	✓	✓	✓	✓	✓	✓	✓	Financial services
145.	Zimbabwe Women Microfinance Bank (ZWMB)	✓	✓	✓	✓	✓	✓	✓	Financial services
	FUNDS								
146.	Agricultural Marketing Fund (AMF)	✓	✓	✓	✓	✓	✓	✓	Agriculture

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
147.	Aviation Infrastructure Development Fund (AIDF)	X	✓	✓	✓	✓	✓	✓	Transport and Infrastructure Development
148.	Broadcasting Authority Fund	x	x	x	x	x	-	-	
149.	Investor Protection Fund	✓	✓	✓	✓	✓	✓	✓	Insurance and Pensions
150.	Lake Kariba Fisheries Research Institute	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
151.	Rhodes Matopos Estate Fund	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
152.	Rhodes Nyanga Estate Fund	✓	✓	✓	✓	✓	✓	✓	Environment, water and climate
153.	Rural Electrification Fund (REF)	✓	✓	✓	✓	✓	✓	✓	Energy and Power Development
154.	State Lotteries Fund	✓	✓	✓	✓	✓	✓	✓	Sports, Arts and culture
155.	Universal Services Fund (USF)	✓	✓	✓	✓	✓	✓	✓	Telecommunication
156.	Zimbabwe Manpower Development Fund (ZIMDEF)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
157.	Zimbabwe Tourism Fund	X	✓	✓	✓	✓	✓	✓	Tourism and Hospitality

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
158.	ZINARA Road Fund	✓	-	-	-	-	-	-	Transport and Infrastructure Development
	HOSPITALS								
159.	Chitungwiza Central Hospital	X	X	X	✓	✓	✓	✓	Health and child care
160.	Ingutsheni Central Hospital	X	X	✓	✓	✓	✓	✓	Health and child care
161.	Mpilo Central Hospital	X	✓	✓	✓	✓	✓	✓	Health and child care
162.	Parirenyatwa Group of Hospitals	✓	✓	✓	✓	✓	✓	✓	Health and child care
163.	Sally Mugabe Central Hospital	X	✓	✓	✓	✓	✓	✓	Health and child care
164.	United Bulawayo Hospitals (UBH)	✓	✓	✓	✓	✓	✓	✓	Health and child care
	UNIVERSITIES AND TERTIARY INSTITUTIONS								
165.	Bindura University of Science Education	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
166.	Chinhoyi University of Technology	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
167.	Chinhoyi University Hotel Trust	✓	✓	✓	✓	The Trust started to report independently 2022			Higher and Tertiary Education
168.	Great Zimbabwe University (GZU)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
169.	Gwanda State University (GSU)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
170.	Harare Institute of Technology (HIT)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
171.	Lupane State University (LSU)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
172.	Management Training Bureau (MTB)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
173.	Manicaland State University of Applied Sciences (MSUAS)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
174.	Marondera University of Agricultural Sciences and Technology	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
175.	Midlands State University (MSU)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
176.	National University of Science and Technology (NUST)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
177.	School of Hospitality and Tourism (SCHOTO)	X	X	X	X	✓	✓	✓	Higher and Tertiary Education

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
178.	University of Zimbabwe (UZ)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
179.	University of Zimbabwe Specific Funds	✓	✓	✓	✓	The Specific Fund started to report independently 2022			Higher and Tertiary Education
180.	Zimbabwe Centre for High Performance and Computing (ZCHPC)	X	X	✓	✓	✓	✓	The company started operations in 2020	Higher and Tertiary Education
181.	Zimbabwe Foreign Services Institute (ZFSI)	✓	✓	✓	The Institute started to report independently 2023				Higher and Tertiary Education
182.	Zimbabwe Institute of Public Administration and Management (ZIPAM)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
183.	Zimbabwe National Defense University (ZNDU)	X	X	✓	✓	✓	✓	✓	Defence
184.	Zimbabwe Open University (ZOU)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
185.	Zimbabwe School of Mines (ZSM)	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
	TEACHERS’ COLLEGES AND POLYTECHNICS								
186.	Belvedere Teachers College	X	-	-	-				Higher and Tertiary Education
187.	Bulawayo Polytechnic	X	-	-	-				Higher and Tertiary Education
188.	Gweru Polytechnic	X	-	-	-				Higher and Tertiary Education
189.	Harare Polytechnic	✓	-	-	-				Higher and Tertiary Education
190.	Hillside Teachers College	X	-	-	-				Higher and Tertiary Education
191.	Hwange Teacher’s College	X	-	-	-				Higher and Tertiary Education
192.	Joshua Mqabuko Nkomo Polytechnic	✓	-	-	-				Higher and Tertiary Education
193.	Kushinga Phikelela Polytechnic	X	-	-	-				Higher and Tertiary Education
194.	Kwekwe Polytechnic	✓	-	-	-				Higher and Tertiary Education
195.	Madziwa Teachers College	✓	-	-	-				Higher and Tertiary Education

	ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31								
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
196.	Marymount Teachers College	X	-	-	-				Higher and Tertiary Education
197.	Masvingo Polytechnic	✓	-	-	-				Higher and Tertiary Education
198.	Masvingo Teacher’s College	X	-	-	-				Higher and Tertiary Education
199.	Mkoba Teachers	✓	-	-	-				Higher and Tertiary Education
200.	Morgan’s Zintec College	✓	-	-	-				Higher and Tertiary Education
201.	Msasa Industrial Training College	X	-	-	-				Higher and Tertiary Education
202.	Mutare Polytechnic	✓	-	-	-				Higher and Tertiary Education
203.	Mutare Teachers College	✓	-	-	-				Higher and Tertiary Education
204.	Seke Teachers College	✓	-	-	-				Higher and Tertiary Education
205.	United College of Education	✓	-	-	-				Higher and Tertiary Education
206.	Westgate Industrial Training Centre	✓	-	-	-				Higher and Tertiary Education

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
	OTHERS								
207.	Bindura University of Science Education Farm Trust	✓	✓	✓	The Trust started to be report independently 2023				Agriculture
208.	Centre for Education Innovation Research and Development	✓	✓	The Centre started operations in 2024					Higher and Tertiary Education
209.	Chinhoyi University Farm Trust	✓	✓	✓	✓	The Trust started to report independently 2022			Higher and Tertiary Education
210.	Marondera University Farm Trust	✓	-	-	-	-	-	-	
211.	National Economic Consultative Forum (NECF)	✓	✓	✓	✓	✓	✓	✓	
212.	National Gallery of Zimbabwe	x	✓	✓	✓	✓	✓	✓	Sports, Arts and Culture
213.	National Handicraft Centre (NHC)	✓	x	x	x	✓	✓	✓	Arts and Culture
214.	National Libraries and Documentation Services	-	N/A ⁷		x	x	x	x	Education
215.	National Museums and Monuments of Zimbabwe	x	✓	✓	✓	✓	✓	✓	Cultural heritage
216.	Scientific and Industrial Research Development Centre	✓	✓	✓	✓	✓	✓	✓	Higher and Tertiary Education
217.	Tripartite Negotiating Forum (TNF)	✓	✓	✓	The Forum started operations in 2023				

⁷ National Library and Documentation of Zimbabwe became a department under Ministry of Primary and Secondary Education

ANNEXTURE “E”: OVERALL STATUS IN TERMS OF SUBMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31									
	PUBLIC ENTITY	2025	2024	2023	2022	2021	2020	2019	Sector / Industry
218.	University of Zimbabwe Farm Trust	✓	✓	✓	✓	The Trust started to report independently 2022			Higher and Tertiary Education

ANNEXURE “F”: UNDELIVERED GOODS

	Public entity	Description of goods	Quantity	Amount	Comment 2024	Update 2025
1.	Chinhoyi University of Technology	Procurement of generators	2 generators	ZAR51 853		Not delivered. The issue is still with the courts.
2.	CMED (Private) Limited	Purchase of roller drums	3 roller drums	USD358 083	Delivered 2 rollers and one refunded leaving a balance USD28 000	Outstanding balance is USD8 000.
		Purchase of motor vehicles	23 vehicles	USD1 118 163		5 vehicles delivered.
3.	Lupane State University	Purchase of heifers	8 heifers	ZWL\$7.69 million		5 heifers were not delivered. Subsequent to year end, the supplier has made an undertaking to deliver these on or before the 10 th of June 2026.
4.	Print flow (Private) Limited	Printing services for 80 000 highway codes	80 000 highway codes	ZWL\$6.49 million	Recovered ZWL\$3.6 million (ZWL\$2.8 million outstanding).	80 000 highway codes were delivered.
		Purchase of digital spine tapping machine	1 digital spine tapping machine	ZWL\$16.4 million (equivalent USD18 422)	Recovered USD13 683.06 (USD4 478.94 outstanding).	The debt USD4 478.94 was cleared by means of a set off against the supplier's stock held by the Company as repayment.
5.	Scientific Industrial Research and Development Centre	Procurement of carbon incubator	1 carbon incubator	USD63 755	Supplier delivered incorrect specification.	Carbon dioxide incubator with correct specifications was delivered.
		Purchase of desks and laptops	15 desks 3 laptops		One desk delivered (14 outstanding).	4 Desks have not been delivered. The matter is now before the Courts. All laptops were delivered.

	Public entity	Description of goods	Quantity	Amount	Comment 2024	Update 2025
					One laptop delivered (2 outstanding)	
6.	Small and Medium Enterprises Development Corporation	Toyota fortuner	Non-delivery	ZWL\$41 million (equivalent USD59 900)		Not yet delivered. Matter is with the sheriff of the High Court.
7.	Tobacco Industry Marketing Board	Staff bus	1 bus	USD50 500	USD10 000 recovered and USD40 500 outstanding	Bus not yet delivered
8.	University of Zimbabwe Farm Trust	Innovation hub chairs	350 chairs	ZAR1.42 million (equivalent USD 97 346) & USD107 339		The Supplier is based in SA and is under liquidation. Further legal proceedings will be instituted to register the UZ claim with the liquidators and recover the amounts paid.
9.	Zimbabwe Council of Higher Education	Motor vehicle	7 vehicles (5 Toyota Hilux and 2 Toyota GD6)	ZWL\$60.6 million		Not yet delivered. Issue is being finalised through the courts.
10.	Zimbabwe Manpower Development Fund	Procurement of motor vehicles	Eight (8) vehicles	ZWL\$22.9 million	4 delivered (4 outstanding)	4 vehicles not yet delivered.
11.	Zimbabwe Media Commission	Procurement of vehicles	9 vehicles (7 Toyota Hilux & 2 Fortuners)	ZWL\$205.5 million	3 vehicles outstanding	3 vehicles still outstanding.

	Public entity	Description of goods	Quantity	Amount	Comment 2024	Update 2025
12.	Zimbabwe Power Company	Procurement of various items	- Transformers X 2 - Ground resister x 2, - Turbine hole cranes	USD1.4 million		The supplier for the two Transformers and refurbishment of turbine hall cranes refunded the advance paid. Ground resister x 2, Not delivered.
13.	Zimbabwe Revenue Authority	Procurement of vehicles	85 motor vehicles (50 Corolla vehicles and 35 Toyota Hilux double cab vehicles)	ZWL\$209 million	8 vehicles worth US\$303 200 delivered (42 pending). 15 delivered (20 double cabs not delivered)	Outstanding vehicles not yet delivered and the matter is with the Courts.
14.	Zimbabwe Statistical Agency	Procurement of furniture	furniture	ZWL\$7 million		Furniture was delivered in January 2025.
15.	Zimbabwe Anti-Corruption Commission	Procurement of vehicles	10 motor vehicles for USD 345 918	USD 345 918	Five vehicles were not delivered and the issues is under litigation	Five vehicles not delivered and the case is under litigation.
